

# Congressman McFadden's Speech on the Federal Reserve Corporation

**On May 23, 1933**, Congressman, *Louis Thomas McFadden*, brought formal charges against the Board of Governors of the Federal Reserve Bank system, The Comptroller of the Currency and the Secretary of United States Treasury for numerous criminal acts, including but not limited to, **CONSPIRACY, FRAUD, UNLAWFUL CONVERSION, and TREASON.**

The petition for Articles of Impeachment was thereafter referred to the Judiciary Committee and has **YET TO BE ACTED ON.** So, this ELECTRONIC BOOKLET should be reprinted, reposted, set up on web pages and circulated far and wide.

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## ***Congressman McFadden on the Federal Reserve Corporation Remarks in Congress, 1934 AN ASTOUNDING EXPOSURE***

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### **Congressman McFadden's Speech on the Federal Reserve Corporation**

Quotations from several speeches made on the Floor of the House of Representatives by the Honorable Louis T. McFadden of Pennsylvania. Mr. McFadden, due to his having served as Chairman of the Banking and Currency Committee for more than 10 years, was the best posted man on these matters in America and was in a position to speak with authority of the vast ramifications of this gigantic private credit monopoly.

As Representative of a State which was among the first to declare its freedom from foreign money tyrants, it is fitting that Pennsylvania, the cradle of liberty, be again given the credit for producing a son that was not afraid to hurl defiance in the face of the money-bund. Whereas Mr. McFadden was elected to the high office on both the Democratic and Republican tickets, there can be no accusation of partisanship lodged against him. Because these speeches are set out in full in the Congressional Record, they carry weight that no amount of condemnation on the part of private individuals could hope to carry.



*"It is well enough that the people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning". -- Henry Ford*

### Louis T. McFadden's Speech In the House of Representatives - 10 June 1932

Mr. Chairman, at the present session of Congress we have been dealing with emergency situations. We have been dealing with the effect of things rather than with the cause of things. In this particular discussion I shall deal with some of the causes that lead up to these proposals. There are underlying principles which are responsible for conditions such as we have at the present time and I shall deal with one of these in particular which is tremendously important in the consideration that you are now giving to this bill. [http://www.afn.org/~govern/mcfadden\\_speech\\_1932.html](http://www.afn.org/~govern/mcfadden_speech_1932.html)

<http://www.perfecteconomy.com/pg-congressman-louis-t-mcfadden-1932.html>



### The Federal Reserve – A Corrupt Institution


"Mr. Chairman, we have in this Country one of the **most corrupt institutions** the world has ever known. I refer to the **Federal Reserve Board** and the **Federal Reserve Banks**, hereinafter called **the Fed**. The Fed has cheated the Government of these United States and the people of the United States out of enough money to pay the Nation's debt. The depredations and iniquities of the Fed has cost enough money to pay the National debt several times over.

*"This evil institution has impoverished and ruined the people of these United States, has bankrupted itself, and has practically bankrupted our Government. It has done this through the defects of the law under which it operates, through the maladministration of that law by the Fed and through the corrupt practices of the moneyed vultures who control it.*


*"Some people think that the Federal Reserve Banks are United States Government institutions. **They are not government institutions.** They are private credit monopolies which prey upon the people of these United States for the benefit of themselves and their foreign customers; foreign and domestic speculators and swindlers; and rich and predatory money lenders."*

*In that dark crew of financial pirates, there are those who would cut a man's throat to get a dollar out of his pocket; there are those who send money into states to buy votes to control our legislation; and there are those who maintain International propaganda for the purpose of deceiving us and of wheedling us into the granting of new concessions which will permit them to cover up their past misdeeds and set again in motion, their gigantic train of crime.*

"Those **twelve private credit monopolies** were deceitfully and disloyally foisted upon this Country by the bankers who came here from Europe and repaid us our hospitality by undermining our American institutions."


 Those bankers took money out of this Country to finance Japan in a war against Russia.


 They created a reign of terror in Russia with our money in order to help that war along.

 They instigated the separate peace between Germany and Russia, and thus drove a wedge between the allies in World War 1 [WWI].

## **FINANCING TROTSKY AND INSTIGATING THE RUSSIAN REVOLUTION (ADVENT OF COMMUNISM)**

 They financed Trotsky's mass meetings of discontent and rebellion in New York.

 They financed Trotsky's passage from New York to Russia so that he might assist in the destruction of the Russian Empire.

 They fomented and instigated the Russian Revolution, and placed a large fund of American dollars at Trotsky's disposal in one of their branch banks in Sweden so that through him, Russian homes might be thoroughly broken up and Russian children flung far and wide from their natural protectors.

 They have since begun breaking up of American homes and the dispersal of American children.

*"Mr. Chairman, there should be no partisanship in matters concerning banking and currency affairs in this Country, and I do not speak with any".*

## **Wilson Deceived To Establish The Federal Reserve**

It has been said that President Wilson was deceived by the attentions of these bankers and by the philanthropic poses they assumed. It has been said that when he discovered the manner in which he had been misled by Colonel House, he turned against that busybody, that "holy monk" of the financial empire, and showed him the door. He had the grace to do that; and in my opinion he deserves great credit for it.

President Wilson was a victim of deception. When he came to the Presidency, he had certain qualities of mind and heart which entitled him to a high place in the councils of this Nation. But there was one thing he was not, and which he never aspired to be: He was not a banker.

He said that he knew very little about banking. It was therefore on the advice of others that the iniquitous Federal Reserve Act — the death warrant of American Liberty — became law in his administration.

## **The Aldrich Bill**

"In **1912** the National Monetary Association, under the chairmanship of the late *Senator Nelson W. Aldrich*, made a report and presented a vicious bill called the **National Reserve Association bill**.

This bill is usually spoken of as the Aldrich bill. Senator Aldrich did not write the Aldrich bill. He was the tool, if not the accomplice, of the European bankers who for nearly twenty years had been scheming to set up a central bank in this Country and who in 1912 has spent and were continuing to spend vast sums of money to accomplish their purpose.

## **THE DEMOCRATIC PARTY PROMISES NOT TO CREATE A CENTRAL BANK**

The Aldrich Bill was condemned in the platform upon which Theodore Roosevelt was nominated in the year 1912; and in the same year — when Woodrow Wilson was nominated — the Democratic platform as adopted at the Baltimore Convention expressly stated:

*"We were opposed to the Aldrich plan for a central bank.*

This was plain language. The men who rule the Democratic Party then promised the people that if they were returned to power there would be no central bank established here while they held the reins of government. Thirteen months later that promise was broken, and the Wilson administration, under the tutelage of those sinister Wall Street figures who stood behind Colonel House, established here in our free Country the worm-eaten monarchical institution of the **"King's Bank"** to control us from the top downward, and from the cradle to the grave.

## **Consequences of the Federal Reserve Act**

*"The **Federal Reserve Bank** destroyed our old and characteristic way of doing business. It discriminated against our one-name commercial paper, the finest in the world, and it set up the antiquated two-name paper, which is the present curse of this Country and which wrecked every country which has ever given it scope; it fastened down upon the Country the very tyranny from which the framers of the Constitution sought to save us.*

## **President Jackson's Time**

"One of the greatest battles for the preservation of this Republic was fought out here in Jackson's time; when the second Bank of the United States, founded on the same false principles of those which are here exemplified in the Fed was hurled out of existence.

After the downfall of the Second Bank of the United States in 1837, the country was warned against the dangers that might ensue if the predatory interests after being cast out, should come back in disguise and unite themselves to the Executive and through him, acquire control of the Government. That is what the predatory interests did when they came back in the livery of hypocrisy and under false pretences, obtained the passage of the Federal Reserve Act.

"The danger that the Country was warned against came upon us and is shown in the long train of horrors attendant upon the affairs of the traitorous and dishonest Federal Reserve Board and the Federal Reserve Banks.. Look around you when you leave this Chamber and you will see evidences of it in all sides. This is an era of economic misery; and for the conditions that caused that misery, the **Federal Reserve Board** and **Federal Reserve Banks are fully liable.**

This is an era of financed crime and in the financing of crime, the Federal Reserve Board does not play the part of a disinterested spectator.

It has been said that the draftsman who was employed to write the text of the Federal Reserve Bill used the text of the Aldrich Bill for his purpose. It has been said that the language of the Aldrich Bill was used because the Aldrich Bill had been drawn up by expert lawyers, and seemed to be appropriate.

It was indeed drawn up by lawyers. The Aldrich Bill was created by acceptance bankers of European origin in New York City. It was a copy, in general a translation of the statutes of the **Reichsbank**<sup>1</sup> and other European central banks.

Half a million dollars was spent on one part of the propaganda organized by those same European bankers for the purpose of misleading public opinion in regard to it and for the purpose of giving Congress the impression there was an overwhelming popular demand for that kind of banking legislation, and the kind of currency that goes with it... namely, an asset currency based on human debts and obligations.

Dr. H. Parker Willis had been employed by the Wall Street bankers and propagandists; and when the Aldrich measure came to naught, he obtained employment from Carter Glass to assist in drawing a banking bill for the Wilson administration, he appropriated the Aldrich Bill for this purpose. There is no secret about it. The text of the Federal Reserve Act was tainted from the beginning.

