The End of Money and the Future of Civilization
New 2024 Edition

Chapter Four
Central Banking and the Rise of the Money Power

I sincerely believe…that banking establishments are more dangerous than standing armies; & that the principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale.—Thomas Jefferson[1]

It should be evident that any effort to alter the status quo must be informed by a thorough understanding of the mechanisms that have been used to consolidate power and wealth. In our modern era, the chief instrument by which that consolidation has been achieved is by control over the machinery for creating and circulating money. Money has consistently been abused by those who have had authority over it. In medieval times, it became common for princes and kings to recall and reissue the gold and silver coins that then served as money, each time enriching themselves by reducing the precious metal content of the new coins and forcing their subjects to accept them at the same nominal value as the old.

But it is only within the past three centuries that the machinery of money and banking has been refined to enable levels of control approaching the absolute to be wielded on a worldwide basis by a handful of groups and individuals. In something resembling "the divine right of kings" they must imagine themselves to possess superior qualities that entitle them to their positions of privilege, dominance, and rulership. This privilege they claim in private to be their legitimate reward for bringing order to the "unruly mob." Surely the most valuable and effective privilege for maintaining control and appropriating wealth in the modern era has been the privilege of controlling the machinery of money and banking. Mayer Amschel Rothschild, the patriarch and founder of the celebrated banking dynasty, is quoted as having said, "Give me the power to create a nation's money and I care not who makes the laws." And from whence does that power derive? It is the corruption of government that Hamilton spoke of. Make no mistake about it, national governments, by and large, have become dispensers of privileges that favor the few at the expense of the many, and they become ever more corrupt as they arrogate ever more power. This is the seed and soil from which central banking has sprung.

Central Banking, an Unholy Alliance

Can you imagine having total control over the creation of money? That you can create as much of it as you want by making a few bookkeeping entries? That you can give it, or lend it, to whomever you want? That you can spend it any way you want? That you can make people pay to get it and to use it? That you can take people's property when they are unable to pay it back? Shocking as it may seem, this is the nature of the monetary and financial regime that has spread around the world. But who holds these privileges and how are they exercised?[2]

That story begins with the founding of the Bank of England more than three hundred years ago. William III (William of Orange) and Mary II had ascended to the throne of England as coregents in 1689. William was at war with France (under Louis XIV) in what is known as the War of the League of Augsburg (1688–97). War is an expensive proposition, and William needed to raise money to finance it. Another William, the Scotsman William Patterson, provided the solution to the king's financial problem—"he proposed a loan of £1.2m to the government; in return the subscribers would be incorporated as The Governor and Company of the Bank of England with long term banking privileges including the issue of notes."[3] But by 1708, the government had fallen more deeply into debt to the bank, and as a result the bank's privileges were extended—giving it a virtual monopoly in the issuance of banknotes as loans on which it collected "interest," (which is more properly characterized as "usury").

That was the beginning of the unholy alliance between politics and finance that has enabled governments to spend without being limited by their overt tax revenues, and has given bankers the privilege of creating credit money (originally, in the form of banknotes, now as bank "deposits") and lending it out at interest. The Bank of England became the prototype for central banks that were eventually to be established in virtually every country of the world.

Riegel provides this summary of the matter:

> "Throughout the ages the devices of cunning men have turned money to their nefarious purposes. Money, beginning with private enterprise as a means of escaping the limitation of barter soon developed the cheat to exploit the honest trader who in an effort to protect himself turned to government for protection, only to find that now he had two thieves, the private money changer and the political plunderer working hand in glove against him. By this combination the money changer gained the prestige of political sanction through legislative license and the state secured a deceptive device for laying taxes upon the citizenry [by means of the hidden tax called inflation]. It was and remains a vicious alliance."[4]

Professor Quigley regarded "the founding of the Bank of England by William Paterson and his friends in 1694" as "one of the great dates in world history."

