

Is U.S. Monetary & Fiscal Policy Robbing Americans of Their Wealth? The Centennial
of the Federal Reserve Bank: 100 Years of Devaluing the Dollar

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Introduction

The monetary and fiscal policy of a government directly affects the economy of a nation, the value and purchasing power of its currency, and the wealth of its citizenry. In fact, the monetary and fiscal policy of a government is ultimately responsible for the economic and financial status of a nation. However, many citizens are not aware or not well informed of the monumental role monetary and fiscal policy plays in the financial and economic standing of a country. This thesis aims to provide an understanding of monetary and fiscal policy of the United States before and after the establishment of the Federal Reserve Bank (the Fed) in 1913.

On December 23, 1913, President Woodrow Wilson created the Federal Reserve with the signing of the Federal Reserve Act. According to the Federal Reserve (2013), the Federal Reserve acts “independently” as it can establish monetary policy without consent or approval from “the President or anyone else in the executive or legislative branches of government” (Who owns the Federal Reserve?). Pursuant to the Federal Reserve Act (1913), the Federal Reserve’s purpose is “to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.” The passing of the Federal Reserve Act of 1913 signified the drastic departure from the previous monetary policy of the United States that essentially remained unchanged since the founding of the country. This thesis will analyze the effects of the monetary policy of the United States since the establishment of Federal Reserve Bank and determine the Federal Reserve ultimately responsible for the significant loss of the value of the U.S. dollar and the significant increase in debt over the last hundred years. This thesis will argue in favor of the disbandment of the Federal Reserve Bank, in favor of the abandonment of the current fiat currency, and in favor of a

free-banking system with the re-establishment of a constitutional gold and silver standard currency.

Terms and Concepts

In order to develop a better understanding of the monetary and fiscal policy of the United States and the role of the Federal Reserve in such policy, an individual must be familiar with several vital terms and concepts. This thesis provides brief definitions of several terms and concepts, which will aid in the understanding of monetary and fiscal policy. The definition of money provides clarity as to what is money and its purpose.

Alan Greenspan (1966), the former head of the Federal Reserve Bank during the Clinton and Bush administrations, defined money as a commodity that serves as a “medium of exchange” to all who participate in the economy for the payment of goods and/or services (para. 3). Such a commodity allows the use of money as a “standard of market value and as a store of value, i.e. as a means of saving” (Greenspan, 1966, para. 3). The use of money as a “store of value (saving)” cannot be overstated because the ability to save enables individuals to preserve their wealth, make investments, open businesses, and avoid debt. The opportunity for individuals to attain economic freedom may only occur through the ability to save.

In addition to the definition of money, an understanding of “constitutional money” and “bills of credit” will enable an individual to determine the type of money specifically established by the Constitution. According to Black’s Law Dictionary (1981), money is “coins and paper currency used as circulating medium of exchange, and does not embrace notes, bonds, evidence of debt [emphasis added].” Moreover, according to Black's Law Dictionary (1999), *fiat money* is “paper money that is not backed by gold or silver.” As such, under a fiat currency, people are willing to use and accept money in exchange for goods and services when only (emphasis added)

they feel “confident [emphasis added] that it will be honored when they buy goods and services (The Federal Reserve Bank of Minneapolis, n.d.).

Haltom and Weinberg (2012) defined the term “monetary policy” as the “managing [of] the money supply to influence interest rates and the availability of credit” (p. 6). The money supply refers to the amount of currency (U.S. dollars) in circulation at a given time. Di Gioacchino, Ginebri, and Sabani (2004) defined monetary policy as the choice of an inflation rate (p. 188). Additionally, Haltom and Weinberg (2012) differentiated fiscal policy from monetary policy by defining fiscal policy as the “the federal government’s overall approach to spending, borrowing, and taxation” (p. 6). Reinforcing Haltom and Weinberg (2012), Di Gioacchino et al. (2004) stated that fiscal policy consists of the decision to tax income and to what degree (p. 188). Thus, monetary policy concerns the quantity and value of currency (US Dollar) while fiscal policy concerns tax rates, borrowing, and budgets of the federal government. Currently in the United States, Congress and the President formulate fiscal policy and the Federal Reserve determines monetary policy. As such, fiscal policy will refer to the actions taken by Congress and the President to determine spending, borrowing, and tax rates while monetary policy will refer to the actions taken by the Federal Reserve to influence the quantity and value of money. However, according to Elham Mafi-Kreft (2003), when a nation does not have a central bank determining monetary policy, then it is under a “free-banking monetary regime” (p. 477). Mafi-Kreft (2003) defined a “free-banking monetary regime” as a country that does not have a state-sponsored central bank or restrictions and/or limitations on private issuers of currency (p. 477).