Not all of the Democratic members of the **63<sup>rd</sup> Congress**<sup>2</sup> voted for this great deception. Some of them remembered the teachings of Jefferson. Senator, Henry Cabot Lodge wrote:

"The bill, as it stands, seems to me to open the way to a vast inflation of the currency."

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<sup>1</sup> The **Reichsbank** was the [central bank](#) of [Germany](#) from 1876 until 1945. It was founded on 1 January 1876 (shortly after the establishment of the [German Empire](#) in 1871). The Reichsbank was a privately owned [central bank](#) of [Prussia](#), under close control by the Reich government.<sup>[1]</sup> Its first president was [Hermann von Dechend](#). Before unification in 1871, Germany had 31 central banks – the **Notenbanken** (note banks). Each of the independent states issued their own money. In 1870, a law was passed, that forbade the formation of further central banks.

<https://en.wikipedia.org/wiki/Reichsbank> <http://www.holocaustresearchproject.org/economics/reichsbank.html>

<sup>2</sup> The **Sixty-third United States Congress** was a meeting of the legislative branch of the United States federal government, composed of the [United States Senate](#) and the [United States House of Representatives](#). It met in Washington, D.C. from March 4, 1913 to March 4, 1915, during the first two years of [Woodrow Wilson](#)'s presidency. The apportionment of seats in the [House of Representatives](#) was based on the [Thirteenth Census of the United States in 1910](#). Both chambers had a [Democratic](#) majority. [https://en.wikipedia.org/wiki/63rd\\_United\\_States\\_Congress](https://en.wikipedia.org/wiki/63rd_United_States_Congress)

"A few days before the bill came to a vote, **Senator Henry Cabot Lodge**, of Massachusetts, wrote to *Senator John W. Weeks* as follows:

*New York City, December 17, 1913*

*"My Dear Senator Weeks:*

*"Throughout my public life I have supported all measures designed to take the Government out of the banking business. This bill puts the Government into the banking business as never before in our history. "*

*The powers vested in the Federal Reserve Board seem to me highly dangerous especially where there is political control of the Board. I should be sorry to hold stock in a bank subject to such dominations. The bill as it stands seems to me to open the way to a vast inflation of the currency.*

*"I had hoped to support this bill, but I cannot vote for it cause it seems to me to contain features and to rest upon principles in the highest degree menacing to our prosperity, to stability in business, and to the general welfare of the people of the United States.*

*Very Truly Yours,*

*Senator Henry Cabot Lodge."*

"In the eighteen years that have passed since Senator Lodge wrote that letter of warning all of his predictions have come true. The Government is in the banking business as never before. Against its will it has been made the backer of horse thieves and card sharps, bootlegger's smugglers, speculators, and swindlers in all parts of the world. Through the Federal Reserve Board and the Federal Reserve Banks the riffraff of every country is operating on the public credit of the United States Government.

## **THE GREAT DEPRESSION**

"Meanwhile and on account of it, we ourselves are in the midst of the greatest depression we have ever known. Thus the menace to our prosperity so feared by Senator Lodge has indeed struck home. From the Atlantic to the Pacific, our country has been ravaged and laid waste by the evil practices of the Federal Reserve Board and the Federal Reserve Banks, and the interests which control them. At no time in our history has the general welfare of the people of the United States been at a lower level, or the mind of the people so filled with despair.

### **Sixty Thousand Confiscated Houses And Farms Auctioned In A Single Day**

"Recently in one of our States, 60,000 dwelling houses and farms were brought under the hammer in a single day. 71,000 houses and farms in Oakland County, Michigan, were sold and their erstwhile owners dispossessed.

Similar occurrences have probably taken place in every county in the United States.

The people who have thus been driven out are the wastage of the Federal Reserve Act.

They are the victims of the dishonest and unscrupulous Federal Reserve Board and the Federal Reserve Banks. Their children are the new slaves of the auction block in the revival here of the institution of human slavery.

## The Scheme of the Fed

"In 1913, before the Senate Banking and Currency Committee, **Mr. Alexander Lassen** made the following statement:

*"The whole scheme of the Fed with its commercial paper is an impractical, cumbersome machinery- is simply a cover to secure the privilege of issuing money, and to evade payment of as much tax upon circulation as possible and then control the issue and maintain, instead of reducing interest rates. It will prove to the advantage of the few and the detriment of the people.*

*It will mean continued shortage of actual money and further extension of credits, for when there is a shortage of money people have to borrow to their cost.'*

"A few days before the Fed passed, Senator Root denounced the Fed as an outrage on our liberties. He predicted:

*'Long before we wake up from our dream of prosperity through an inflated currency, our gold- which alone could have kept us from catastrophe- will have vanished and no rate of interest will tempt it to return.'*

"If ever a prophecy came true, that one did.

"The Fed became law the day before Christmas Eve, in the year 1913, and shortly afterwards, the German International bankers, **Kuhn, Loeb and Co**<sup>3</sup>. sent one of their partners here to run it.

"The Fed Note is essentially unsound. It is the worst currency and the most dangerous that this Country has ever known. When the proponents of the act saw that the Democratic doctrine would not permit them to let the proposed banks issue the new currency as bank notes, they should have stopped at that.

They should not have foisted that kind of currency, namely, an asset currency, on the United States Government. They should not have made the Government [liable on the private] debts of individuals and corporations, and, least of all, on the private debts of foreigners.

"As Kemerer says: 'The Fed Notes, therefore, in form, have some of the qualities of Government paper money, but in substance, are almost a pure asset currency possessing a Government guarantee against which contingency the Government has made no provision whatever.'

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<sup>3</sup> **Kuhn, Loeb & Co.** was a [bulge bracket investment bank](#) founded in 1867 by [Abraham Kuhn](#)<sup>[1]</sup> and [Solomon Loeb](#). Under the leadership of [Jacob H. Schiff](#), it grew to be one of the most influential investment banks in the late 19th and early 20th centuries, financing America's expanding railways and growth companies, including [Western Union](#) and [Westinghouse](#), and thereby becoming the principal rival of [J.P. Morgan & Co.](#) [https://en.wikipedia.org/wiki/Kuhn,\\_Loeb\\_%26\\_Co](https://en.wikipedia.org/wiki/Kuhn,_Loeb_%26_Co).



"Hon. L. J. Hill, a former member of the House, said, and truly: "They are obligations of the Government for which the United States received nothing and for the payment of which at any time, it assumes the responsibility: looking to the Fed to recoup itself."

"If this United States is to redeem the Fed Notes, when the General Public finds it costs to deliver this paper to the Fed, and if the Government has made no provisions for redeeming them, the first element of unsoundness is not far to seek.

"Before the Banking and Currency Committee, when the bill was under discussion Mr. Crozier of Cincinnati said: 'The imperial power of elasticity of the public currency is wielded exclusively by the central corporations owned by the banks. This is a life and death power over all local banks and all business. It can be used to create or destroy prosperity, to ward off or cause stringencies and panics. By making money artificially scarce, interest rates throughout the Country can be arbitrarily raised and the bank tax on all business and cost of living increased for the profit of the banks owning these regional central banks, and without the slightest benefit to the people. The 12 Corporations together cover y and monopolize and use for private gain- every dollar of the public currency and all public revenue of the United States. Not a dollar can be put into circulation among the people by their Government, without the consent of and on terms fixed by these 12 private money trusts.'

"In defiance of this and all other warnings, the proponents of the Fed created the 12 private credit corporations and gave them an absolute monopoly of the currency of these United States- not of the Fed Notes alone- but of all other currency! The Fed Act providing ways and means by which the gold and general currency in the hands of the American people could be obtained by the Fed in exchange for Fed Notes- which are not money- but mere promises to pay.

"Since the evil day when this was done, the initial monopoly has been extended by vicious amendments to the Fed and by the unlawful and treasonable practices of the Fed.

### **Money for the Scottish Distillers**

"Mr. Chairman, if a Scottish distiller wishes to send a cargo of Scotch whiskey to these United States, he can draw his bill against the purchasing bootlegger in dollars and after the bootlegger has accepted it by writing his name across the face of it, the Scotch distiller can send that bill to the nefarious open discount market in New York City where the Fed will buy it and use it as collateral for a new issue of Fed Notes.

Thus the Government of these United States pay the Scotch distiller for the whiskey before it is shipped, and if it is lost on the way, or if the Coast Guard seizes it and destroys it, the Fed simply write off the loss and the government never recovers the money that was paid to the Scotch distiller.

"While we are attempting to enforce prohibition here, the Fed are in the distillery business in Europe and paying bootlegger bills with public credit of these United States.

"Mr. Chairman, by the same process, they compel our Government to pay the German brewer for his beer.



Why should the Fed be permitted to finance the brewing industry in Germany either in this way or as they do by compelling small and fearful United States Banks to take stock in the **Isenbeck Brewery** and in the **German Bank** for brewing industries?