Quigley observed that:

> "…this organizational structure for creating means of payment out of nothing, which we call credit, was not invented by England but was developed by her to become one of her chief weapons in the victory over Napoleon in 1815. The emperor, as the last great mercantilist, could not see money in any but concrete terms, and was convinced that his efforts to fight wars on the basis of "sound money," by avoiding the creation of credit, would ultimately win him a victory by bankrupting England. He was wrong, although the lesson has had to be relearned by modern financiers in the twentieth century."[5]

Neither Napoleon nor anyone else seemed to realize that money based on government debt had become a weapon of war that, in combination with the development of ever more efficient machines for killing and destruction, would enable wars to be waged on a massive scale that would eventually become global in scope, and that nation states in competition for dominance would ultimately take the human species to the present brink of self-annihilation. While the locus of imperial power has shifted over time, the impetus toward imperial dominance has continued to infect human consciousness and to consume an ever greater share of our creative capacity and life energy.

Central Banking in the United States

No sooner had the colonies taken steps to sever their ties with Britain, than the elite forces set about replicating the Bank of England model in America. The first attempt in that direction had been made even prior to the end of the Revolutionary War with the chartering by Congress of the Bank of North America on the very last day of 1781. Wikipedia provides this account:

> "Earlier, on April 30, 1781, Alexander Hamilton, then only twenty-three years old and still serving in the military, had sent [Finance Minister, Robert] Morris a letter. First, Hamilton revealed that he had recommended Morris for the position the previous summer when the constitution of the executive was being solidified. Second, he proceeded to lay out a proposal for a National Bank. Morris, who had corresponded with Hamilton previously (1780) on the subject of funding the war, immediately drafted a legislative proposal based on Hamilton's suggestion and submitted it to the Congress. Morris persuaded Congress to charter the Bank of North America, the first private commercial bank in the United States."[6]

As Murray Rothbard describes it, "This bank, headed by Morris himself [in an evident conflict of interest], was not only the first fractional reserve commercial bank in the U.S.; it was to be a privately owned central bank, modeled after the Bank of England. [The Bank] received the privilege from the government of its notes being receivable in all duties and taxes to all governments, at par with specie. In addition, no other banks were to be permitted to operate in the country. In return for its monopoly license to issue paper money, the bank would graciously lend most of its newly created money to the federal government to purchase public debt and be reimbursed by the hapless taxpayer."[7] The Bank of North America, despite its monopoly powers, did not fare well. By the end of 1783, it had ceased to function as a central bank and shifted its status by obtaining a state charter in Pennsylvania.

The First Bank of the United States

The next attempt came a few years later, after the Articles of Confederation had been replaced by the Constitution. Led by Alexander Hamilton, who had fought alongside George Washington in the Revolutionary War and now served in his cabinet as Secretary of the Treasury, the elite interests proposed that a Bank of the United States be chartered to serve as the depository of federal government funds. The bank also, like the Bank of England, was to enjoy certain privileges. It would have the power to issue notes that would be acceptable by the government in payment of taxes. In 1791, Congress approved the charter, and the bill was signed by President Washington. Thus, the first Bank of the United States came into being. It was a private corporation owned mainly by foreign, mostly British, interests. This bank lasted until 1811 when its twenty-year charter expired and the bill to renew it failed by one vote in Congress.

How the Globalist Bankers Came to Rule the World

In 1809 James Madison, who was closely aligned with Jefferson personally, politically, and philosophically, succeeded him as president. Madison shared Jefferson's concerns about the banking power and the dishonest issuance of money, and he was staunchly against the national Bank. I've not seen evidence of whether or not he had threatened to veto the bill to recharter the First Bank of the United States, but that measure failed in Congress by one vote, so the question of a presidential veto became moot. Some have speculated that the failure to recharter the bank may have been one reason for the war of 1812. While that may not have been a primary cause of the war, or even related to it in any way, it certainly had an impact on subsequent events. Ironically, their staunch support for honest money and their opposition to the rise of banking power put the Jeffersonians at a disadvantage by making it difficult to finance the war. In the subsequent unfolding of history, we have seen that the imperial ambitions of later American leaders, in order to compete on the global stage and gain supremacy over the imperial powers of the 19th and early 20th centuries, the United States did eventually fall into line by joining the other global powers in colluding with the banking establishment to implement the dishonest means of taxation called "currency inflation."