In addition to monetary and fiscal policy, the phrases “intertemporal budget constraint” of the government and fiscal limit require brief discussion. Haltom and Weinberg (2012)

explained the “intertemporal budget constraint” of the government dictates the current value of surpluses, expected in the future, must be equivalent to the value of the outstanding debt of the government (p. 8). Haltom and Weinberg (2012) defined fiscal limit as the point at which the government can no longer borrow; this results in the loss of funding to current spending obligations (p.10). The government can either impose more tax burdens on the “assets, labor, and enterprise of citizens,” default on debt or debase the currency when it is near the fiscal limit and unable to collect sufficient revenue (J.L. Jordan, 2011 p. 631). The latter option will result in the loss of the purchasing power and cause inflation (Haltom and Weinberg, 2012, p. 10).

Given the above, the terms purchasing power, inflation, and inflation rates require brief explanations. Merriam Webster Dictionary defined purchasing power (buying power) as the “worth of money as determined by what it can buy at a given time in comparison with what it could buy at a specified previous time” or simply, the amount of services and/or goods a unit of currency can purchase (“Purchasing Power,” n.d.). This amount is often compared to previous years to record the change in purchasing power and rate of inflation (United States Department of Labor, Bureau of Labor Statistics, 2012). According to the Federal Reserve (2012), inflation refers to the increase in prices of goods and services. The inflation rate is the annual percent change of the prices of goods and services based on consumer price index (“Inflation Rate,” n.d.). Essentially identical to the term inflation, Mafi-Kreft (2003) referred to the term “seigniorage” as the “amount of real purchasing power that currency issuers can extract from the public by printing money” (p. 476). Haltom and Weinberg (2012) referred to “seigniorage” as the revenue of governments from the money created by central banks (p. 10). It is imperative to note that the loss of purchasing power or value of a currency results in the rise of prices of goods and services (inflation) while the degree to which the currency loses value determines the rate of

inflation. As such, within this thesis, the term “seigniorage” will refer to any action taken by the expansion of the money supply or money printing.

Murat Onder (2011) aimed to determine what influenced the amount of trust placed by an individual in their government. Specifically, Onder (2011) sought to determine what accounted for the changes in public trust of the U.S. government during the years 1952 through 1981 (p. 157). Onder (2011) chose 1952 as the beginning year due to the lack of national election study data available (p. 157). Onder (2011) found that crime rates are linearly associated with trust in the government, which means crime rates had the most influence on an individual’s level of trust in the government (p. 161). However, Onder (2011) also found a “strong negative correlation between the level of trust in government and inflation rate” (p. 161). In Table 1, the author illustrates the findings of several variables tested for significance upon an individual’s level of trust placed in the government (Onder, 2011). Inflation significantly influenced an individual’s level of trust in the government. The findings of Onder (2011) warrant further research into the historical and current value and inflation rate of the United States dollar.

A Brief Overview of the United States Dollar: 1913 to the Present

The year 1913 signified the passing of the Federal Reserve Act, which established the Federal Reserve Bank as the central bank of the United States. In 1913, Congress also passed the Sixteenth Amendment, which established the Federal Income Tax. According to the Consumer Price Index (CPI) Inflation Calculator provided by the Bureau of Labor Statistics of the U.S. Department of Labor (2012), \$10,000 in 2012 has the same buying power as \$427.98 in 1913. This means an individual today would require \$10,000 to buy the equivalent good or service that only took \$427.98 to purchase in 1913. Thus, within the last hundred years, there has been an inflation rate of 2,236.56% that has destroyed 95.7% of the purchasing power of the

dollar. The amount of all United States currency in circulation in 1913 totaled \$3.4 billion, which consisted of gold and silver coin, gold and silver certificates, and United States Notes (Anderson, 2003, Table 2). More specifically, in 1915, the Federal Reserve began issuing Federal Reserve Notes that totaled \$70.8 million in circulation (Anderson, 2003, p. 38). According to the Federal Reserve Bank (2013), the amount of all United States currency in circulation in 2013 totaled \$1.17 trillion, which is an increase of 33,723.52% since 1913. Specifically, Federal Reserve Notes in circulation today, total \$1.13 trillion (Federal Reserve Bank, 2013). From 1915 to 2013, the money supply of Federal Reserve Notes increased by an unbelievable 1.6 million percent (1,652,442.4%). Figure 1 illustrates the direct correlation between the monumental devaluation of the dollar to the grossly excessive printing of fiat currency printed by the Federal Reserve. Imperatively, the figure depicts the purchasing power of the United States Dollar at 100% in 1913 to 5% by 2009.