Isenbeck Premium Pilsener. **The Isenbeck Brewery** was known as "the" private brewery of the city of Hamm. Since 1769, the beer with the red-coated rider on its logo was brewed here. After brewing ceased in 1990, the Warsteiner Group made the decision to continue the regional brand with the long heritage. <http://warsteiner-gruppe.de/en/brands/regional-brands>

"Mr. Chairman, if **Dynamit Nobel<sup>4</sup> AG** of Germany, wishes to sell dynamite in Japan to use in Manchuria or elsewhere, it can draw its bill against the Japanese customers in dollars and send that bill to the nefarious open discount market in New York City where the Fed will buy it and use it as collateral for a new issue of Fed Notes- while at the same time the Fed will be helping Dynamit Nobel by stuffing its stock into the United States banking system.

**"Why should we send our representatives to the disarmament conference at Geneva – while the Fed is making our Government pay Japanese debts to German Munitions makers?"**

"Mr. Chairman, if a German wishes to raise a crop of beans and sell them to a Japanese customer, he can draw a bill against his prospective Japanese customer in dollars and have it purchased by the Fed and get the money out of this Country at the expense of the American people before he has even planted the beans in the ground. "Mr. Chairman, if a German in Germany wishes to export goods to South America, or any other Country, he can draw his bill against his customers and send it to these United States and get the money out of this Country before he ships, or even manufactures the goods.

"Mr. Chairman, why should the currency of these United States be issued on the strength of German Beer? Why should it be issued on the crop of unplanted beans to be grown in Chili for Japanese consumption? Why should these United States be compelled to issue many billions of dollars every year to pay the debts of one foreigner to another foreigner? "Was it for this that our National Bank depositors had their money taken out of our banks and shipped abroad?

Was it for this that they had to lose it? Why should the public credit of these United States and likewise money belonging to our National Bank depositors be used to support foreign brewers, narcotic drug vendors, whiskey distillers, wig makers, human hair merchants, Chilean bean growers, to finance the munition factories of Germany and Soviet Russia?

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<sup>4</sup> **Dynamit Nobel AG** originates from the company Alfred Nobel & Co., founded on 21 June 1865 in [Hamburg](#) by the Swedish chemist and industrialist [Alfred Nobel](#).<sup>[3]</sup> At the beginning, the company was manufacturing [nitroglycerin](#) explosives in the dynamite factory of Krümmel located in Geesthacht, near Hamburg. This factory was the first one to be located outside of Sweden. [https://en.wikipedia.org/wiki/Dynamit\\_Nobel](https://en.wikipedia.org/wiki/Dynamit_Nobel)

## **THE UNITED STATES HAS BEEN RANSACKED**

"The United States has been ransacked and pillaged. Our structures have been gutted and only the walls are left standing.

While being perpetrated, everything the world would rake up to sell us was brought in here at our expense by the Fed until our markets were swamped with unneeded and unwanted imported goods priced far above their value and make to equal the dollar volume of our honest exports, and to kill or reduce our favorite balance of trade. As Agents of the foreign central banks the Fed try by every means in their power to reduce our favorable balance of trade. They act for their foreign principal and they accept fees from foreigners for acting against the best interests of these United States. Naturally there has been great competition among foreigners for the favors of the Fed.

"What we need to do is to send the reserves of our National Banks home to the people who earned and produced them and who still own them and to the banks which were compelled to surrender them to predatory interests.

"Mr. Chairman, there is nothing like the Fed pool of confiscated bank deposits in the world. It is a public trough of American wealth in which the foreigners claim rights, equal to or greater than Americans. The Fed are the agents of the foreign central banks. They use our bank depositors' money for the benefit of their foreign principals. They barter the public credit of the United States Government and hire it out to foreigners at a profit to themselves.

"All this is done at the expense of the United States Government, and at a sickening loss to the American people. Only our great wealth enabled us to stand the drain of it as long as we did.

*"We need to destroy the Fed wherein our national reserves are impounded for the benefit of the foreigners.*

*"We need to save America for Americans.*

## **SPURIOUS SECURITIES**

"Mr. Chairman, when you hold a \$10.00 Fed Note in your hand, you are holding a piece of paper which sooner or later is going to cost the United States Government \$10.00 in gold (unless the Government is obliged to go off the gold standard). It is based on limburger cheese (reported to be in foreign warehouses) or in cans purported to contain peas (but may contain salt water instead), or horse meat, illicit drugs, bootleggers fancies, rags and bones from Soviet Russia (of which these United States imported over a million dollars' worth last year), on wines whiskey, natural gas, goat and dog fur, garlic on the string, and Bombay ducks.

"If you like to have paper money- which is secured by such commodities- you have it in Fed Note. If you desire to obtain the thing of value upon which this paper currency is based, that is, the limburger cheese, the whiskey, the illicit drugs, or any of the other staples- you will have a very hard time finding them.

"Many of these worshipful commodities are in foreign Countries. Are you going to Germany to inspect her warehouses to see if the specified things of value are there? I think more, I do not think that you would find them there if you did go.

"**On April 27, 1932**, the Fed outfit sent \$750,000 belonging to American bank depositors in gold to Germany. A week later another \$300,000 in gold was shipped to Germany. About the middle of May \$12,000,000 in gold was shipped to Germany by the Fed.

Almost every week there is a shipment of gold to Germany. These shipments are not made for profit on the exchange since the German marks are below parity with the dollar.

"Mr. Chairman, I believe that the National Bank depositors of these United States have a right to know what the Fed are doing with their money. There are millions of National Bank depositors in the Country who do not know that a percentage of every dollar they deposit in a Member Bank of the Fed goes automatically to American Agents of the foreign banks and that all their deposits can be paid away to foreigners without their knowledge or consent by the crooked machinery of the Fed and the questionable practices of the Fed.

[Ed. Note- Problem with next paragraph in original]

"Mr. Chairman, the American people should be told the truth by their servants in office. In 1930, we had over a half billion dollars outstanding daily to finance foreign goods stored in or shipped between several billion dollars. What goods are these on which the Fed yearly pledge several billions of dollars. In its yearly total, this item amounts to several billions of dollars of the public credit of these United States?

"What goods are those which are hidden in European and Asiatic stores have not been seen by any officer of our Government but which are being financed on the public credit of the United States Government?

What goods are those upon which the 17 United States Government is being obligated by the Fed to issue Fed Notes to the extent of several billions of dollars a year?

### **The Bankers' Acceptance Racket**

"The Fed have been International Banks from the beginning, with these United States as their enforced banker and supplier of currency. But it is none the less extraordinary to see these twelve private credit monopolies, buying the debts of foreigners against foreigners, in all parts of the world and asking the Government of these United States for new issues of Fed notes in exchange for them.

"The magnitude of the acceptance racket as it has been developed by the Fed, their foreign correspondents, and the predatory European born bankers, who set up the Fed here and taught your own, by and of pirates, how to loot the people: I say the magnitude of this racket is estimated to be in the neighbourhood of 9,000,000,000 per year. In the past ten years it is said to have amounted to \$90,000,000,000.00.

In my opinion it has amounted to several times that much. Coupled to this you have to the extent of billions of dollars, the gambling in the United States securities, which takes place in the same open discount market- a gambling on which the Fed is now spending \$100,000,000.00 per week.

"Fed Notes are taken from the U.S. Government in unlimited quantities. Is it strange that the burden of supplying these immense sums of money to the gambling fraternity has at last proved too heavy for the American people to endure? Would it not be a national [calamity to] again bind down this burden on the backs of the American people and by means of a long rawhide whip of the credit masters, compel them to enter another seventeen years of slavery?"

"They are trying to do that now. They are trying to take \$100,000,000.00 of the public credit of the United States every week, in addition to all their other seizures and they are sending that money to the nefarious open market in a desperate gamble to re-establish their graft as a going concern.

"They are putting the United States Government in debt to the extent of \$100,000,000 a week, and with the money they are buying our Government securities for themselves and their foreign principals. Our people are disgusted with the experiences of the Fed. The Fed is not producing a loaf of bread, a yard of cloth, a bushel of corn, or a pile of cordwood by its check-kiting operations in the money market.

"Mr. Speaker, on the **13th of January** of this year, I addressed the House on the subject of the Reconstruction Finance Corporation. In the course of my remarks I made the following statement: In 1928 the member banks of the Fed borrowed \$60,598,690,000. from the Fed on their fifteen-day promissory notes. Think of it. Sixty billion dollars payable on demand in gold in the course of one single year. The actual amount of such obligations called for six times as much monetary gold as there is in the world. Such transactions represent a grant in the course of one single years of about \$7,000,000 to every member of the Fed.

"Is it any wonder that American labor which ultimately pays the cost of all banking operations of this Country has at last proved unequal to the task of supplying this huge total of cash and credit for the benefit of the stock market manipulators and foreign swindlers?"

"In 1933 the Fed presented the staggering amount of \$60,598,690,000 to its member banks at the expense of the wage earners and tax payers of these United States. In 1929, the year of the stock market crash, the Fed advanced \$58,000,000,000 to member banks.