Andrew Jackson and the "Bank War"

The Second Bank of the United States, chartered in 1816, was essentially a replica of the first Bank of the United States. It also had a twenty year charter that was due to expire in 1836, at which time the bank's proponents expected that it would be renewed, but the election of Andrew Jackson as President in 1828 threw a wrench into that plan. In 1832, during Jackson's campaign for a second term, the bank became a major issue. Jackson argued, "The Bank of the United States is in itself a Government which has gradually increased in strength from the day of its establishment."[8] He said of the bankers, "You are a den of vipers and thieves. I intend to rout you out, and by the Eternal God, I will rout you out." He saw himself as a champion of the people against "a heartless monied aristocracy."[9] In his view, the "bank war" was a contest for rulership—would the United States be governed by the people through their elected president and representatives, or by an unelected financial elite through their central bank instrument?

Nicholas Biddle, then president of the bank, had lobbied Congress to pass a bill to recharter the bank early, well ahead of the charter's expiration. The sentiments of the anti-bank forces were ably expressed by Thomas Hart Benton on the floor of the Senate:

> "First: Mr. President, I object to the renewal of the charter… because I look upon the bank as an institution too great and powerful to be tolerated in a government of free and equal laws. Secondly, I object…because its tendencies are dangerous and pernicious to the government and the people. It tends to aggravate the inequality of fortunes; to make the rich richer, and the poor poorer; to multiply nabobs and paupers. Thirdly, I object on account of the exclusive privileges, and anti-republican monopoly, which it gives to the stockholders."[10]

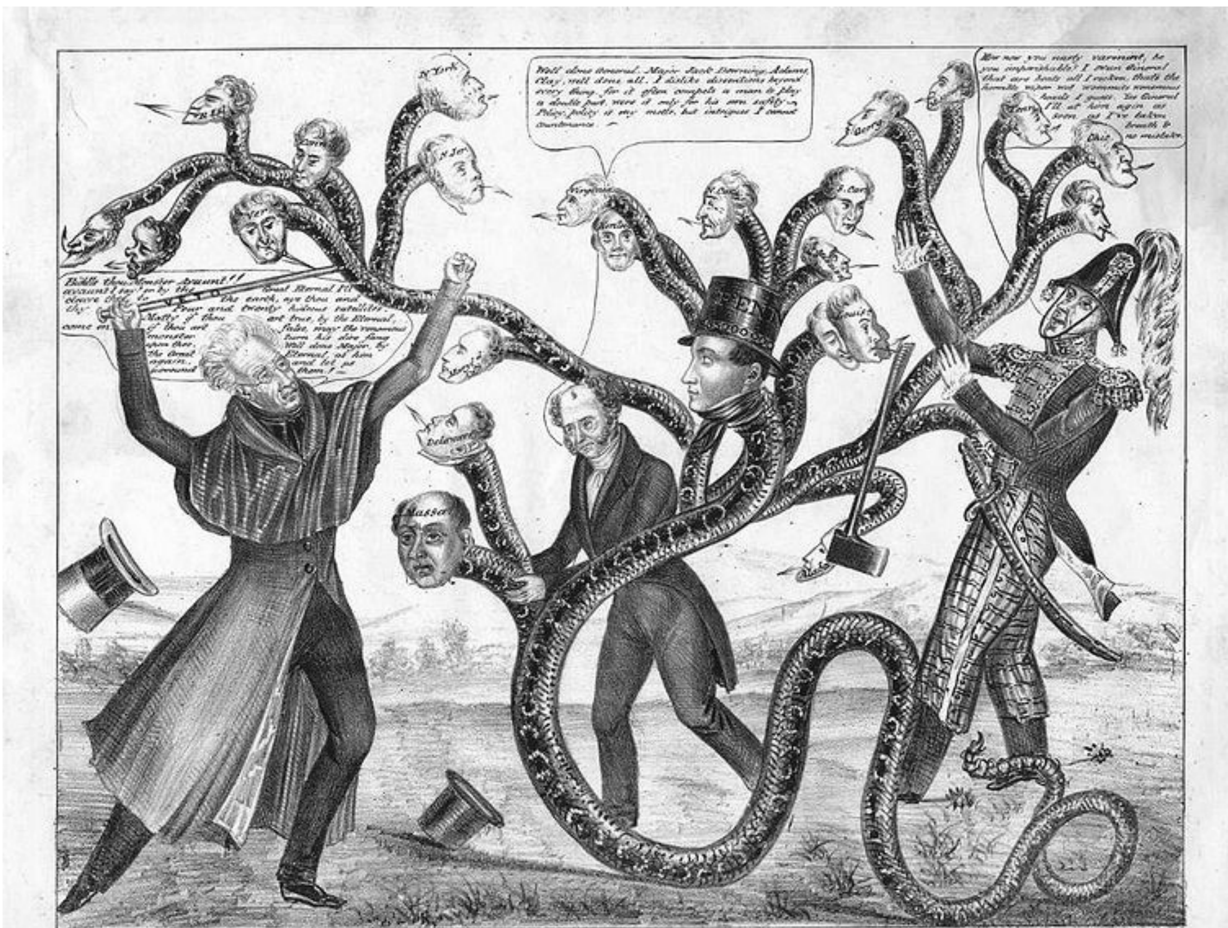
Despite such pleas as Benton's, Congress did pass the recharter bill—but on November 24, 1832, Jackson vetoed it. While Jackson acknowledged in his veto message that, "A bank of the United States is in many respects convenient for the Government and useful to the people," he argued that the bank as constituted was a privileged monopoly created to make rich men "richer by act of Congress." The bank, he declared, was "unauthorized by the Constitution, subversive of the rights of the States, and dangerous to the liberties of the people."[11] In the penultimate paragraph of his veto message, Jackson provided this inspiration and challenge:

> "Experience should teach us wisdom. Most of the difficulties our Government now encounters and most of the dangers which impend over our Union have sprung from an abandonment of the legitimate objects of Government by our national legislation, and the adoption of such principles as are embodied in this act [to recharter the Bank]. Many of our rich men have not been content with equal protection and equal benefits, but have besought us to make them richer by act of Congress. By attempting to gratify their desires we have in the results of our legislation arrayed section against section, interest against interest, and man against man, in a fearful commotion which threatens to shake the foundations of our Union. It is time to pause in our career to review our principles, and if possible revive that devoted patriotism and spirit of compromise which distinguished the sages of the Revolution and the fathers of our Union. If we cannot at once, in justice to interests vested under improvident legislation, make our Government what it ought to be, we can at least take a stand against all new grants of monopolies and exclusive privileges,

against any prostitution of our Government to the advancement of the few at the expense of the many, and in favor of compromise and gradual reform in our code of laws and system of political economy."[12]

Those words seem even more relevant today than they were when Jackson wrote them.

The figure below shows an 1836 cartoon, The "Bank War" between Andrew Jackson and Nicholas Biddle, a satire of President Jackson's campaign to destroy the Second Bank of the United States, which is represented as a many headed snake, by use of his cane, which represents his veto of the recharter bill. The largest of the snake's heads is that of Nicholas Biddle, the bank's president.[13]



GENERAL JACKSON SLAYING THE MANY HEADED MONSTER.

It was Jackson's intention to begin withdrawing the government's funds from the central bank in 1833, a feat that he was able to accomplish only after replacing two secretaries of the treasury who had refused to carry out his order. When Jackson appointed Roger B. Taney to the post, the instructions were carried out. Government funds were withdrawn from the bank and federal tax revenues were subsequently deposited in various state banks.

Biddle was outraged at Jackson's actions and retaliated by constricting credit throughout the country. He attempted to pressure Jackson to change his policies toward the bank by calling in loans and refusing to make new ones. This all but crashed the economy, causing widespread distress by depriving legitimate business of the credit money it needed to conduct normal operations. Arthur Schlesinger describes the situation thusly:

> "The determination which enabled Jackson to resist the hysteria of panic came basically from the possession of an alternative policy of his own. Madison had surrendered to a corresponding, though less intense, pressure in 1816 [when he allowed the Second Bank of the United States to be chartered] because he had no constructive program to offer. But, for Jackson, the emotions and ideas which underlay the hard-money case against the Bank were crystallizing into a coherent and concrete set of measures, designed to capture the government for 'the humble members of society,' as Hamilton's system had captured it for 'the rich and powerful.'"[14]

Initially, the business community blamed Jackson for their distress, but they eventually came to realize that the fault lay with Biddle and the Second Bank.