Additionally, Mafi-Kreft (2003) sought to measure the average rates of inflation of several countries, including the United States, Australia, Canada, France, Italy, New Zealand, Spain, Switzerland, and Sweden, before and after the establishment of their respective central banks. In Table 2, the author provided a table that displayed the average annual rate of inflation before and after the establishment of their respective central banks (Kreft, 2003). The “free-banking years” represented the time prior to the establishment of these countries’ central banks while “central banking years” represented the period after the establishment of these countries’ central banks (Mafi-Kreft, 2003, p. 481). Mafi-Kreft (2003) compared the “free-banking years” with the “central banking years” of each respective country by measuring the average annual rate of inflation of the two periods.

The average annual rate (emphasis added) of inflation in the United States from 1782 to 1914 amounted to less than .49% (Mafi-Kreft, 2003). For example, based on the inflation rate of .49%, \$10,000 in 1782 had the same buying power as \$9,995.10 in 1913. This meant the United States experienced an incredibly low inflation rate over 131 year period, which led to a strong and stable dollar. However, in comparison, following the establishment of the Federal Reserve Bank, the average annual rate (emphasis added) of inflation from 1914 to 2003 rose almost sevenfold to 3.39% (Mafi-Kreft, 2003). This pronounced increase rate of inflation has led to an unstable and weak dollar. Just as importantly, the United States, Austrailia, Canada, France, Italy, New Zealand, Spain, Switerland, and Sweden all experienced a significant increase in the annual average of inflation while some, such as Italy and France, experienced extreme inflation following the establishment of their respective central banks. According to Mafi-Kreft (2003), faster real output growth can potentially affect the relationship between money growth and the average rate of real output growth. As such, Mafi-Kreft (2003) tested for the potential effect of faster real output growth for significance (p. 482). In Table 3, Mafi-Kreft (2003) showed the difference between output growth rates or Gross Domestic Product (GDP) of six of the previous countries (due to unattainable records) during “free-banking” and “central banking.” The United States, Austrailia, Canada, France, Italy, New Zealand, Spain, Switerland, and Sweden had not experienced a significant difference in their GDP before and after the establishment of “central banking,” which eliminated the possibility of faster real output growth as the source of inflation (Mafi-Kreft, 2003, p. 483).

Regarding the public debt, the U.S. Department of the Treasury Bureau of the Public Debt (2012) stated the total public debt of the United States has increased from \$2,916,204,913.66 (2.9 billion) in 1913 to a monumental \$16,366,436,891,948.03 (16.3 trillion)

as of December 2012. The total public debt of the United States has increased by an outstanding 561,123.83% within a hundred years. When divided by the total population of United States citizens, the debt amount per person (including children) equals to almost \$185,000 (US Debt Clock, 2012). The expansion of the money supply correlates very strongly with the exponential increase of the total public debt. The expansion of the money supply and the total public debt over the last hundred years show an extremely strong correlation to the devaluation of the Dollar. This correlation will be illustrated and further explained later. According to the Congressional Budget Office (CBO) (2011) in the “2011 Long-Term Budget Outlook,” the CBO stated the public debt has reached its highest point at 67.7% Gross Domestic Product (GDP) since World War II. Further, according to the Congressional Budget Office’s *Monthly Budget Review* (2012), the federal deficit will be \$292 billion in the first two months of the 2013 fiscal year. This means the federal government will borrow upwards of \$4 billion daily to operate. As stated by CBO (2012), despite some increase in revenues and decrease in spending, the federal deficit will rise to at least 84% of GDP by 2035. But, the CBO (2012) predicted a different, more likely scenario, where future tax rates stay close to present rates while spending continues to grow rapidly, in which the public deficit will rise to an unprecedented 109% of GDP as early as 2023.