"In 1930 while the speculating banks were getting out of the stock market at the expense of the general public, the Fed advanced them \$13,022,782,000. This shows that when the banks were gambling on the public credit of these United States as represented by the Fed currency they were subsidized to any amount they required by the Fed. When the swindle began to fall, the bankers knew it in advance and withdrew from the market. They got out with whole skins- and left the people of these United States to pay the piper.

"My friend from Kansas, Mr. McGugin, has stated that he thought the Fed lent money on rediscounting.

So they do, but they lend comparatively little that way. The real discounting that they do has been called a mere penny in the slot business. It is too slow for genuine high flyers. They discourage it.

They prefer to subsidize their favorite banks by making them \$60,000,000,000 advances and they prefer to acquire assistance in the notorious open discount market in New York, where they can use it to control the price of stocks and bonds on the exchanges.

"For every dollar they advanced on discounts in **1928**, they lent \$33.00 to their favorite banks for whom they do a business of several billion dollars income tax on their profits to these United States.

### **The John Law Swindle**

"This is the John Law swindle over again. The theft of Teapot Dome was trifling compared to it. What King ever robbed his subject to such an extent as the Fed has robbed us? Is it any wonder that there have been lately ninety cases of starvation in one of the New York hospitals? Is there any wonder that the children are being abandoned?

"The government and the people of these United States have been swindled by swindlers deluxe to whom the acquisition of American or a parcel of Fed Notes presented no more difficulty than the drawing up of a worthless acceptance in a Country not subject to the laws of these United States, by sharpers not subject to the jurisdiction of these United States, sharpers with strong banking "fence" on this side of the water, a "fence" acting as a receiver of a worthless paper coming from abroad, endorsing it and getting the currency out of the Fed for it as quickly as possible exchanging that currency for gold and in turn transmitting the gold to its foreign confederates.

### **Ivar Kreuger, the Match King!**

"Such were the exploits of **Ivar Krueger**<sup>5</sup>, Mr. Hoover's friend, and his rotten Wall Street bakers. Every dollar of the billions Kreuger and his gang drew out of this Country on acceptances was drawn from the government and the people of the United States through the Fed. The credit of the United States Government was peddled to him by the Fed for their own private gain. That is what the Fed has been doing for many years.

"They have been peddling the credit of this Government and the [signature of this] Government to the swindlers and speculators of all nations. That is what happens when a Country forsakes its Constitution and gives its sovereignty over the public currency to private interests. Give them the flag and they will sell it.

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<sup>5</sup> **Ivar Kreuger** is still a bit of an enigma in history. Unlike other large scale financial scandals, Kreuger's multi-million dollar meltdown was overshadowed by the traumatic events of the crash of 1929 and the ensuing depression. At times it seemed that he was a solid, if ruthless, businessman, and at other times he appeared every inch a scam artist. Between those times, he either built a match monopoly that overreached or orchestrated one of the biggest pyramid schemes in history.

[http://www.investopedia.com/articles/financialcareers/09/ivar-kreuger.asp?no\\_header\\_alt=true](http://www.investopedia.com/articles/financialcareers/09/ivar-kreuger.asp?no_header_alt=true)

"The nature of Krueger's organized swindle and the bankrupt condition of Krueger's combine was known here last June when Hoover sought to exempt Krueger's loan to Germany of \$125,000,000 from the operation of the Hoover Moratorium.

The bankrupt condition of Krueger's swindle was known here last summer when \$30,000,000 was taken from the American taxpayers by certain bankers in New York for the ostensible purpose of permitting Krueger to make a loan to Colombia. Colombia never saw that money.

"The nature of Krueger's swindle was known here in January when he visited his friend, Mr. Hoover, at the White House. It was known here in March before he went to Paris and committed suicide.

"Mr. Chairman, I think the people of the United States are entitled to know how many billions of dollars were placed at the disposal of Krueger and his gigantic combine by the Fed, and to know how much of our Government currency was issued and lost in the financing of that great swindle in the years during which the Fed took care of Krueger's requirements.

"A few days ago, the President of the United States with a white face and shaking hands, went before the Senate of behalf of the moneyed interests and asked the Senate to levy a tax on the people so that foreigners might know that these United States would pay its debt to them.

"Most Americans thought it was the other way around. What does these United States owe foreigners? When and by whom was the debt incurred? It was incurred by the Fed, when they peddled the signature of the Government to foreigners- for a Price. It is what the United States Government has to pay to redeem the obligations of the Fed.

### **Thieves Go Scot Free**

"Are you going to let these thieves get off scot free? Is there one law for the looter who drives up to the door of the United States Treasury in his limousine and another for the United States Veterans who are sleeping on the floor of a dilapidated house on the outskirts of Washington?

"The Baltimore and Ohio Railroad is here asking for a large loan from the people, and the wage earners and the taxpayers of these United States. It is begging for a handout from the Government. It is standing, cap in hand, at the door of the R. F. C. where all the jackals have gathered to the feast. It is asking for money that was raised from the people by taxation and wants this money of the poor for the benefit of *Kuhn, Loeb and Co.*, the German International Bankers.

"Is there one law for the Baltimore and Ohio Railroad and another for the hungry veterans it threw off its freight cars the other day? Is there one law for sleek and prosperous swindlers who call themselves bankers and another law for the soldiers who defended the flag? "The R. F. C. is taking over these worthless securities from the Investment Trusts with United States Treasury money at the expense of the American taxpayer and the wage earner.



"It will take twenty years to redeem our Government. Twenty years of penal servitude to pay off the gambling debts of the traitorous Fed and to vast flood of American wages and savings, bank deposits, and the United States Government credit which the Fed exported out of this country to their foreign principals.



"The Fed lately conducted an anti-hoarding campaign here. They took that extra money which they had persuaded the American people to put into the banks- they sent it to Europe- along with the rest. In the last several months, they have sent \$1,300,000,000 in gold to their foreign employers, their foreign masters, and every dollar of that gold belonged to the people of these United States and was unlawfully taken from them.

### **Fiat Money**

"Mr. Chairman, within the limits of the time allowed me, I cannot enter into a particularized discussion of the Fed. I have singled out the Fed currency for a few remarks because there has lately been some talk here of *"fiat money"*. What kind of money is being pumped into the open discount market and through it into foreign channels and stock exchanges? Mr. Mills of the Treasury has spoken here of his horror of the printing presses and his horror of dishonest money. He has no horror of dishonest money. If he had, he would be no party to the present gambling of the Fed in the nefarious open discount market of New York, a market in which the sellers are represented by 10 discount corporations owned and organized by the very banks which own and control the Fed.

**"Fiat money, indeed!"**

"What Mr. Mills is fighting for is the preservation, whole and entire, of the banker's monopoly of all the currency of the United States Government.

"Mr. Chairman, last December, I introduced a resolution here asking for an examination and an audit of the Fed and all related matters. If the House sees fit to make such an investigation, the people of these United States will obtain information of great value.



This is a Government of the people, by the people, for the people. Consequently, nothing should be concealed from the people. The man who deceives the people is a traitor to these United States.

"The man who knows or suspects that a crime has been committed and who conceals and covers up that crime is an accessory to it.

Mr. Speaker, it is a monstrous thing for this great nation of people to have its destinies presided over by a traitorous government board acting in secret concert with international usurers.

"Every effort has been made by the Fed to conceal its powers- but the truth is- the Fed has usurped the Government. It controls everything here and it controls all of our foreign relations. It makes and breaks governments at will.

"No man and no body of men is more entrenched in power than the arrogant credit monopoly which operated the Fed. What National Government has permitted the Fed to steal from the people should now be restored to the people. The people have a valid claim against the Fed. If that claim is enforced the Americans will not need to stand in the bread line, or to suffer and die of starvation in the streets. Women will be saved, families will be kept together, and American children will not be dispersed and abandoned.

"Here is a Fed Note. Immense numbers of the notes are now held abroad. I am told that they amount to upwards of a billion dollars. They constitute a claim against our Government and likewise a claim against our peoples' money to the extent of \$1,300,000,000 which has within the last few months been shipped abroad to redeem Fed Notes and to pay other gambling debts of the traitorous Fed. The greater part of our money stock has been shipped to other lands.

"Why should we promise to pay the debts of foreigners to foreigners? Why should the Fed be permitted to finance our competitors in all parts of the world? Do you know why the tariff was raised? It was raised to shut out the flood of Fed Goods pouring in here from every quarter of the globe- cheap goods, produced by cheaply paid foreign labor, on unlimited supplies of money and credit sent out of this Country by the dishonest and unscrupulous Fed.

"The Fed are spending \$100,000,000 a week buying government securities in the open market and are making a great bid for foreign business. They are trying to make rates so attractive that the human hair merchants and the distillers and other business entities in foreign land will come here and hire more of the public credit of the United States Government to pay the Fed outfit for getting it for them.

### **World Enslavement Planned**

"Mr. Chairman, when the Fed was passed, the people of these United States did not perceive that a world system was being set up here which would make the savings of the American school teacher available to a narcotic-drug vendor in Acapulco.