The drama of the Bank War intensified less than a year and a half later when an attempt was made on the President's life. It occurred on January 30, 1835 when Jackson was in the Capitol Building with other politicians who had gathered for the funeral of South Carolina Representative Warren Davis. An article in the Smithsonian Magazine provides these details:

> "As Jackson exited the East Portico at the end of the funeral, Richard Lawrence, an unemployed painter, accosted him. Lawrence pulled a Derringer pistol from his jacket, aimed at Jackson, and fired. Although the cap fired, the bullet failed to be discharged. As Lawrence withdrew a second pistol, Jackson charged his would-be assassin. "Let me alone! Let me alone!" he shouted. "I know where this came from." He then attempted to batter the attacker with his cane. Lawrence fired his second gun—but this one, too, misfired. …When Lawrence's two pistols were later examined, both were found to be properly loaded and well functioning. They "fired afterwards without fail, carrying their bullets true and driving them through inch boards at thirty feet," said U.S. Senator Thomas Hart Benton. An arms expert later calculated that the likelihood of both pistols misfiring was 125,000 to 1."[15]

Jackson's seemingly miraculous survival of the attack caused a major uproar and much speculation about its motives. The would-be assassin was generally considered to be insane, and in his subsequent trial was found to be "not guilty by reason of insanity and confined to a hospital for the mentally ill until his death in 1861." Jackson, however "…was convinced the attack was politically motivated, and [he] charged rival politician George Poindexter with hiring Lawrence. No evidence was ever found of this, and Poindexter was cleared of all wrongdoing."[16]

In addition to Jefferson, Madison, and Jackson, another American President, James A. Garfield, staunchly resisted the rise of the banking power. Garfield, who had previously served in Congress and held the position of chairman of the House Banking Committee, was elected to the presidency in 1880 and held that office from March 4, 1881 until he died from an assassin's bullet on September 19, 1881. His was the second shortest term as President in American history. Garfield is quoted as having once said, "Whoever controls the money in any country is master of all its legislation and commerce."[17]

The Free Banking Era

The demise of the Second Bank was followed by a period known as the "free banking" era (1837–63), during which the credit creation process was opened up to competition, and oversight of banking activities devolved to the various states. While critics have pejoratively referred to this time as the era of "wildcat banking," a defensive statement has come from no less a personality than former Federal Reserve Chairman Alan Greenspan, who said:

> "Free banking meant free entry under the terms of a general law of incorporation rather than through a specific legislative act. The public, especially in New York, had become painfully aware that the restrictions on entry in the chartered system were producing a number of adverse effects. For one thing, in the absence of competition, access to bank credit was perceived to have become politicized—banks' boards of directors seemed to regard those who shared their political convictions as the most creditworthy borrowers, a view not unknown more recently in East Asia. In addition, because a bank charter promised monopoly profits, bank promoters were willing to pay handsomely for the privilege and legislators apparently eagerly accepted payment, often in the form of allocations of bank stock at below-market prices. While free banking was not actually as free as commonly perceived, it also was not nearly as unstable. The perception of the free banking era as an era of "wildcat" banking marked by financial instability and, in particular, by widespread significant losses to note-holders also turns out to be exaggerated. Recent scholarship has demonstrated that free bank failures were not as common and resulting losses to note-holders were not as severe as earlier historians had claimed."[18]