Domitrovic (2011) provided a brief historical overview of U.S. GDP, inflation, and income tax rates. Domitrovic (2011) showed that from 1865 to 1913 the American economy expanded at a yearly rate of 3.62% (p. 25). From 1913 to 1921, the economy grew at a much slower rate of 1.4% (Domitrovic, 2011). As the economy grew at a slower rate, the newly created Federal Reserve increased the money supply of FEDERAL RESERVE NOTES from \$70.8 million in 1915 to \$2.6 billion in 1921, an increase of 3,571.7% (Anderson, 2003, p. 38). This caused price levels to increase by 110% (Domitrovic, 2011, p. 27). Domitrovic (2011)

stated that from 1913 to 2008 “(a peak-to-peak period)”, the economy grew yearly at 3.26% (p. 25). However, according to Domitrovic (2011), when the government did not intervene, the real trend of yearly growth following the Civil War to 1913 is closer to 5% (p. 26). Arguably, this rate of yearly-sustained growth over four decades is the highest in economic history (Domitrovic, 2011). In addition to the increase in the money supply, income taxes rose from their initial 7% in 1913 to 77% by 1917 (Domitrovic, 2011, p. 27).

Following the enormous increase in both the money supply and income tax rate, Domitrovic (2011) stated that from 1921 to 1929, the economy grew at a yearly rate of 4.7% with very little change in prices (p. 27). Domitrovic (2011) attributed the economic boom of the Roaring ‘20s to the Federal Reserve’s decision to abstain from attempting to correct their previous doubling of the money supply and to the decision of Congress to cut the income tax by 52% (p. 28). However, soon after, the Federal Reserve decided to reverse its previous policy of easy money and tightened the money supply, which resulted in the collapse of the boom (White, 2011, p. 498). Following the reversal of the easy money policy, deflation occurred yearly at 9% from 1929 to 1932, which dwarfed the deflation rate following the Civil War in comparison (Domitrovic, 2011, p. 28). Moreover, during the same period, Congress increased the marginal income tax rate increased dramatically from 1.5% to 63% (Domitrovic, 2011, p. 28). It is crucial to note that the Federal Reserve sets monetary policy (money supply) while Congress sets fiscal policy (budgets, tax rates, etc). It is important to note that the mentioned monetary and fiscal policy from 1929 to 1932 occurred during the Hoover administration.

Following the Hoover administration, the Roosevelt administration continued the same fiscal policy. Domitrovic (2011) claimed the Roosevelt administration continued to build on the misguided fiscal policy of the Hoover administration with increases to the income tax rate (p.

28). Specifically, during the Roosevelt administration, the marginal tax rate tripled from the rate during the Roaring '20s to 73% (Domitrovic, 2011, p.28). By the start of World War II, the Federal Reserve once again increased the money supply. This led to a 42% rate of inflation from 1944 to 1948, which devalued the savings accumulated before that point (Domitrovic, 2011, p. 29). Anderson (2013) documented the total amount of U.S. currency in circulation at \$7.84 billion in 1940 to \$26.74 billion by 1945 (Table 2). In addition to an increase of the money supply, the marginal income tax rate increased for all levels of income and reached as high as 91% (Domitrovic, 2011, p. 29). As a result of the increase in the money supply and income taxes, the average worker during this time lost half of their pay to the government (Domitrovic, 2011, p. 29). Following the end of World War II, the economy grew at 4.6% per year, the unemployment rate shrank, and prices remained stable (Domitrovic, 2011, p. 29). However, the growth rate slowed again significantly to only 2.4% from 1953 to 1960, during which three recessions occurred over the Eisenhower administration (Domitrovic, 2011, p. 29).

During the Kennedy Administration, income taxes retreated from 91% to 70% at the top bracket and from 20% to 14% at the lower bracket (Domitrovic, 2011, p. 30). From 1961 to 1968, the economy grew at 5.1% yearly, inflation stabilized at 1%, and unemployment reached peacetime lows (Domitrovic, 2011, p. 29). However, the economic prosperity did not last because of the Federal Reserve's decision to reverse monetary policy so that the government could engage in deficit financing in order to pay for the Vietnam War and President Lyndon B. Johnson's Great Society social programs, which started the Great Inflation period (Meltzer, 2010, p. 296). As a result, from 1969 to 1982, the GDP shrank by 2.46%, prices tripled, and unemployment doubled to 7.5% (Domitrovic, 2011, p. 29). Meltzer (2010) claimed the best years in Federal Reserve history occurred from the mid-1980s to about 2005 when the United

