Banking by John Hoefle

The City of London

The city within a city is a medieval place, and the evil center of the British Empire.

In terms of evil per square mile, it would be difficult to find any place on Earth worse than the City of London. By the City, we mean not metropolitan London, but that ancient Venetian parasite which sits at its medieval core, the self-governing enclave known as "the City" or "the Square Mile."

The City has its own ruling body, the City of London Corporation, with its own Lord Mayor, aldermen, council, and police force. To be a member of the Court of Common Council, the primary decision-making assembly, one has to be either a British subject or a citizen of one of the European Union countries, and be a "Freeman of the City of London." Freeman is a medieval term which means that an individual is not the property of a feudal lord, and the City is a "free city" only in the sense that it is independent of the dominion of the landed aristocracy.

Modern Britain, if you'll pardon the term, is the result of an alliance between the Venetian rentier-financier oligarchy and the Norman landed aristocracy. The landed aristocracy made its money by owning the land and everything on it, including the peasants, while the Venetians made their money through trade and its financing. Both systems depended upon monopolies, of either land or trade, and through exploitation of the "commoners." While Britain remains a feudal state, with the ruling class owning vast tracts of land, the City was and remains the province of the Venetian financiers, a city controlled by the money men who, more than the landed aristocracy, are the

black heart of the British Empire.

The structure of the City is freemasonic, a power structure based upon ritualistic institutions such as the livery companies—the successors to the ancient craft guilds—with names like The Worshipful Company of Mercers and The Worshipful Company of Fishmongers—and the noble and chivalric orders—the knights and such—which serve to indoctrinate young men in the fetishes of the City, and thus ensure the survival of the financier ideology.

The financial side of the City historically revolved around the merchant banks-Barings, Coutts, Kleinwort Benson, Warburgs, Schroders, and Rothschild, among the more recognizable names-and around insurance institutions such as Lloyds of London and banks like Barclays and the Royal Bank of Scotland. Behind them all was the dope-pushing, slavetrading British East India Company, the financier-trading company which spawned the British Empire and the power of the City. The power of the City was based upon the ability of the empire to dominate both the trade in goods and the financing of that trade, across the globe.

A good example of how this worked was the cotton-opium-tea trade. The Brits would take cotton grown by slaves on the plantations of the Old South in the U.S., turn that cotton into textile products in sweatshops in England, then sell some of those textiles in the Crown Colony of India, in exchange for opium, which they would then sell to the Chinese for tea, so that the Lords and Ladies of the

Empire could enjoy their tea and crumpets, and cluck about the difficulties of running the world. When the Chinese complained about this arrangement, the Brutish Empire forced the opium on China at the point of a gun, all in the name of defending the lifestyle of the "free men" of the City.

The structure of the City changed dramatically with the "Big Bang" in 1986, as the financiers who run it broke up the clubby, inbred system and opened the doors, in preparation for the frenzy of globalization which followed. During the 1990s, London became the center of the global derivatives market, the place where U.S., European, and other banks did things they would not do at home. Most of the old-line British merchant banks were sold off to better capitalized partners: S.G. Warburg to Swiss Bank Corp.; Kleinwort Benson to Dresdner Bank; Hambros to Société Générale; and Schroders to Citigroup, to name a few, as the insular little club transformed itself into the center of global speculation, aided by its bevy of offshore banking centers.

Now the speculative bubble has popped, and the City is headed for another transition, as it adapts to remain on top of the pile. The new model is, as in the past, based upon corporate cartels which control the production and distribution of raw materials such as metals, minerals, and petrochemicals, the control of food supplies, and the privatization of roads, water supplies, and other essentials. These financiercontrolled cartels plan to use financial middlemen to jack prices up on these items, along the lines of what Enron did to electricity rates in California and the oil companies are doing to gas prices today. These "market" prices will be set high enough to make money, while ensuring that a portion of the population cannot afford them, and will die.

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