During that time, each bank issued its own currency notes and it was left to the market to evaluate their soundness. Fractional reserve banking prevailed and banknotes were still redeemable for specie (gold or silver). Typically, the farther a banknote strayed from its home territory, the more it would be discounted from face value—or sometimes completely refused as payment. The plethora of currencies in circulation gave rise to a large number of "note brokers," who made a profit by buying banknotes at a discount then presenting them at the issuing banks for redemption at par. The activities of the note brokers provided an important element of discipline to the issuing banks, since they had to be prepared to redeem their notes that were rapidly returning from the hinterlands. These brokers also published periodic directories called "banknote reporters," which listed the prevailing discounts on the notes of thousands of banks. This information was invaluable to merchants and other banks. Greenspan describes it thusly:

> "Throughout the free banking era the effectiveness of market prices for notes, and their associated impact on the cost of funds, imparted an increased market discipline, perhaps because technological change—the telegraph and the railroad—made monitoring of banks more effective and reduced the time required to send a note home for redemption. Between 1838 and 1860 the discounts on notes of new entrants diminished, and discounts came to correspond more closely to objective measures of the riskiness of individual banks."[19]

In an unexpectedly friendly gesture toward free banking, Greenspan goes on to say,

> "During the Civil War, today's bank structure was created by the Congress. It seems clear that a major, if not the major, motivation of the National Bank Act of 1863 was to assist in the financing of the Civil War. But the provisions of the act that incorporated key elements of free banking provide compelling evidence that contemporary observers did not regard free banking as a failure. These provisions included free entry and collateralized bank notes."[20]

As financial crises proliferate in our own time, economists would do well to make a careful study of the free banking period and to propose the reimplementation of those "key elements."

The Federal Reserve

The interests of international banking and finance might be delayed, but they were not willing to be defeated. From the time of the Civil War onward, they gradually resumed control and eventually managed to get a new central bank in the form of the Federal Reserve. The act to create the Fed was passed by Congress just before Christmas on December 23, 1913, when most representatives had already gone home for the holidays. The secret meetings and other events leading up to its passage are well told in a book, *The Creature From Jekyll Island*,[21] and in various other sources.[22]Rothbard offers this critical assessment: "The financial elites of this country, notably the Morgan, Rockefeller, and Kuhn, Loeb interests, were responsible for putting through the Federal Reserve System as a governmentally created and sanctioned cartel device to enable the nation's banks to inflate the money supply in a coordinated fashion."[23] The subsequent massive inflation of the money supply, especially since the financial crisis of 2008 and the Covid 19 pandemic response, has made the truth of that characterization perfectly clear.

President Woodrow Wilson, who, ironically, supported the creation of the Fed, also expressed dismay over the concentration of power in the hands of the financial elite. In his book, *The New Freedom*, Wilson said, "Some of the biggest men in the United States, in the field of commerce and manufacture, are afraid of somebody, are afraid of something. They know that there is a power somewhere so organized, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it." He made it clear that he understood the nature of that "power," saying,

> "…there has come about an extraordinary and very sinister concentration in the control of business in the country. However it has come about, it is more important still that the control of credit also has become dangerously centralized. It is the mere truth to say that the financial resources of the country are not at the command of those who do not submit to the direction and domination of small groups of capitalists who wish to keep the economic development of the country under their own eye and guidance. The great monopoly in this country is the monopoly of big credits. So long as that exists, our old variety and freedom and individual energy of development are out of the question. A great industrial nation is controlled by its system of credit. Our system of credit is privately concentrated. The growth of the nation, therefore, and all our activities are in the hands of a few men who, even if their action be honest and intended for the public interest, are necessarily concentrated upon the great undertakings in which their own money is involved and who necessarily, by very reason of their own limitations, chill and check and destroy genuine economic freedom. This is the greatest question of all, and to this statesmen must address themselves with an earnest determination to serve the long future and the true liberties of men. **This money trust, or, as it should be more properly called, this credit trust, is no myth; it is no imaginary thing**."[24] (Emphasis added)

That is why this book, and my work of more than four decades, has been devoted to liberating the "credit commons," and reconnecting "the money economy" with "the real economy" of goods and services (about which more will be said later). The first order of business is to retrieve the control of credit back to those businesses that produce and sell the products and services of real value that everyone needs to live a dignified and meaningful life.