States experienced a “long period of stable growth, low inflation, and short, mild recessions” (p. 280). Despite this being the best period for the Federal Reserve, the United States still experienced inflation (albeit “low”), a significant debt increase, and two significant recessions (Black-Monday and The-Dot- Com-Bubble). More importantly, the policies of the Federal Reserve during this period led to the greatest recession in 2008 second only to the Great Depression. This period further illustrates the boom-and-bust cycle that the policies of the Federal Reserve create. For example, the Dot-Com and Housing Market Booms occurred during these periods and were followed by their respective busts similar to the aforementioned booms and busts since 1913.

These statistics and anecdotes support the argument that the monetary and fiscal policy of the Federal Reserve and the United States government strongly correlate with the massive increase in the money supply, inflation, and debt over the last hundred years. Furthermore, the monetary and fiscal policy of the Federal Reserve and the U.S. government strongly correlate with economic booms and busts. When the Federal Reserve did not attempt to expand or constrict the money supply, economic prosperity ensued in the following years. In addition, when the President and Congress enacted fiscal policy that cut income tax rates, economic prosperity also ensued in the following years. The effects of the opposite monetary and fiscal policy also held true. When the Federal Reserve enacted monetary policy that attempted to expand or constrict the money supply, economic recessions and depressions either followed or existing recessions and depressions worsened. Additionally, when the President and Congress enacted fiscal policy that raised income taxes, economic recessions and depressions also followed or existing recessions and depressions also worsened. The staggering increase in the U.S. money supply, significant devaluation of the U.S. dollar, and the dramatic increase of U.S.

debt since the creation of the Federal Reserve warrant an analysis and discussion of the prevailing literature that advocates eliminating the Federal Reserve's role in monetary policy.

Literature Review

The following literature presented analyzed and criticized the monetary policy of the Federal Reserve and favored the return to a monetary system free from central banking and government intervention. The literature argued against the Federal Reserve's monetary policy, which resulted in the 95.7% devaluation of U.S. dollar, the 1,595,945.198% increase in the money supply, and the 561,123.83% increase in the deficit. The literature also held the Federal Reserve responsible for creating economic booms and busts. As a solution, the literature advocated the abolishment of the Federal Reserve and a return to a constitutional monetary system that would restore the value of the U.S. dollar to pre-1913 levels, reduce the excessive spending that leads to monumental debt, and limit the length and severity of recessions when they do occur.

According to Mafi- Kreft (2003), most economists concur that the sole long-term goal of monetary policy is the preservation of the purchasing power of the country's respective currency (p. 476). By preserving the purchasing power of a currency, inflation levels would be low or non-existent and, as a result, promote economic growth and prosperity (Mafi-Kreft, 2003, p.476). Although the sole purpose of monetary policy is to preserve the value of currency, Malpass (2011) argued that the monetary policy of the United States, through the Federal Reserve, has consistently shown indifference toward the value of the dollar (p. 591). This disregard for maintaining the purchasing power of the dollar has detrimental effects on the economy as a whole. As a result of the Federal Reserve's indifference toward the value of the dollar, the Federal Reserve created several asset bubbles and busts (Malpass, 2011, p. 593).

Specifically, Belongia (2007) hypothesized that during periods of economic growth, the Federal Reserve added “monetary stimulus,” which caused peak growth to reach higher levels than otherwise possible (p. 265). Conversely, the Federal Reserve also enacted “monetary restraint [decrease of the money supply]” when the economy already began contracting (Belongia, 2007, p. 266). As a result, the Federal Reserve’s decision to expand the money supply artificially increased economic growth that led to inflation while the Federal Reserve’s decision to contract the money supply exacerbated the decline of the economy. The decision of the Federal Reserve to intervene in the economy created artificial bubbles and-worse-busts. Such intervention by the Federal Reserve discouraged private sector jobs by eroding confidence regarding future taxes, the value of the dollar, and market intervention by the government (Malpass, 2011, p. 595-596).

