



ON LETTING JUSTICE ROLL DOWN...

Introducing an Honest Gold Standard for Africa

SWANSAT's proposed partnership with
Global Settlement Foundation to
produce the AUric™ gold standard
will stabilize the economy of both the
African Union and its member states

By William P. Welty, Ph.D.
for the Global Settlement Foundation



The AUric™ standard was first proposed as part of the SWANSAT System's goal to implement a modern Marshall Plan for the African Union. Our intention

was to equip the African Union to take its rightful place as a leader in returning the world to an honest form of money—gold and silver. Our AUric™ gold standard will make this happen.

As an economic harvest begins to be reaped in the coming years, we believe the African Union will be enabled to attract, generate, and retain wealth. In this article, we'll address how all of this can come about with immediate effect, even though SWANSat won't launch until mid-2014....

An Invitation to Shape the Future of the African Union

SWANSAT recently invited the African Union to utilize its substantial network of contacts within the international Sovereign Wealth Fund community to arrange a private, high-level executive briefing. The briefing was to be attended by senior African Union Commission personnel, by SWANSAT executives, and by selected managers of the major SWF's that are doing business anywhere within the African Union. In return for



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that meeting and assisting SWANSAT to obtain the USD\$36 billion needed to fund its constellation of 14 high-powered telecommunications spacecraft, SWANSAT has offered to provide a minimum post-debt payoff return to the African Union in the amount of USD\$1 billion per month from SWANSAT revenues gained from its operations in G7 nations. SWANSAT has also offered to pay these revenue sharing funds in gold and silver, conditioned on all of us working together to craft the new real money AUric™ system for the African Union. Each AUric™ will represent a countable, deliverable, and measurable unit of account consisting of 0.1 gram by mass of 99.99% fine gold.

Introducing the AUric™

The AUric™ (symbol: ₪) will be deliverable in 1 Kilogram gold bars by weight with a face value of ₪10,000. The GSF System will implement cryptographically secure notes or Safe Keeping Receipts (SKR) issued against gold held in its vaults. The electronic SKR will charge a 2.5% storage fee annually to cover the costs of minting and circulating smaller AUric™ pieces. Storage fees will *discourage* hoarding and *encourage* depositors to circulate their deposits throughout the worldwide investment community.



Will the proposed AUric™ gold system incentivize the rest of the world to return to gold as its universal medium of exchange, thus bringing about global economic stability? Let's hope so...



The 400 AUric coin design dedicates its reverse coin face for use by African Union member states to highlight their specific contribution to the African Union. The outer band contains a cryptograph area that incorporates anti-counterfeiting safeguards. Above: the Republic of Zimbabwe, which has committed itself to embrace the AUric gold standard.



Above: a sample contribution for the Republic of Uganda, which has expressed interest in being the first African Union member state to grant landing rights to the SWANsat System and to endorse the AUric.



SWANsat Holdings, LLC, sponsors the proposed Super-Wide Area Network, a constellation of high-powered telecommunications satellites intended to provide very low cost Internet connectivity throughout the African Union. Wholesale prices to African-based providers are expected to average about USD\$2/month. Above: commemorative AUric design featuring the SWANsat logo.



WARNING: This graphic is a bald-faced lie. It creates the false impression that the Deutschmark, the Franc, the British Pound, the Dollar, and the Yen are gold-based. They aren't. These instruments are created as fiat money symbols with the full knowledge, consent, and cooperation of their issuing governments.

They'll also pay for attrition due to wear in circulation as well as for the vaulting, insurance and protection of the gold in the GSF system.

Transaction fees generated will be used to pay for a distributed secure payment and data processing system.

Details concerning the GSF System are contained in the *Note Verbale and Memorandum of Understanding* now pending joint signature by and between the African Union, Global Settlement Foundation and the SWANsat System.



The earliest records of human civilization demonstrate the esteem in which gold has been held as a medium of exchange for goods and services, as well as an expression of wealth, prosperity, and economic power of a successful nation. Throughout history, gold has held its purchasing power. In Roman times, for example, one ounce of gold bought a toga for a Senator to wear. Today, that same one ounce of gold will purchase an excellent business suit.

Nano-technology brings real gold content to the AUric™

The use of advanced nano-technology will ensure that even the smallest denomination of AUric™ in circulation will have at least 70% gold content by face value.