They did not perceive that these United States was to be lowered to the position of a coolie country which has nothing but raw material and heart, that Russia was destined to supply the man power and that this country was to supply the financial power to an "international superstate". A superstate controlled by international bankers, and international industrialists acting together to enslave the world for their own pleasure?

"The people of these United States are being greatly wronged. They have been driven from their employments. They have been dispossessed from their homes.

They have been evicted from their rented quarters. They have lost their children. They have been left to suffer and die for lack of shelter, food, clothing and medicine."

"The wealth of these United States and the working capital have been taken away from them and has either been locked in the vaults of certain banks and the great corporations or exported to foreign countries for the benefit of the foreign customers of these banks and corporations. So far as the people of the United States are concerned, the cupboard is bare".

"It is true that the warehouses and coal yards and grain elevators are full, but these are padlocked, and the great banks and corporations hold the keys".

**"The sack of these United States by the Fed is the greatest crime in history".**

"Mr. Chairman, a serious situation confronts the House of Representatives today. We are trustees of the people and the rights of the people are being taken away from them. Through the Fed the people are losing the rights guaranteed to them by the Constitution. Their property has been taken from them without due process of law. Mr. Chairman, common decency requires us to examine the public accounts of the Government and see what crimes against the public welfare have been committed.

***"What is needed here is a return to the Constitution of these United States.***

"The old struggle that was fought out here in Jackson's time must be fought out over again. The independent United States Treasury should be re-established and the Government should keep its own money under lock and key in the building the people provided for that purpose.

"Asset currency, the devise of the swindler, should be done away with. The Fed should be abolished and the State boundaries should be respected. Bank reserves should be kept within the boundaries of the States whose people own them, and this reserve money of the people should be protected so that the International Bankers and acceptance bankers and discount dealers cannot draw it away from them.

"The Fed should be repealed, and the Fed Banks, having violated their charters, should be liquidated immediately. Faithless Government officials who have violated their oaths of office should be impeached and brought to trial.

"Unless this is done by us, I predict, that the American people, outraged, pillaged, insulted and betrayed as they are in their own land, will rise in their wrath, and will sweep the money changers out of the temple.

"Mr. Chairman, the United States is bankrupt: It has been bankrupted by the corrupt and dishonest Fed. It has repudiated its debts to its own citizens. Its chief foreign creditor is Great Britain, and a British bailiff has been at the White House and the British Agents are in the United States Treasury making inventory arranging terms of liquidations!

### **Great Britain, Partner in Blackmail**

"Mr. Chairman, the Fed has offered to collect the British claims in full from the American public by trickery and corruption, if Great Britain will help to conceal its crimes. The British are shielding their agents, the Fed, because they do not wish that system of robbery to be destroyed here. They wish it to continue for their benefit! By means of it, Great Britain has become the financial mistress of the world. She has regained the position she occupied before the World War.

"For several years she has been a silent partner in the business of the Fed. Under threat of blackmail, or by their bribery, or by their native treachery to the people of the United States, the officials in charge of the Fed unwisely gave Great Britain immense gold loans running into hundreds of millions of dollars. They did this against the law! Those gold loans were not single transactions. They gave Great Britain a borrowing power in the United States of billions. She squeezed billions out of this Country by means of her control of the Fed.

"As soon as the **Hoover Moratorium** was announced, Great Britain moved to consolidate her gains. After the treacherous signing away of American rights at the 7-power conference at London in **July, 1931**, which put the Fed under the control of the **Bank of International Settlements**, Great Britain began to tighten the hangman's noose around the neck of the United States.

"She abandoned the gold standard and embarked on a campaign of buying up the claims of foreigners against the Fed in all parts of the world. She has now sent her bailiff, **Ramsey MacDonald**, here to get her war debt to this country cancelled. But she has a club in her hands! She has title to the gambling debts which the corrupt and dishonest Fed incurred abroad.

"Ramsey MacDonald, the labor party deserter, has come here to compel the President to sign on the dotted line, and that is what Roosevelt is about to do! Roosevelt will endeavour to conceal the nature of his action from the American people. But he will obey the International Bankers and transfer the war debt that Great Britain should pay to the American people, to the shoulders of the American taxpayers.

"Mr. Chairman, the bank holiday in the several States was brought about by the corrupt and dishonest Fed. These institutions manipulated money and credit, and caused the States to order bank holidays.

"These holidays were frame-ups! "They were dress rehearsals for the national bank holiday which Franklin D. Roosevelt promised Sir Ramsey MacDonald that he would declare.

"There was no national emergency here when Franklin D. Roosevelt took office excepting the bankruptcy of the Fed- a bankruptcy which has been going on under cover for several years and which has been concealed from the people so that the people would continue to permit their bank deposits and their bank reserves and their gold and the funds of the United States Treasury to be impounded in these bankrupt institutions.

"Under cover, the predatory International Bankers have been stealthily transferring the burden of the Fed debts to the people's Treasury and to the people themselves.

They the farms and the homes of the United States to pay for their thievery! That is the only national emergency that there has been here since the depression began.

"The week before the bank holiday was declared in New York State, the deposits in the New York savings banks were greater than the withdrawals. There were no runs on New York Banks. There was no need of a bank holiday in New York, or of a national holiday.

### **Roosevelt<sup>6</sup> and the International Bankers**

"Roosevelt did what the International Bankers ordered him to do!

"Do not deceive yourself, Mr. Chairman, or permit yourself to be deceived by others into the belief that Roosevelt's dictatorship is in any way intended to benefit the people of the United States: he is preparing to sign on the dotted line!

**"He is preparing to cancel the war debts by fraud!"**

"He is preparing to internationalize this Country and to destroy our Constitution itself in order to keep the Fed intact as a money institution for foreigners. "Mr. Chairman, I see no reason why citizens of the United States should be terrorized into surrendering their property to the International Bankers who own and control the Fed. The statement that gold would be taken from its lawful owners if they did not voluntarily surrender it, to private interests, show that there is an anarchist in our Government.

"The statement that it is necessary for the people to give their gold- the only real money- to the banks in order to protect the currency, is a statement of calculated dishonesty!

"By his unlawful usurpation of power on the night of March 5, 1933, and by his proclamation, which in my opinion was in violation of the Constitution of the United States, Roosevelt divorced the currency of the United States from gold, and the United States currency is no longer protected by gold. It is therefore sheer dishonesty to say that the people's gold is needed to protect the currency.

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<sup>6</sup> **Franklin D. Roosevelt** was the only U.S. president to be elected four times. He led the United States through the Great Depression and World War II. Born on January 30, 1882, in Hyde Park, New York, Franklin D. Roosevelt was stricken with polio in 1921. He became the 32nd U.S. president in 1933, and was the only president to be elected four times. Roosevelt led the United States through the Great Depression and World War II, and greatly expanded the powers of the federal government through a series of programs and reforms known as the New Deal. Roosevelt died in Georgia in 1945.

<http://www.biography.com/people/franklin-d-roosevelt-9463381>

"Roosevelt ordered the people to give their gold to private interests- that is, to banks, and he took control of the banks so that all the gold and gold values in them, or given into them, might be handed over to the predatory International Bankers who own and control the Fed.

"Roosevelt cast his lot with the usurers. "He agreed to save the corrupt and dishonest at the expense of the people of the United States.

"He took advantage of the people's confusion and weariness and spread the dragnet over the United States to capture everything of value that was left in it. He made a great haul for the International Bankers.

"The Prime Minister of England came here for money! He came here to collect cash!

"He came here with Fed Currency and other claims against the Fed which England had bought up in all parts of the world. And he has presented them for redemption in gold.

"Mr. Chairman, I am in favour of compelling the Fed to pay their own debts. I see no reason why the general public should be forced to pay the gambling debts of the International Bankers.

### **Roosevelt Seizes the Gold**

"By his action in closing the banks of the United States, Roosevelt seized the gold value of forty billions or more of bank deposits in the United States banks. Those deposits were deposits of gold values. By his action he has rendered them payable to the depositors in paper only, if payable at all, and the paper money he proposes to pay out to bank depositors and to the people generally in lieu of their hard earned gold values in itself, and being based on nothing into which the people can convert it the said paper money is of negligible value altogether.

"It is the money of slaves, not of free men. If the people of the United States permit it to be imposed upon them at the will of their credit masters, the next step in their downward progress will be their acceptance of orders on company stores for what they eat and wear. Their case will be similar to that of starving coal miners. They, too, will be paid with orders on Company stores for food and clothing, both of indifferent quality and be forced to live in Company-owned houses from which they may be evicted at the drop of a hat. More of them will be forced into conscript labor camps under supervision.

**"At noon on [Saturday] the 4<sup>th</sup> of March, 1933, FDR** with his hand on the Bible, took an oath to preserve, protect and defend the Constitution of the U.S.

**At midnight on the 5th of March, 1933, he confiscated the property of American citizens.** He took the currency of the United States standard of value. He repudiated the internal debt of the Government to its own citizens. He destroyed the value of the American dollar.