In fact, according to the Board of Governors of the Federal Reserve Bank (1939), the credit of the Federal Reserve “does not consist of funds that the Reserve authorities ‘get’ somewhere in order to lend, but constitutes funds that they are empowered to CREATE” (p. 85). This statement by the Federal Reserve validates the assertion of the numerous economists, researchers, and academics who claim that the Fed creates money from nothing by printing dollars and/or simply adding numbers to their ledger while not providing anything of intrinsic value. As such, Jordan (2011) stated that the inflation caused by the monetary policy of the Federal Reserve is “dishonest, regressive, divisive, and leaves citizens poorer as a country” (p. 625). Although some may perceive this quote as somewhat extreme, the message of the statement cannot be understated since the Federal Reserve’s monetary policy has resulted in the 95.7% loss of Americans’ dollar value and the monumental increase in the deficit that has put Americans in perpetual debt.

In addition to monetary policy put forth by the Federal Reserve, the fiscal policy set by the U.S. government significantly affects the growth of the economy. According to Jordan (2011), the Federal Reserve's policies are to "maintain the bubble-level of household consumption spending" by accumulating debt for households that are unable to borrow during the bubble collapse led to the "Great Recession" in 2008 (p. 624). As such, the fiscal policy of the federal government became the problem and "monetary policies cannot correct the mistakes of the rest of government (Jordan, 2011, p. 624)." Furthermore, Miron (2009) criticized the financial policy of the United States and suggested the elimination of the corporate income tax (p. 524). Miron stated the corporate income tax equates to a double taxation on the income of a corporation and "distorts the incentive to save and invest," which minimizes productivity and growth (p. 524). Simply, Domitrovic (2011) believed that maintaining the current monetary and fiscal policy of the United States "would be foolish" and put Americans on the "road to serfdom" (p. 31).

Due to the lack of competition and incentive to provide sound money, Mafi-Kreft (2003) strongly argued against the establishment and existence of a central bank, which solely issues a currency of a nation. Mafi-Kreft (2003) stated that when a government possesses the sole right to create money through a central bank, it has no incentive to prevent inflation and provide a stable currency because the "gains of devaluation are immediate" (p. 478). This is evidenced by the claim of Malpass (2011) that if the Federal Reserve stopped increasing the money supply (quantitative easing), the dollar would stop losing value and increase job creation by small businesses (p. 597). Additionally, the central bank has even less incentive to provide a strong and stable currency when the government prohibits any other form of money and forces the use of the central bank's currency (Mafi-Kreft, 2003, p. 478). The government prohibits any other

form of money and forces the use of Federal Reserve Notes (Federal Reserve Notes) through the establishment of binding legal tender laws, where a person is forced to accept the “official currency at its par value in payment of a debt and so receive less than the market equivalent of other goods or monies” (Grubb, 2006, p. 49). Due to these government imposed price or exchange rate controls, the official tender’s value or price is not determined by the competitive free-market; instead, the government artificially and arbitrarily sets the currency value above the market rate (Grubb, 2006, p. 49). Moreover, Miron (2009) claimed the use of stimulus (quantitative easing) leads to crony capitalism where the government favors one business for the other through monetary means, such as bailouts (p. 522). Consequently, Miron (2009) advocated legislation that banned bailouts for “creditors of both financial and nonfinancial” institutions (p. 630). According to White (2011), a central bank with such a “monopoly in note-issue and with sovereign immunity” does not face any penalties or legal constraints on the bank’s reputation (p. 501). Thus, incentives other than public interest can motivate the actions of a central bank (the Federal Reserve) and for this reason, should not be trusted (Mafi-Kreft, 2003, p. 478).

Trust the Federal Reserve?

Americans should not trust the Federal Reserve due to the lack of transparency regarding monetary policy. According to Belongia (2007), the Federal Reserve lacks transparency because of the existence of several conflicting goals for monetary policy that are not explicitly defined and are unknown to the public (p. 259). Belongia (2007) asserted that the Federal Reserve purposefully sets ambiguous goals so that the Federal Reserve will not lose credibility if the stated goals were not met, which would hinder their ability to achieve future goals (p. 261). Belongia (2007) also noted that lack of specific goals allows the Federal Reserve to not be accountable for its actions (p. 261). Additionally, the Federal Reserve further avoids

accountability by simultaneously maintaining the inflation rate and maximum employment as its two goals (Belongia, 2007 p. 262). This enables the Federal Reserve Bank the ability to change between the two objectives and complicate matters, which ultimately prevents the public from knowing which is being pursued (Belongia, 2007 p. 262). This ability to change between the objectives of maintaining the inflation rate and maximum employment proves problematic due to the conflicting interests of the said objectives. Just as importantly, the Federal Reserve further complicates matters for economists who attempt to track the Federal Reserve's actions in relation to an economic model by producing "money supply statistics that have no basis in economic, statistical, or index number theory" (Belongia, 2007, p. 266).