The elegantly simple act of impregnating AUric™ notes with 70% real gold content by face value means that counterfeits will be impossible without the counterfeiter matching the content of their counterfeit with 70% real gold. The difference between the face value and the gold content, less actual minting costs, will be stored in the GSF system.

Bearers of AUric™ coinage and currency may redeem their holdings for AUric™ bullion at any time in large-scale increments of 1.0 kilogram or 10.0 kilograms of 99.999% fine gold

Why the Global Settlement Foundation System (GSF)?

In order best to manage our proposed AUric™ gold standard, SWANSAT Holdings recently agreed to participate in Global Settlement Foundation (GSF), an independent, international non-profit organization that will provide finality of settlement for global trade and establishment of accountable units of gold.

GSF will establish a global free market and a cryptographically neutral, worldwide, and secure electronic marketplace where tokens that represent any property can be freely exchanged.

GSF will enable the physical and lawful processes that facilitate creation and movement of goods and services, thus also facilitating production and trade by the free market of real, tangible wealth.

Clearly identifiable and immediately observable, tangible benefits—including real wealth and investments—will flow to the African Union and to its member states.

Financial World War and the Need for Global Settlement

Unnoticed by most people, a financial world war has been ongoing for more than a century. In this war, the poorest countries of the earth, including its honest, hard-working citizens, have been among the most severely affected.

For several generations now, innocent men and women all over the world have borne the consequences of violation of the most fundamental principle of fair

dealings—the failure of financial institutions, governments, and others who wielded responsibility over their symbols of national wealth to observe inherently understood Natural Law, including recognized cultural prohibitions regarding theft of the property of another.

Natural Laws against theft and fraud have been ignored. Financial promises have been broken. Deceitful activity that artificially inflated created or destroyed currency in circulation was promoted as a magical panacea for economic woes.



Are currencies the world over heading to a fate similar to that of the Zimbabwe dollar (illustrated above, in better days)? The rampant inflation now seen in Zimbabwe, as illustrated by the \$100 billion note issued by that country's Federal Reserve (below), is a wake-up call to every nation that isn't basing its money on gold.





The simple illustration of a farmer selling one of his pumpkins to a customer demonstrates how easy it is to create the *appearance* of having settled a finished transaction without actually experiencing the reality of having done so.

And the value of currency was clandestinely and gradually undermined.

The key ingredient that has been stolen from the people of the world during this hidden financial world war is that certain, intangible, but necessary *finality of transaction settlement*.

By the term *finality of transaction settlement*, we're referring to the central component that determines that a trade of property between two persons is formally and permanently complete, ensuring that all obligations by both parties to the transaction have been fulfilled.

We're talking about the means to signify to both parties that irrevocable payment in full has occurred to the mutual satisfaction of *both* parties to the transaction.

Let's Take a Closer Look... an Illustration in 3-D

Let's illustrate what we mean when we claim that the stolen ingredient is the finality of transaction settlement. We'll assume that you are a farmer. We'll further assume that your autumn harvest of pumpkins is ready for sale to your customers. Here are three instances that describe possible transactions in which you can become engaged in order to sell your pumpkins to your customers:

- A customer offers you **AU**1 for a pumpkin. You accept the **AU**1 as payment in full for the transaction. You then place the gold in your pocket and hand over the pumpkin to the customer. What used to be your pumpkin now belongs to the customer.

- A customer offers you a \$1.00 bill for a pumpkin. You accept this Federal Reserve note, a printed piece of paper as payment in full for the transaction. You then place the piece of paper in your pocket and hand over the pumpkin to the customer.¹ What used to be your pumpkin now belongs to the customer.
- A buyer offers USD\$1.00 for a pumpkin and proffers his credit card. You accept the card, swipe it through an electronic point-of-sale terminal, and receive a "confirmation" of the transaction. You then place the transaction record into your cash register and hand over your pumpkin to the customer. What used to be your pumpkin now belongs to the customer.

Are these three transactions equivalent one to the other? Has finality of settlement been achieved in either case?

Transaction #1: Finalized!