Former Congressman and three-time presidential candidate Ron Paul has called for the abolition of the Federal Reserve. During a hearing before the House Financial Services Committee on

February 11, 2004, Dr. Paul, referring to the Federal Reserve, suggested that "maybe there's too much power in the hands of those who control monetary policy? The power to create the financial bubbles; the power to maybe bring the bubble about; the power to change the value of the stock market within minutes. That to me is just an ominous power and challenges the whole concept of freedom and liberty and sound money." The then Fed Chairman, Alan Greenspan, appearing before that committee, responded, "Congressman, as I've said to you before, the problem you are eluding [*sic*] to is called the conversion of a commodity standard to fiat money. We have statutorily gone onto a fiat money standard and as a consequence of that, *it is inevitable that the authority, which is the producer of the money supply, will have inordinate power…* And the power that we have is all granted by you [the Congress]. We don't have any capability whatsoever to do anything without the agreement or even the acquiescence of the Congress of the United States."[25]

That, of course, is technically correct, but very few members of Congress have been willing to challenge the power of the Fed or even to exercise the most perfunctory degree of oversight. Most are beholden to the same interests that have created the Fed and the global money and banking regime.

Central Banking Spreads around the World

Central banking, with its inherent privileges and conflicts of interest, has spread around the world. Quigley has pointed out that, "In most countries the central bank was surrounded closely by the almost invisible private investment banking firms. These, like the planet Mercury, could hardly be seen in the dazzle emitted by the central bank which they, in fact, often dominated. Yet a close observer could hardly fail to notice the close *private* associations between these private, international bankers and the central bank itself."[26]

Although the Bank of England was the archetypical central bank, it was not necessarily by direct emulation that central banks were established in virtually every country. But there can be little doubt that it has been brought about by the same objectives, along with pressures from the international banking establishment. The same circumstances seem to have led to similar outcomes of collusion between the financial powers and the political powers. Professor Heinrich Rittershausen traces the development from private issuing banks to modern central banks through the following stages:[27]

> A) The exclusive license to issue notes is granted to a bank as a state privilege.
> B) The state discovers that the bank is a source of credit.
> C) The government tax offices begin to accept the still purely private notes in tax payments instead of metallic money.
> D) The state needs money in times of emergencies [like wartime]. The bank cannot refuse large loans to the government [for deficit spending]. Economically, these loans are long term.
> E) In this way the note issuance becomes excessive. Redemption (in metallic money) becomes impossible and therefore is abolished by law.
> F) In anticipation of feared reactions of the public, i.e., discounting the notes or refusal of acceptance, the notes are given legal tender[28] power, i.e., compulsory acceptance. By this means, the notes lose their character as an issue of a private bank currency note.
> G) Legal tender (forced acceptance of the notes) and repudiation of note redemption make the metallic standard inoperable. The measure of value now becomes the paper currency itself. The automatic regulation of the note supply by market forces comes to an end.[29]

E. C. Riegel warned us that, "In the exercise of the money power, under the dictates of political expediency, the state is driven inevitably from libertarian forms of democracy and republicanism to the autarchic forms of fascism, socialism, and communism." Ultimately, these three come to look very much alike, and in recent decades we have seen this tendency become ever more a reality, particularly in the United States. This sad state of affairs is well documented by Chalmers Johnson in his Blowback trilogy which was previously mentioned in Chapter 2.

---

[1]Jefferson to Taylor, May 28, 1816, in *PTJ:RS*, 10:89. Transcription available at Founders Online. Note that the final period is missing in the original letter.

[2] See my short presentation on *The Tyranny that is the Global Money System,* at https://beyondmoney.files.wordpress.com/2023/11/the-tyranny-that-is-the-global-money-system.mp4.

[3] See http://en.wikipedia.org/wiki/Bank_of_england#History. Accessed December 3, 2023.

[4]From Riegel's essay *Breaking the English Tradition,* contained in its entirety in my essay, *The Politics of Money*. Available at https://beyondmoney.files.wordpress.com/2022/07/breakingenglishtradition-2.pdf.

[5]Quigley, *Tragedy and Hope*, p. 48.

[6]See http://en.wikipedia.org/wiki/Bank_of_North_America. Accessed December 3, 2023.

