**PART 3 THE MONEY MATRIX: Education (1892-1914)**

by Sue Peters

“When a commercial bank makes a loan contract with a borrower, the bank CREATES the deposit in the borrower’s account.” This is the “money power.” Have you repeated this fact 15,000 times yet? Banks CREATE what we use as money!

Those who control this ‘money power,’ have slowly changed the education of our children. This article will be the first of three on “The Money Matrix and Education” to trace the change chronologically from 1892 to today.

The financial powers such as Rockefeller and Carnegie, through such legal vehicles as tax-exempt foundations, would slowly redefine American education. The goal? Control our society by controlling American education.

**THE NATURE OF THE HUMAN AND EDUCATION**

Back then, education was understood to mean “the drawing out of a person’s innate talents and abilities by imparting the knowledge of languages, scientific reasoning, history, literature, rhetoric, etc.”(1) The true nature of humans was (and is) the uniqueness of the individual, represented by their unique life experiences. Humans seek to grow through creativity, satisfaction of genuine needs, feelings of curiosity, etc.

Contrast the above definition of humanness with the “new, dehumanizing definition used by the experimental psychologists” and slowly implemented into American education by the Rockefeller and Carnegie foundations.

Learning is the result of modifiability in the paths of neural conduction…The situation-response formula is adequate to cover learning of any sort…the individual will learn to respond to any given stimulus, with the “correct’ response…(2)

A human is a stimulus-response mechanism – that’s all.

**1892 REMOVING UNDERSTANDING OF THE MONEY SYSTEM**

The Working Men’s party of New York, formed in 1829, published: “That more than one hundred broken banks within a few years admonish the community to destroy banks altogether.”(3) Lincoln’s Congress issued Greenbacks in the Civil War and led to more debate of the money question: who was to issue the nation’s money – the Congress or the private banks? Numerous third parties supported government issued money, such as the Greenback Party and Populist Party.

In 1892, the National Education Association (NEA) held conferences to decide what subjects should be taught in the increasing number of public secondary schools. The conference on ‘History, Civil Government, and Political Economy’ resolved unanimously the following, which was accepted by the NEA:

*Resolved*, That formal instruction in political economy be omitted from the school program(4)

The proposal was presented by Professor Woodrow Wilson of Princeton University. Wilson went on to become U.S. President and sign the Federal Reserve Bill, showing how ignorant (or manipulable) he himself was about the monetary system.

As Edward Krug wrote in 1964: “This explains why public high schools in the United States raised generations of students who know and think nothing about money and monetary systems.”(5)

**1895-1904 THE ‘CORPORATE TRUSTS’**

When McKinley took office…the middle class looked on impotently while factories, railroads, gas and electric plants, street railway lines, telephone systems and mines were converted from a state of individual or mere corporate ownership into the trust form, owned by great single corporations...(6)

The amalgamations were helped, and in some cases instigated, by Wall Street investment banks…(7)

The investment banks worked together in syndicates (networks) offering stocks and bonds on the exchanges. They bought the securities from the corporations at a low price, paying with bankmoney CREATED easily and cheaply from the banks they controlled. Then they sold these financial securities at a higher price, pocketing the profits between the syndicate members.

The companies and individuals comprising this network were primarily agents of the Morgan and Rockefeller banking empires…(8)

**CREATION OF TAX-EXEMPT FOUNDATIONS**

The massing of so much control and wealth by these financial oligarchs was challenged by the plans for a federal income tax – finally, passed by Congress in 1913. The oligarchs’ solution was the creation of tax-exempt ‘charitable’ foundations, with no end to their corporate existence. Using these funds, the oligarchs could ensure permanent control of the society, such as permanent ‘charitable’ control over educational policies.

Throughout the 20th century, there have been Congressional investigations highly critical of these tax-exempt foundations, but no solution of how to control them has ever been accepted. In 2010, a master’s thesis by Ryan Kapchinsky ended with these words: “This preservation of their wealth and power has enabled these families to become a ruling plutocracy within society.”(9)

In the first years of the 20th century, three private foundations were given charters by Congress, granting a self-perpetuating board of trustees and exemption from federal taxation:

1903 Rockefeller’s General Education Board – “the promotion of education within the United States of America”

1904 Carnegie Institute of Washington – “to encourage, in the broadest and most liberal manner, investigation,

research, and discovery, and the application of knowledge to the improvement of mankind”

1906 Carnegie Foundation for the Advancement of Teaching – “do and perform all things necessary to

encourage, uphold, and dignify the profession of the teacher and the cause of higher education”

Rockefeller Foundation was not successful in seeking a federal charter, due to increasing hostility from Congress, but got a New York State charter in 1913.

1913 Rockefeller Foundation – “to promote the well-being of mankind throughout the world”

*Next Month’s Newsletter* - Money Matrix: Education (1914-1954)

SOURCES:

(1) *The New Century Dictionary of the English Language.* Appleton, Century, Crofts: New York, 1927, as referenced in *The Deliberate Dumbing Down of America: A Chronological Paper Trail* by Charlotte Thomson Iserbyt. Conscience Press: Ravenna, Ohio, 1999, p. 1.

(2) Paolo Lionni and Lance J. Klass: *The Leipzig Connection: The Systematic Destruction of American Education* (Heron Books: Portland , Ore., 1980) as referenced in *The Deliberate Dumbing Down of America: A Chronological Paper Trail* by Charlotte Thomson Iserbyt. Conscience Press: Ravenna, Ohio, 1999, p. 1.

(3) Cone, Martin. "Labor in national politics since 1871." PhD (Doctor of Philosophy) thesis, State University of Iowa, 1921. <https://doi.org/10.17077/etd.moxossc7>

(4) REPORT OF THE COMMITTEE OF TEN ON SECONDARY SCHOOL STUDIES: With the Reports of the Conferences Arranged by the Committee. The American Book Company, for the National Educational Association: 1894, p. 162.

(5) Krug, Edward A. “The Shaping of the American High School: 1880-1920.” NY, Harper & Row, 1964.

(6) Myers, Gustavus. *History of the Great American Fortunes: Volume III*. Honolulu, Hawaii: University Press of the Pacific, reprinted from the 1910 edition, p. 229

(7) Geisst, Charles R. *Wall Street: A History*. Oxford: Oxford University Press, 1997, p. 18

(8) <https://publicintelligence.net/pujo-committee-money-trust-wall-street-banking-cartel-investigation-1912-1913/>

(9) Kapchinsky, Ryan James. *TAX-EXEMPT FOUNDATIONS AND THEIR INFLUENCE WITHIN SOCIETY.* The University of British Columbia*,* 2010. Master of Arts Thesis.