In the first instance, you traded your property for the property of the buyer. Once the exchange is complete, no

¹ In this second illustration, we're employing the United States dollar as the medium of exchange. That's because the United States dollar isn't backed by gold. But then again, feel free to substitute the United States dollar in our illustration with *any* of the world's currencies, except for our proposed AUric™, a gold-based instrument. Substitute the dollar in our illustration with the euro, the franc, the deutschmark, the yen, or even the British pound, since *none* of them are backed by gold!

third party can affect the trade. It is final and settled. In the case of a purchase in which real gold is involved *finality of transaction settlement is present.*

Transaction #2: Subject to Post-transaction Dilution!

In the second instance, you traded your property for a piece of paper issued by the Federal Reserve of the United States, a privately held company that is *not* a United States government entity but that has unlimited power over the transaction. Federal Reserve Notes come into existence as circulated *promissory liabilities* of the federal government of the United States, denominated in a circular fashion in Federal Reserve Notes.

As the current “bailout” being orchestrated by the United States Congress demonstrates, unlimited power has invited the use of unlimited abuse of power to create *trillions* of dollars out of thin air. It’s likely that you, as the farmer in our not-so-hypothetical example, are going to wake up one morning soon to find that your cash has become worthless. If you don’t think that this can happen, we invite you to remember that this is *precisely* what happened to the Zimbabwe dollar in recent years.

Zimbabwe’s recent decision to embrace the AUric™ gold standard is a wise first step in that nation’s recovery process.

Transaction #3: *Faked!*

In the third instance, you have, in essence, traded your property for a *promise to pay* one dollar issued by the buyer at the moment the “transaction” was initiated. The dollar offered in payment did not exist as either a liability or as an asset until it was “spent” by the card transaction. The dollar was *created* by the buyer out of thin air with the help of the credit card issuer. Both the farmer and the “buyer” witnessed the birth of a brand new dollar bank liability and most likely did not know it! When the “transaction” reaches the farmer’s bank account, the farmer will *not* have “cash in the bank”. Instead, he’ll have a deposit into his account that consists of a promise by the bank to pay the farmer USD\$1.00 in the form of a Federal Reserve Note based on the promise of the buyer!

When Does a Million Dollars *not* Equal a Million Dollars?

Let’s pretend for the sake of this illustration that the farmer has sold one million pumpkins at USD\$1.00 each. If the farmer amasses a “million dollars in cash” in his



When fully established for the African Union as proposed by SWANSAT and Global Settlement Foundation, the AUric™ will take its place among the world’s respected standards for monetary stability and rock-solid dependability. An inflation-proof, reliable system for managing and settling financial transactions will have been put in place, right where the world needs it the most.

bank account, he will not be able to walk into the bank and withdraw all of that money in cash. That’s because he traded all of his pumpkins for USD\$1,000,000 in bank liabilities—but USD\$1,000,000 in Federal Reserve Notes was never literally placed into his account. The farmer’s deposit, in fact, consists of electronic USD bank liabilities that are being circulated *as if they* were real cash Federal Reserve Note dollars.

A Massive Fraud Perpetrated on the World

Now let’s multiply the above illustration by the population of planet earth. We’ll see that financial fraud¹ has been perpetrated on an unsuspecting humanity.

The reality is much more complex, of course, since the mathematics of the world economy is such that its USD bank liabilities have been spent on goods produced elsewhere throughout the world.

As a result any one buyer cannot hope to repay his promises, even in USD bank liabilities, because he has lost the ability to produce and has been stripped of his right to create further promises denominated in USD.

Clearly, finality of settlement can only be possible when real property is traded for real property.

¹ See <http://www.rayservers.com/blog/fraudulent-finance-for-dummies>.

Failure to Uphold the Law

In delivering his dissenting minority opinion on the 1935 United States Supreme Court decision that upheld President Franklin Roosevelt’s confiscation of gold held by anyone who owned gold denominated at USD\$20 to the ounce, Chief Justice Reynolds remarked that “Loss of reputation for honorable dealing will bring us unending humiliation. The impending legal and moral chaos is appalling.”

Today, the world stands at a crossroads, *first*, due to its failure to distinguish between a liability for goods or services and the goods or services themselves. *Second*, it has failed to distinguish between what is lawful and what is legal. It has long been shown that *legal plunder* is against *the law*.¹ Today, the world stands at the brink of Armageddon. The producers of the world’s goods and services are having their working capital plundered.