He released, or endeavoured to release, the Fed from their contractual liability to redeem Fed currency in gold or lawful money on a parity with gold. **He depreciated the value of the national currency.**

"The people of the U.S. are now using unredeemable paper slips for money. The Treasury cannot redeem that paper in gold or silver. The gold and silver of the Treasury has unlawfully been given to the corrupt and dishonest Fed. And the Administration has since had the effrontery to raid the country for more gold for the private interests by telling our patriotic citizens that their gold is needed to protect the currency.

"It is not being used to protect the currency! It is being used to protect the corrupt and dishonest Fed.

"The directors of these institutions have committed criminal offense against the United States Government, including the offense of making false entries on their books, and the still more serious offense of unlawfully abstracting funds from the United States Treasury! "

Roosevelt's gold raid is intended to help them out of the pit they dug for themselves when they gambled away the wealth and savings of the American people.

## **Dictatorship**

"The International Bankers set up a dictatorship here because they wanted a dictator who would protect them. They wanted a dictator who would protect them. They wanted a dictator who would issue a proclamation giving the Fed an absolute and unconditional release from their special currency in gold, or lawful money of any Fed Bank.

"Has Roosevelt relieved any other class of debtors in this country from the necessity of paying their debts? Has he made a proclamation telling the farmers that they need not pay their mortgages? Has he made a proclamation to the effect that mothers of starving children need not pay their milk bills? Has he made a proclamation relieving householders from the necessity of paying rent?

## **Roosevelt's Two Kinds of Laws**

"Not he! He has issued one kind of proclamation only, and that is a proclamation to relieve international bankers and the foreign debtors of the United States Government.

"Mr. Chairman, the gold in the banks of this country belongs to the American people who have paper money contracts for it in the form of national currency. If the Fed cannot keep their contracts with United States citizens to redeem their paper money in gold, or lawful money, then the Fed must be taken over by the United States Government and their officers must be put on trial.

"There must be a day of reckoning. If the Fed have looted the Treasury so that the Treasury cannot redeem the United States currency for which it is liable in gold, then the Fed must be driven out of the Treasury.

"Mr. Chairman, a gold certificate is a warehouse receipt for gold in the Treasury, and the man who has a gold certificate is the actual owner of a corresponding amount of gold stacked in the Treasury subject to his order.

"Now comes Roosevelt who seeks to render the money of the United States worthless by unlawfully declaring that it may No Longer be converted into gold at the will of the holder.

"Roosevelt's next haul for the International Bankers was the reduction in the pay of all Federal employees.

"Next in order are the veterans of all wars, many of whom are aged and inform, and other sick and disabled. These men had their lives adjusted for them by acts of Congress determining the amounts of the pensions, and, while it is meant that every citizen should sacrifice himself for the good of the United States, I see no reason why those poor people, these aged Civil War Veterans and war widows and half-starved veterans of the World War, should be compelled to give up their pensions for the financial benefit of the International vultures who have looted the Treasury, bankrupted the country and traitorously delivered the United States to a foreign foe.

"There are many ways of raising revenue that are better than that barbaric act of injustice.

"Why not collect from the Fed the amount they owe the U.S. Treasury in interest on all the Fed currency they have taken from the Government? That would put billions of dollars into the U.S. Treasury.

"If FDR is as honest as he pretends to be, he will have that done immediately. And in addition, why not compel the Fed to disclose their profits and to pay the Government its share?

"Until this is done, it is rank dishonesty to talk of maintaining the credit of the U.S. Government. "My own salary as a member of Congress has been reduced, and while I am willing to give my part of it that has been taken away from me to the U.S. Government, I regret that the U.S. has suffered itself to be brought so low by the vultures and crooks who are operating the roulette wheels and faro tables in the Fed, that is now obliged to throw itself on the mercy of its legislators and charwomen, its clerks, and its poor pensioners and to take money out of our pockets to make good the defalcations of the International Bankers who were placed in control of the Treasury and given the monopoly of U.S. Currency by the misbegotten Fed. "I am well aware that the International Bankers who drive up to the door of the United States Treasury in their limousines, look down with scorn upon members of Congress because we work for so little, while they draw millions a year. The difference is that we earn, or try to earn, what we get- and they steal the greater part of their takings.

### **Enemies of the People They Rob**

"I do not like to see vivisections performed on human beings. I do not like to see the American people used for experimental purposes by the credit masters of the United States. They predicted among themselves that they would be able to produce a condition here in which American citizens would be completely humbled and left starving and penniless in the streets.

"The fact that they made that assertion while they were fomenting their conspiracy against the United States that they like to see a human being, especially an American, stumbling from hunger when he walks. "



Something should be done about it, they say. Five-cent meals, or something! "But FDR will not permit the House of Representatives to investigate the condition of the Fed.

FDR will not do that. He has certain International Bankers to serve. They not look to him as the man Higher Up who will protect them from the just wrath of an outraged people.

"The International Bankers have always hated our pensioners. A man with a small pension is a ward of the Government. He is not dependent upon them for a salary or wages. They cannot control him. They do not like him. It gave them great pleasure, therefore, to slash the veterans.

"But FDR will never do anything to embarrass his financial supporters. He will cover up the crimes of the Fed.

"Before he was elected, Mr. Roosevelt advocated a return to the earlier practices of the Fed, thus admitting its corruptness. The Democratic platform advocated a change in the personnel of the Fed. These were campaign bait. As a prominent Democrat lately remarked to me;

*"There is no new deal. The same old crowd is in control."*

"The claims of foreign creditors of the Fed have no validity in law. The foreign creditors were the receivers- and the willing receivers- of stolen goods! They have received through their banking fences immense amounts of currency, and that currency was unlawfully taken from the United States Treasury by the Fed.

"England discovered the irregularities of the Fed quite early in its operations and through fear, apparently, the Fed have for years suffered themselves to be blackmailed and dragooning England to share in the business of the Fed.

"The Fed have unlawfully taken many millions of dollars of the public credit of the United States and have given it to foreign sellers on the security of the Debt paper of foreign buyers in purely foreign transactions, and when the foreign buyers refused to meet their obligations and the Fed saw no honest way of getting the stolen goods back into their possession, they decided by control of the executive to make the American people pay their losses!

### **Conspiracy of War Debts**

"They likewise entered into a conspiracy to deprive the people of the U.S. of their title to the war debts and not being able to do that in the way they intended, they are now engaged in an effort to debase the American dollar so that foreign governments will have their debts to this country cut in two, and then by means of other vicious underhanded arrangements, they propose to remit the remainder.

"So far as the U.S. is concerned, the gambling counters have no legal standing. The U.S. Treasury cannot be compelled to make good the gambling ventures of the corrupt and dishonest Fed. Still less should the bank deposits of the U.S. be used for that purpose. Still less should the national currency have been made irredeemable in gold so that the gold which was massed and stored to redeem the currency for American citizens may be used to pay the gambling debts of the Fed for England's benefit.

"The American people should have their gold in their own possession where it cannot be held under secret agreement for any foreign control bank, or world bank, or foreign nation. Our own citizens have the prior claim to it. The paper [moneymen] have in their possession deserves redemption far more than U.S. currency and credit which was stolen from the U.S. Treasury and bootlegged abroad.

"Why should the foreigners be made preferred creditors of the bankrupt U.S.? Why should the U.S. be treated as bankrupt at all? This Government has immense sums due it from the Fed. The directors of these institutions are men of great wealth. Why should the guilty escape the consequences of their misdeeds? Why should the people of these U.S. surrender the value of their gold bank deposits to pay off the gambling debts of these bankers? Why should Roosevelt promise foreigners that the U.S. will play the part of a good neighbour, 'meeting its obligations'?

***"Let the Fed meet their own obligations."***

*"Every member of the Fed should be compelled to disgorge, and every acceptance banker and every discount corporation which has made illegal profits by means of public credit unlawfully bootlegged out of the U.S. Treasury and hired out by the crooks and vultures of the Fed should be compelled to disgorge."*

### **Federal Reserve Pays No Taxes**

"Gambling debts due to foreign receivers of stolen goods should not be paid by sacrificing our title to our war debts, the assets of the U.S. Treasury- which belong to all the people of the U.S. and which it is our duty to preserve inviolate in the people's treasury.

"The U.S. Treasury cannot be made liable for them. The Fed currency must be redeemed by the Fed banks or else these Fed banks must be liquidated.

"We know from assertions made here by the Hon. John N. Garner, Vice-President of the U.S. that there is a condition in the [United States such] would cause American citizens, if they knew what it was, to lose all confidence in their government.

"That is a condition that Roosevelt will not have investigated. He has brought with him from Wall Street, James Warburg, the son of Paul M. Warburg. Mr. Warburg, alien born, and the son of an alien who did not become naturalized here until several years after this Warburg's birth, is a son of a former partner of *Kuhn, Loeb and Co.*, a grandson of another partner, a nephew of a former partner, and a nephew of a present partner.

