

# Demonetization: The Sinister Agenda Behind Washington's "War On Cash"

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*It's kinda sneaking up on us like an East Texas copperhead pit viper. It began to get some wide attention in 2016, with prominent economists and financial media suddenly talking about the wonderful benefits of a "cashless society." Then the government of Narendra Modi completely surprised his citizens by suddenly announcing withdrawal of larger denomination currency notes from circulation, forcing Indians to put their cash into banks or lose it. Now, everywhere we turn, it seems, someone is arguing the Nirvana benefits of a cashless, "digital" money world. It reminds me in an eerie way of a statement attributed to then US Secretary of State, Henry Kissinger in the 1970's. He reportedly stated, "If you control oil, you control entire nations; if you control food, you control the people; if you control money, you control the entire world." Consider the following in this regard.*

## **Modi and a USAID 'Catalyst'**

On November 8, 2016 in a surprise televised address, Indian Prime Minister Narendra Modi announced that, within a deadline of days, all Indian currency notes of 500 and 1,000 Rupees must be put in a bank account and exchanged for smaller denomination notes. At today's exchange rate 1,000 Rs is roughly equal to \$15. This would perhaps be equivalent to the US Treasury outlawing all cash notes larger than a \$10 bill.

Overnight, Modi's government de facto outlawed an estimated 86 percent of all cash in circulation by value. People had 50 days to hand in the notes or they become worthless. Yet the government, despite stating it would issue new, more secure 500Rs and 1000Rs bills, had nowhere near the equivalent value of new notes ready for replacement. They say it may take up to a year to print enough, which means confiscation, de facto. Faked opinion polls with slanted questions done only via smart phone apps of which only 17% of the population has access, claimed that "90% of Indians approve" the [demonetization](#).

Yet it's far worse. India is an underdeveloped country, the largest in the world in population terms with more than 1.3 billion people. By demanding Indians turn in all 500Rs and 1,000Rs bills to banks, Modi is forcing major change in how Indians control their money in a country high on the corruption scale where few trust government let alone private banks, and prefer to deal strictly in cash or hoard gold for value. Nearly half the population, some 600 million Indians, do not hold a bank account and half of those, some 300 million Indians, lack a government identification, necessary to open an [account](#).

When he presented his shock announcement, Modi pitched it in terms of going after India's black economy. Soon he shifted gears and was praising the benefits of a "cash-less society" to enable Indians to enter the digital age, appealing to younger Indians, savvy in smart

phones and digital networks, to convince the older of the benefits of online banking and consuming. The drastic demonetization declaration was planned by Modi and five other inner-circle ministers in complete secrecy. Not even the banks were told before. The question is what is behind, or rather who is behind this drastic form of monetary shock therapy?

## **Beyond Cash**

The answer is as sinister as it is suggestive of a larger global agenda by what I call in one of my books the Wall Street “Gods of Money.” The Modi cash-less India operation is a project of the US National Security Council, US State Department and Office of the President administered through its US Agency for International Development ([USAID](#)). Little surprise, then, that the US State Department spokesman, Mark Toner in a December 1, 2016 press briefing praised the Modi demonetization move stating, “...this was, we believe, an important and necessary step to crack down on illegal actions...a necessary one to address the [corruption](#).”

Keep in mind that USAID today has little to do with aiding poorer countries. By law it must follow the foreign policy agenda of the President’s National Security Council and State Department. It’s widely known as a conduit for CIA money to execute their dirty agendas abroad in places such as Georgia. Notably, the present head of the USAID, Gayle Smith, came to head USAID from her post as Senior Director at the [US National Security Council](#).

German economist and blogger, Norbert Haering, in an extensive, well-documented investigation into the background of the bizarre Modi move to a cash-less India, found not only USAID as the key financial source of the project. He also uncovered a snake-pit of organizational vipers being funded by USAID to design and implement the India shock therapy.

USAID negotiated a co-operation with the Modi Indian Ministry of Finance. In October, 2016 in a press release USAID announced it had created and funded something it named Project Catalyst. The title of their report was, “Catalyst: Inclusive Cashless Payment Partnership.” Its stated goal it said was to bring about a “quantum leap” in cashless payment in India.

They certainly did that. Maybe two quantum leaps and some.

If we dig a bit deeper we find that in January, 2016, USAID presented the Indian Finance Ministry a report titled, Beyond Cash: Why India loves cash and why that matters for financial [inclusion](#). Financial “inclusion” for them means getting all Indians into the digital banking system where their every payment can be electronically tracked and given to the tax authorities or to whomever the government sees fit.

Astonishingly, the report, prepared for USAID by something called the Global Innovation Exchange, admitted that “97% of retail transactions in India are conducted in cash or check; Few consumers use digital payments. Only 11% used debit cards for payments last year. Only 6% of Indian merchants accept digital payments...Only 29 percent of bank accounts in India have been used in the last three [months](#).” The US and Indian governments knew very well what shock they were detonating in India.

The Global Innovation Exchange includes such dubious member organizations as the Bill & Melinda Gates Foundation, a major donor to the Modi war on cash initiative of USAID. It also

includes USAID itself, several UN agencies including UNICEF, UNDP, UNHCR. And it includes the US Department of Commerce and a spooky Maclean, Virginia military contractor called MITRE Corporation whose chairman is former CIA Director, James Rodney Schlesinger, a close associate of [Henry Kissinger](#).

The USAID Project Catalyst in partnership with the Indian Finance Ministry was done, according to the USAID press statement, with a sinister-sounding organization called CashlessCatalyst.org. Among the 35 members of CashlessCatalyst.org are USAID, Bill & Melinda Gates Foundation, VISA, MasterCard, Omidyar Network of eBay billionaire founder Pierre Omidyar, the World Economic Forum-center of the globalization annual Alpine [meetings](#).