The world system run by those who have defrauded humanity of its lawful money has, on fictitious authority by an act of *ultra vires*,² stolen the power and liberty that is an inherent right granted by God and tricked every poor country into doing their will. As a consequence, vast tracts of USD bank liabilities are now being removed from circulation by failure of multiple banks,³ and the massive flow of purchasing power into government bonds tempts the politics to turn toward totalitarian.

Meanwhile, the honest common man has become a legal slave to bankers who own his country that owns him and his labor. As a result, the honest man is not free to exist, create, and trade wealth without official sanction, otherwise known as state issued identity cards and passports!

Can a state-issued permit to buy and sell, as evidenced by the Mark of the Beast on the forehead or right hand, be far behind? Only by a return to the rule of Law—as opposed to Statutes that promote legal plunder—can the upcoming disaster be averted.

¹ *The Law* by Frederic Bastiat (June 1850). See the reprint at <http://www.rayservers.com/the-law>.

² I.e., an act beyond the authority of the person acting.

³ Paradoxically, removal of USD bank liabilities from circulation by bank *failures* perversely makes the dollar *stronger*. This is known as a “strong dollar policy”. Sovereign Wealth Funds should keep in mind that trillions of *dollars* are being held in SWF accounts, while the Federal Reserve holds only about USD\$250 billion in cash within America’s borders. Only USD\$863 billion in Federal Reserve Notes were outstanding at the end of March 2009. See <http://www.rayservers.com/images/Federal-Reserve-collateral-against-federal-reserve-note-liabilities.jpg> and <http://www.rayservers.com/blog/the-roots-of-the-current-global-crisis>.



As proposed by SWANSat and its affiliate, the Global Settlement Foundation, the AUric™ will ensure that the African Union’s monetary system is rock-solid and inflation proof because the Union will be contractually *prohibited* from printing more AUric™ paper currency than is contained in the vaults that are managed by the Global Settlement monetary system for the African Union.



The AUric™: A Solution whose Time has Come

The SWANSAT-sponsored partnership with the African Union and Global Settlement Foundation to create the AUric™ holds the promise of solving all of these problems by bringing about a financial solution that is so elegantly simple it’s downright breathtaking to contemplate. Meanwhile, Africa is not lacking the physical resources needed to build a vast and prosperous continent spanning civilization. Unfortunately, those resources have been ravaged by legal plunder fostered by the World Bank, its subsidiary International Finance

Corporation, the International Monetary Fund, wars, and by disingenuous foreign aid and government systems that, by design, are meant to keep the continent poor!

The Global Settlement Foundation (GSF)¹ will bring *lawful money*—the AUric™—gold itself—to the African Union. Finality of settlement will be the principle design feature of the continent-wide electronic marketplace that will reach every corner via low cost secure telecommunications from the related SWANsat project.

Together in partnership with NEPAD Council and the African Union, the GSF will return the continent to the *rule of law* and implement the lawful processes that create wealth and restore honor and dignity to all men and women in Africa.

Investment (and gold) will flow to the continent as purchasing power flees the rotting structures of the failing world systems.

Finance will be reformed through cryptographically neutral stock markets denominated in lawful money—AUrics™—that will free African people from debt slavery.

All of this can come about in accordance with God's Laws that are affirmed by every religious tradition and cultural mandate throughout the continent.

The AUric™ will give material shape to the principle of lawful money that men must deal with each other by voluntary trade and give value for value.²

Returning Honor and Dignity to Humanity—One Individual at a Time—Starting in Africa

To trade by means of lawful money is the code of civilized men of good will. A return to the *rule of law and lawful money* will return glory to the land that is the ancestral home of all humanity, and Africa will be equipped to welcome back prodigal humanity to its lawful roots, putting an end to legal plunder throughout the continent.

When every individual in Africa has claimed their inherent right to lawfully exist, to reason, think, create, express, own, produce and trade, Africa will rise in all her shining glory to take her rightful place as being once more the cradle of civilization.

¹ <http://www.global-settlement.org>

² <http://www.rayservers.com/blog/Ayn-Rand-on-Money>



IMAGE COMPUTER GENERATED FOR ILLUSTRATION PURPOSES ONLY

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