"He holds no office in our Government, but I am told that he is in daily attendance at the Treasury, and that he has private quarters there! In other words, Mr. Chairman, *Kuhn, Loeb and Company now has control and occupy the U.S. Treasury.*

## Preferred Treatment for Foreigners

"The text of the Executive order which seems to place an embargo on shipments of gold permits the Secretary of the Treasury, a former director of the corrupt, to issue licenses at his discretion for the export of gold coin, or bullion, earmarked or held in trust for a recognized foreign government or foreign central bank for international settlement. Now, Mr. Chairman, if gold held in trust for those foreign institutions may be sent to them, I see no reason why gold held in trust for American as evidenced by their gold certificates and other currency issued by the U.S. Government should not be paid to them.

"I think that American citizens should be entitled to treatment at least as good as that which the person is extending to foreign governments, foreign central banks, and the bank of International Settlements. I think a veteran of the world war, with a \$20.00 gold certificate, is at least as much entitled to receive his own gold for it, as any international banker in the city of New York or London.

"By the terms of this executive order, gold may be exported if it is actually required, for the fulfilment of any contract entered into prior to the date of this order by an applicant who, in obedience to the executive order of **April 5, 1933**, has delivered gold coin, gold bullion, or gold certificates.


"This means that gold may be exported to pay the obligations abroad of the Fed which were incurred prior to the date of the order, namely, **April 20, 1933**.


"If a European Bank should send 100,000,000 dollars in Fed currency to a bank in this country for redemption, that bank could easily ship gold to Europe in exchange for that currency.

Such Fed currency would represent "contracts" entered into prior to the date of the order. If the Bank of International Settlements or any other foreign bank holding any of the present gambling debt paper of the Fed should draw a draft for the settlement of such obligation, gold would be shipped to them because the debt contract would have been entered into prior to the date of order.


## Crimes and Criminals


**"Mr. Speaker, I rise to a question of constitutional privilege.**


 **"Whereas, I charge.** . .Eugene Meyer, Roy A. Young, Edmund Platt, Eugene B. Black, Adolph Casper Miller, Charles S. Hamlin, George R. James, Andrew W. Mellon, Ogden L. Mills, William H. Woo W. Poole, J. F. T. O'Connor, members of the Federal Reserve Board; F. H. Curtis, J. H. Chane, R. L. Austin, George De Camp, L. B. Williams, W.W. Hoxton, Oscar Newton, E. M. Stevens, J. S. Wood, J. N. Payton, M. L. McClure, C.C. Walsh, Isaac B. Newton, Federal Reserve Agents, jointly and severally, with violations of the Constitution and laws of the United States, and

 **"Whereas I charge** them with having taken funds from the U.S Treasury which were not appropriated by the Congress of the United States, and I charge them with having unlawfully taken over \$80,000,000,000 from the U.S. Government in the year 1928,


the said unlawful taking consisting of the unlawful creation of claims against the U.S. Treasury to the extent of over \$80,000,000,000 in the year 1928; and I charge them with similar thefts committed in 1929, 1930, 1931, 1932 and 1933, and in years previous to 1928, amounting to billions of dollars; and


 "Whereas I charge them jointly and severally, with having unlawfully created claims against the U.S. Treasury by unlawfully placing U.S. Government credit in specific amounts to the credit of foreign governments and foreign central banks of issue; private interests and commercial and private banks of the U.S. and foreign countries, and branches of foreign banks doing business in the U.S., to the extent of billions of dollars; and with having made unlawful contracts in the name of the U.S. Government and the U.S. Treasury; and with having made false entries on books of account; and


 "Whereas I charge them jointly and severally, with having taken Fed Notes from the U.S. Treasury and with having put Fed Notes into circulation without obeying the mandatory provision of the Fed Act which requires the Fed Board to fix an interest rate on all issues of Fed Notes supplied to Fed Banks, the interest resulting therefrom to be paid by the Fed Banks to the government of the U.S. for the use of the Fed Notes, and I charge them of having defrauded the U.S. Government and the people of the U.S. of billions of dollars by the commission of this crime, and


 "Whereas I charge them jointly and severally, with having purchased U.S. Government securities with U.S. Government credit unlawfully taken and with having sold the said U.S. Government securities back to the people of the U.S. for gold or gold values and with having again purchased U.S. Government securities with U.S. Government credit unlawfully taken and with having again sold the said U.S. Government security for gold or gold values,


and I charge them with having defrauded the U.S. Government and the people of the U.S. by this rotary process; and


 "Whereas I charge them, jointly and severally, with having unlawfully negotiated U.S. Government securities, upon which the Government liability was extinguished, as collateral security for Fed Notes and with having substituted such securities for gold which was being held as collateral security for Fed Notes, and with having by the process defrauded the U.S. Government and the people of the U.S., and I charge them with the theft of all the gold and currency they obtained by this process; and


 "Whereas I charge them jointly and severally, with having unlawfully issued Fed currency on false, worthless and fictitious acceptances and other circulating evidence of debt, and with having made unlawful advances of Fed currency, and with having unlawfully permitted renewals of acceptances and renewals of other circulating evidences of debt, and with having permitted acceptance bankers and discount dealer corporations and other private bankers to violate the banking laws of the U.S.; and


 "Whereas I charge them, jointly and severally, with having conspired to have evidences of debt to the extent of \$1,000,000,000 artificially created at the end of February, 1933, and early in March 1933, and with having made unlawful issues and advances of Fed currency on the security of said artificially created evidences of debt for a sinister purpose, and with having assisted in the execution of said sinister purpose; and

 "Whereas I charge them jointly and severally, with having brought about the repudiation of the currency obligations of the Fed Banks to the people of the U.S. and with having conspired to obtain a release for the Fed Board and the Fed Banks from their contractual liability to redeem all Fed currency in gold or lawful money at the Fed Bank and with having defrauded the holders of Fed currency, and with having conspired to have the debts and losses of the Fed Board and the Fed Banks unlawfully transferred to the Government and the people of the U.S., and


 "Whereas I charge them jointly and severally, with having unlawfully substituted Fed currency and other irredeemable paper currency for gold in the hands of the people after the decision to repudiate the Fed currency and the national currency was made known to them, and with thus having obtained money under false pretenses; and


 "Whereas I charge them jointly and severally, with having brought about a repudiation of the notes of the U.S. in order that the gold value of the said currency might be given to private interests, foreign governments, foreign central banks of issues, and the Bank of International Settlements, and the people of the U.S. to be left without gold or lawful money and with no currency other than a paper currency irredeemable in gold, and I charge them with having done this for the benefit of private interests, foreign governments, foreign central banks of issue, and the bank of International Settlements; and


 "Whereas I charge them jointly and severally, with conniving with the Edge Law banks, and other Edge Law institutions, accepting banks, and discount corporations, foreign central banks of issue, foreign commercial banks, foreign corporations, and foreign individuals with funds unlawfully taken from the U.S. Treasury; and I charge them with having unlawfully permitted and made possible 'new financing' for foreigners at the expense of the U.S. Treasury to the extent of billions of dollars and with having unlawfully permitted and made possible the bringing into the United States of immense quantities of foreign securities, created in foreign countries for export to the U.S. and with having unlawfully permitted the said foreign securities to be imported into the U.S. instead of gold, which was lawfully due to the U.S. on trade balances and otherwise, and with having lawfully permitted and facilitated the sale of the said foreign securities in the U.S., and


 "Whereas I charge them jointly and severally, with having unlawfully exported U.S. coins and currency for a sinister purpose, and with having deprived the people of the U.S. of their lawful medium of exchange, and I charge them with having arbitrarily and unlawfully reduced the amount of money and currency in circulation in the U.S. to the lowest rate per capita in the history of the Government, so that the great mass of the people have been left without a


sufficient medium of exchange, and I charge them with concealment and evasion in refusing to make known the amount of U.S. money in coins and paper currency exported and the amount remaining in the U.S. as a result of which refusal the Congress of the U.S. is unable to ascertain where the U.S. coins and issues of currency are at the present time, and what amount of U.S. currency is now held abroad; and


 "Whereas I charge them jointly and severally, with having arbitrarily and unlawfully raised and lowered the rates of money and with having arbitrarily increased and diminished the volume of currency in circulation for the benefit of private interests at the expense of the Government and the people of the U.S. and with having unlawfully manipulated money rates, wages, salaries and property values both real and personal, in the U.S. by unlawful operations in the open discount market and by resale and repurchase agreements unsanctioned by law, and


 "Whereas I charge them jointly and severally, with having brought about the decline in prices on the New York Stock Exchange and other exchanges in October, 1929, by unlawful manipulation of money rates and the volume of U.S. money and currency in circulation: by theft of funds from the U.S. Treasury by gambling in acceptances and U.S. Government securities; by service rendered to foreign and domestic speculators and politicians, and by unlawful sale of U.S. gold reserves abroad, and

 "Whereas the unconstitutional inflation law imbedded in the so-called Farm Relief Act by which the Fed Banks are given permission to buy U.S. Government securities to the extent of \$3,000,000,000 and to draw forth currency from the people's Treasury to the extent of \$3,000,000,000 is likely to result in connivance on the part of said accused with others in the purchase by the Fed of the U.S. Government securities to the extent of \$3,000,000,000 with U.S. Government's own credit unlawfully taken, it being obvious that the Fed do not intend to pay anything of value to the U.S. Government for the said U.S. Government securities no provision for payment in gold or lawful money appearing in the so-called Farm Relief bill- and the U.S. Government will thus be placed in a position of conferring a gift of \$3,000,000,000 in the U.S. Government securities on the Fed to enable them to pay more on their bad debts to foreign governments, foreign central banks of issue, private interests, and private and commercial banks, both foreign and domestic, and the Bank of International Settlements, and