## **War on Cash**

However, a most interesting member of the USAID Project Catalyst together with the Indian Ministry of Finance is something called Better Than Cash Alliance. In point of fact the US-government-finance Project Catalyst grew out of a longer cooperation between USAID, the Washington-based Better Than Cash Alliance and the Indian Ministry of Finance. It appears to be the core public driver pushing the agenda of the global "[war on cash](#)."

India and the reckless (or corrupt) Modi government implementing the USAID-Better Than Cash Alliance agenda is clearly serving as a guinea pig in a mass social experiment about how to push the cash war in other countries. The Better Than Cash Alliance is described by the UNCDF, which is its Secretariat, as "a US \$38 million global alliance of governments, private sector and development organizations committed to accelerating the shift from cash to electronic [payments](#)."

The Better Than Cash Alliance website announces that the alliance, created in 2012, is a "partnership of governments, companies, and international organizations that accelerates the transition from cash to digital payments in order to reduce poverty and drive inclusive growth." It's housed at the UN Capital Development Fund (UNCDF) in New York whose major donors, in turn, surprise, surprise, are the Bill & Melinda Gates Foundation and MasterCard Foundation. Among the Better Than Cash Alliance's 50 members are, in addition to the Gates Foundation, Citi Foundation (Citigroup), Ford Foundation, MasterCard, Omidyar Network, United States Agency for International Development, and Visa Inc.

Recently the European Central Bank, which has held negative interest rates for more than a year, allegedly to stimulate growth in the Eurozone amid the long-duration banking and economic crisis of almost nine years, announced that it will stop printing the €500 note. They claim it's connected with money laundering and terror financing, though it ominously echoes the Modi India war on cash. Former US Treasury Secretary Larry Summers, whose shady role in the 1990's rape of Russia through his Harvard cronies has been documented elsewhere, is calling for eliminating the US \$100 bill. These are first steps to future bolder moves to the desired Cash-less society of Gates, Citigroup, Visa et al.

## **US Dual Standard: Follow the money...**

The move to a purely digital money system would be Big Brother on steroids. It would allow the relevant governments to monitor our every money move with a digital trail, to confiscate deposits in what now are legal bank "bail-ins" as was done in Cyprus in 2013. If central banks move interest rates into negative, something the Bank of Japan and ECB in

Frankfurt are already doing, citizens have no choice than to spend the bank money or lose. It is hailed as a way to end tax avoidance but it is far, far more sinister.

As Norbert Haering notes, “the status of the dollar as the world’s currency of reference and the dominance of US companies in international finance provide the US government with tremendous power over all participants in the formal non-cash financial system. It can make everybody conform to American law rather than to their local or international rules.” He adds, referring to the recent US Government demand that Germany’s largest bank, Deutsche Bank pay an astonishing and unprecedented \$14 billion fine, “Every internationally active bank can be blackmailed by the US government into following their orders, since revoking their license to do business in the US or in dollar basically amounts to shutting them down.”

We should add to this “benevolent concern” of the US Government to stimulate a War on Cash in India and elsewhere the fact that while Washington has been the most aggressive demanding that banks in other countries enact measures for full disclosure of details of Swiss or Panama or other “offshore” secret account holders or US nationals holding money in foreign banks, the USA itself has scrupulously avoided demanding the same of its domestic banks. The result, as Bloomberg noted following the suspiciously-timed Panama Papers offshore “leaks” of May, 2016, is that the United States is rapidly becoming the world’s leading tax and secrecy haven for rich [foreigners](#).

Perversely enough, in 2010 the US passed a law, the Foreign Account Tax Compliance Act, or FACTA, that requires financial firms to disclose foreign accounts held by US citizens and report them to the US IRS tax office or the foreign banks face steep penalties. The EU signed on to the intrusive FACTA despite strong resistance. Then, using FACTA as the model, the Paris-based OECD drafted an even tougher version of FACTA in 2014 to allegedly go after tax avoiders. To date 97 countries have agreed to the tough OECD bank disclosure rules. Very few have refused. The refusers include Bahrain, Nauru, Vanuatu—and...the [United States](#).

### **World’s Biggest Tax Haven**

You don’t have to be a rocket scientist, a financial wizard or a Meyer Lansky to see a pattern. Washington forces disclosure of secret bank accounts of its citizens or companies abroad, while at the same time lifting control or disclosure inside the United States of private banking accounts. No surprise that such experienced private bankers as London’s Rothschild & Co. have opened offices in Reno Nevada a stone’s throw from Harrah’s and other casinos, and according to Bloomberg, is doing a booming business moving the fortunes of wealthy foreign clients out of offshore havens such as Bermuda, or Switzerland which are subject to the new OECD international disclosure requirements, into Rothschild-run trusts in Nevada, which are exempt from those disclosure rules.

Rothschild & Co. Director, Andrew Penney noted that as a result, the United States today, “is effectively the biggest tax haven in the [world](#).” Today Nevada, Meyer Lansky’s money laundering project of the 1930’s with established legalized gambling, is becoming the “new Switzerland.” Wyoming and South Dakota are close on the heels.

One area where America’s institutions are still world class is in devising complex instruments of financial control, asset theft and cyber warfare. The US War on Cash, combined with the US Treasury and IRS war on offshore banking is their latest model. As

Washington's War on Terror had a sinister, hidden agenda, so too does Washington's War on Cash. It's something to be avoided at all costs if we human beings are to retain any vestige of sovereignty or autonomy. It will be interesting to see how vigorously Casino mogul Trump moves to close the US tax haven status. What do you bet he doesn't?

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