[7]Rothbard, Murray Newton, *A History of Money and Banking in the United States: The Colonial Era to World War II*, pp. 62–63.

[8]Schlesinger, *The Age of Jackson*, p. 123.

[9]Robert V. Remini, *Andrew Jackson and the Bank War: A Study in the Growth of Presidential Power*, p. 131.

[10]Thomas Hart Benton in the Senate on February 2, 1831. Thomas Hart Benton, Register of Debates, 21st Cong., 2nd sess., 50–75; Benton, Thirty Years View, I, 187-205. Cited in Schlesinger, *The Age of Jackson*, p. 81.

[11]The full text of Jackson's message has been made available by the Avalon Project at Yale Law School, and can be found at https://avalon.law.yale.edu/19th_century/ajveto01.asp.

[12] Ibid

[13]A more complete description of the cartoon can be found at https://www.loc.gov/pictures/item/2008661279/. Accessed December 3, 2023.

[14]Schlesinger, *The Age of Jackson*, p. 115.

[15] Smithsonian Magazine. "The Attempted Assassination of Andrew Jackson." *Smithsonian.com*, Smithsonian Institution, 14 Mar. 2017, www.smithsonianmag.com/history/attempted-assassination-andrew-jackson-180962526/. Accessed December 22, 2023

[16] Ibid.

[17]This quote is taken from *The Money Masters* video. Wikiquote has a somewhat different version: "Whosoever controls the volume of money in any country is absolute master of all industry and commerce." http://en.wikiquote.org/wiki/James_Garfield. Accessed December 3, 2023.

[18]Alan Greenspan (remarks, Conference of State Bank Supervisors, Nashville, TN, May 2, 1998). www.federalreserve.gov/BoardDocs/Speeches/1998/19980502.htm.

[19] Ibid.

[20] Ibid.

[21]G. Edward Griffin, *The Creature from Jekyll Island: A Second Look at the Federal Reserve*.

[22]See, for instance, the videos *The Money Masters* (http://www.themoneymasters.com/) and *Money as Debt* (http://www.moneyasdebt.net/).

[23]Rothbard, Murray, *A History of Money and Banking in the United States*, p. 258.

[24]Woodrow Wilson, *The New Freedom: A Call for the Emancipation of the Generous Energies of a People* (Project Gutenberg, 2005). www.gutenberg.org/etext/14811.

[25]This exchange between Paul and Greenspan is in the Congressional Record and can be found at https://commdocs.house.gov/committees/bank/hba93425.000/hba93425_0f.htm, pp. 36–38. Accessed December 3, 2023.

[26]Quigley, *Tragedy and Hope*, pp. 55–56.

[27]Here I do not quote him verbatim but have extracted the general meaning from his book *Die Zentralnotenbank* [*The History of Central Banks*] (Frankfurt a.M.: Knapp, 1962), pp. 18–19. This book was a standard university textbook for a long time; my thanks to Theo Megalli for translation assistance.

[28]According to Investopedia, "Legal tender is anything recognized by law as a means to settle a public or private debt or meet a financial obligation, including tax payments, contracts, and legal fines or damages. The national currency is legal tender in practically every country. A creditor is legally obligated to accept legal tender toward

repayment of a debt" (https://www.investopedia.com/terms/l/legal-tender.asp); however, in practice, private businesses can develop their own policies on what forms of payment they will accept.

[29]This development process is also described more precisely in Chapter B ("The Gradual Destruction of the Classical System from 1909 to 1932") of Rittershausen's *Unemployment as a Problem of Turnover Credits and the Supply of Means of Payment*, which is available at https://reinventingmoney.files.wordpress.com/2016/11/rittershausenunemployment.pdf. [First published "Zahlungsverkehr, Einkaufsscheine und Arbeitsbeschaffung" ("*Payment Transactions, Purchasing Certificates and the Provision of Employment*") in Annalen der Gemeinwirtschaft (*Annals of Cooperative Economy*), edited by Prof. Edgard Milhaud, 10th. year, vol. 1 (Jan/July 1934), pp. 153-207].