 "Whereas the U.S. Government will thus go into debt to the extent of **\$3,000,000,000** and will then have an additional claim of \$3,000,000,000 in currency unlawfully created against it and whereas no private interest should be permitted to buy U.S. Government securities with the Government's own credit unlawfully taken and whereas currency should not be issued for the benefit of said private interest or any interests on U.S. Government securities so acquired, and whereas it has been publicly stated and not denied that the inflation amendment of the Farm Relief Act is the matter of benefit which was secured by Ramsey MacDonald, the Prime Minister of Great Britain, upon the occasion of his latest visit to the U.S. Treasury, and


 "Whereas there is grave danger that the accused will employ the provision creating U.S. Government securities to the extent of \$3,000,000,000 and three millions in currency to be issuable thereupon for the benefit of themselves and their foreign principals, and that they will convert the currency so obtained to the uses of Great Britain by secret arrangements with the Bank of England of which they are the agents, and for which they maintain an account and perform services at the expense of the U.S. Treasury, and that they will likewise confer benefits upon the Bank of International Settlements for which they maintain an account and perform services at the expense of the U.S. Treasury; and

 "Whereas I charge them jointly and severally, with having concealed the insolvency of the Fed and with having failed to report the insolvency of the Fed to the Congress and with having conspired to have the said insolvent institutions continue in operation, and with having permitted the said insolvent institutions to receive U.S. Government funds and other deposits, and with having permitted them to exercise control over the gold reserves of the U.S. and with having permitted them to transfer upward of \$100,000,000,000 of their debts and losses to the general public and the Government of the U.S., and with having permitted foreign debts of the Fed to be paid with the property, the savings, the wages, and the salaries of the people of the U.S. and with the farms and the homes of the American people, and whereas I charge them with forcing the bad debts of the Fed upon the general public covertly and dishonestly and with taking the general wealth and savings of the people of the U.S. under false pretenses, to pay the debts of the Fed to foreigners; and












 "Whereas I charge them jointly and severally, with violations of the Fed Act and other laws; with maladministration of the h evasions of the Fed Law and other laws; and with having unlawfully failed to report violations of law on the part of the Fed Banks which, if known, would have caused the Fed Banks to lose their charters, and

 "Whereas I charge them jointly and severally, with failure to protect and maintain the gold reserves and the gold stock and gold coinage of the U.S. and with having sold the gold reserves of the U.S to foreign Governments, foreign central banks of issue, foreign commercial and private banks, and other foreign institutions and individuals at a profit to themselves, and I charge them with having sold gold reserves of the U.S. so that between 1924 and 1928 the U.S. gained no gold on net account but suffered a decline in its percentage of central gold reserves from the 45.9 percent in 1924 to 37.5 percent in 1928 notwithstanding the fact that the U.S. had a favorable balance of trade throughout that period, and

 "Whereas I charge them jointly and severally, with having conspired to concentrate U.S. Government securities and thus the national debt of the U.S. in the hands of foreigners and international money lenders and with having conspired to transfer to foreigners and international money lenders title to and control of the financial resources of the U.S.; and

 "Whereas I charge them jointly and severally, with having fictitiously paid instalments on the national debt with Government credit unlawfully taken; and



-  "Whereas I charge them jointly and severally, with the loss of the U.S. Government funds entrusted to their care; and
-  "Whereas I charge them, jointly and severally, with having destroyed independent banks in the U.S. and with having thereby caused losses amounting to billions of dollars to the said banks, and to the general public of the U.S., and
-  "Whereas I charge them jointly and severally, with the failure to furnish true reports of the business operations and the true conditions of the Fed to the Congress and the people, and having furnished false and misleading reports to the congress of the U.S., and
-  "Whereas I charge them jointly and severally, with having published false and misleading propaganda intended to deceive the American people and to cause the U.S. to lose its independence; and
-  "Whereas I charge them jointly and severally, with unlawfully allowing Great Britain to share in the profits of the Fed at the expense of the Government and the people of the U.S.; and
-  "Whereas I charge them jointly and severally, with having entered into secret agreements and illegal transactions with Montague Norman, Governor of the Bank of England; and
-  "Whereas I charge them jointly and severally, with swindling the U.S. Treasury and the people of the U.S. in pretending to have received payment from Great Britain of the amount due on the British war debt to the U.S. in December, 1932; and
-  "Whereas I charge them jointly and severally, with having conspired with their foreign principals and others to defraud the U.S. Government and to prevent the people of the U.S. from receiving payment of the war debts due to the U.S. from foreign nations; and
-  "Whereas I charge them jointly and severally, with having robbed the U.S Government and the people of the U.S. by their theft and sale of the gold reserves of the U.S. and other unlawful transactions created a deficit in the U.S. Treasury, which has necessitated to a large extent the destruction of our national defense and the reduction of the U.S. Army and the U.S. Navy and other branches of the national defense; and
-  "Whereas I charge them jointly and severally, of having reduced the U.S. from a first class power to one that is dependent, and with having reduced the U.S. from a rich and powerful nation to one that is internationally poor; and
-  "Whereas I charge them jointly and severally, with the crime of having treasonable conspired and acted against the peace and security of the U.S. and with having treasonable conspired to destroy constitutional Government in the U.S.
-  "Resolve, That the Committee on the Judiciary is authorized and directed as a whole or by subcommittee, to investigate the official conduct of the Fed agents to determine whether, in the

opinion of the said committee, they have been guilty of any high crime or misdemeanour which in the contemplation the Constitution requires the interposition of the Constitutional powers of the House. Such Committee shall report its finding to the House, together with such resolution or resolutions of impeachment or other recommendations as it deems proper.



"For the purpose of this resolution, the Committee is authorized to sit and act during the present Congress at such times and places in the District of Columbia or elsewhere, whether or not the House is sitting, has recessed or has adjourned, to hold such clerical, stenographic, and other assistants, to require of such witnesses and the production of such books, papers, and documents, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary."

After some discussion and upon the motion of Mr. Byrns, the resolution and charge was referred to the Committee on the Judiciary.

### "Attacks on McFadden's Life Reported"

Commenting on Former Congressman Louis T. McFadden's "heart-failure sudden-death" on Oct. 3, 1936, after a "dose" of "*intestinal flu*," "Pelley's Weekly" of Oct. 14 said:

*Now that this sterling American patriot has made the Passing, it can be revealed that not long after his public utterance against the encroaching powers of Judah, it became known among his intimates that he had suffered two attacks against his life. The first attack came in the form of two revolver shots fired at him from ambush as he was alighting from a cab in front of one of the Capital hotels. Fortunately, both shots missed him, the bullets burying themselves in the structure of the cab.*

*"He became violently ill after partaking of food at a political banquet at Washington.*

*His life was only saved from what was subsequently announced as a poisoning by the presence of a physician friend at the banquet, who at once procured a stomach pump and subjected the Congressman to emergency treatment."*

*/s/ Robert Edward Edmondson (Publicist-Economist)*

President Andrew Jackson stated in reference to the bankers at the state of his administration:

*"You are a den of vipers and thieves.*

*I intend to rout you out, and by the Eternal God, I will rout you out."*

<http://hiwaay.net/~becraft/mcfadden.html>

<http://home.hiwaay.net/~becraft/>

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## McFADDEN, Louis Thomas, (1876 - 1936)

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*69th Congress Pictorial Directory, Collection of the U.S. House of Representatives*

- Born in Granville Center, Troy Township, Bradford County, Pa., July 25, 1876;
- Attended the public schools; Graduated from Warner's Commercial College, Elmira, N.Y.
- Entered the employ of the First National Bank, Canton, Pa., in 1892; in 1899 was elected cashier, and became its president on January 11, 1916, serving until 1925.
- Served as treasurer of the Pennsylvania Bankers' Association in 1906 and 1907 and as president in 1914 and 1915.
- Appointed in 1914 by the agricultural societies of the State of Pennsylvania as a trustee of Pennsylvania State College.
- Elected as a Republican to the Sixty-fourth and to the nine succeeding Congresses (March 4, 1915-January 3, 1935)
- Chairman, Committee on Banking and Currency (Sixty-sixth through Seventy-first Congresses); Unsuccessful candidate for re-election in 1934 to the Seventy-fourth Congress and for nomination in 1936 to the Seventy-fifth Congress.
- Died October 1, 1936, while on a visit in New York City
- Interment in East Canton Cemetery, Canton, Pa.

<http://bioguide.congress.gov/scripts/biodisplay.pl?index=M000434>

### **Bibliography/Further Reading:**

McFadden, Louis Thomas. *Collective speeches of Congressman Louis T. McFadden; as compiled from the Congressional Record*. Hawthorne, Calif.: Omni Publications, 1970.