Furthermore, Americans should not trust the Federal Reserve due to its vague, complex, and elusive responses regarding its ownership. Figure 2 is a screenshot of the Federal Reserve Bank's webpage that displays aforementioned Fed's explanation to the question "Who owns the Federal Reserve?" In response to the question "who owns the Federal Reserve," the Federal Reserve stated that the Federal Reserve Bank "is not 'owned' by anyone and is not a private, profit-making institution" (Federal Reserve, "Who Owns the Federal Reserve" 2013). The response to the question of ownership only raises additional questions and incites more confusion. The Federal Reserve asserted that it is "not owned by anyone." But, fundamentally, every organization, whether private or public, has an owner(s). Private individuals, groups of individuals, or stockholders own private organizations. In the case of public entities, such as the government or government agencies, the American taxpayers are the owners. As such, the response of the Federal Reserve of not being "owned by anyone" while also not being "a private, profit-making institution" is illogical and contradictory.

To further complicate the ownership of the Federal Reserve Bank, the Federal Reserve also stated that their twelve (12) regional Federal Reserve Banks are “organized similarly to private corporations” wherein they “issue shares of stock to member banks” (Federal Reserve, “Who Owns the Federal Reserve,” 2013). However, the Federal Reserve claimed that owning such “stock is quite different from owning stock in a private company” since the “Reserve Banks are not operated for profit, and ownership of a certain amount of stock is, by law, a condition of membership in the System” (Federal Reserve, “Who Owns the Federal Reserve,” 2013). Additionally, the Federal Reserve stated that such “**stock** [emphasis added] may not be sold, traded, or pledged as security for a loan; **dividends** [emphasis added] are, by law, 6 percent per year” (Federal Reserve, “Who Owns the Federal Reserve,” 2013). The significance of the Federal Reserve’s own admission of issuing **dividends** cannot be emphasized enough. The issuing of dividends is solely a function of private-for-profit organizations. The Federal Reserve did not disclose to whom the dividends are issued. However, identifying the holders of these dividends will identify the “owners” of the Federal Reserve Bank. Again, Federal Reserve’s response to the question of ownership and its explanation of the twelve (12) Reserve Banks only raises more questions and incites more confusion and suspicion.

Caldwell, Davis, Gallagher (2004) rudimentarily explained stock as “part ownership of a corporation” (p. 44). In addition, Caldwell, et al, (2004) rudimentarily explained that dividends originate from the profits of a company and are distributed to the owners (p. 44). Public entities, such as local, state, and federal government agencies cannot issue “stock” or “dividends” of any kind because the American taxpayer owns them. Whereas, private entities can and do issue stock, wherein, the shareholders or stockholders are the “owners” of the company. The Federal Reserve Bank claims it is “not owned by anyone.” Yet, Federal Reserve issues stock as required

for membership **by law and these stocks gain dividends of six (6) percent** (emphasis added).

It is impossible for an entity that claims to be not “owned by anyone,” that claims to be non-private, and that claims to be non-profit to issue stock and dividends. Even so, who are the members that receive such dividends? The members who receive the dividends are inherently the individuals who own Federal Reserve Bank and the individuals who the Federal Reserve aims to please. The Federal Reserve Bank is comprised of some of the world’s most highly intellectual and highly educated economists. Yet, these individuals do not provide a simple and clear explanation regarding the question of the Federal Reserve’s ownership. Without a doubt, these experts possess the ability to clearly answer whether the Federal Reserve is privately or publically owned. Why will these experts not simply do so? Clearly, the Federal Reserve intentionally responded to questions of ownership with vagueness and elusiveness. When an supposed entity of the United States government with such a high profile and responsibility as the Federal Reserve does not make public such information, citizens can and will lose trust in the entity and understandably so.

However, the Federal Reserve has indeed answered whether or not the Federal Reserve is privately or publically owned. According to United States Congress Committee on House Banking and Currency (1921), then Chairman of the Federal Reserve Board William P.G. Harding testified that, “the Federal Reserve Bank is an institution **owned by the stockholding member banks** [emphasis added] [and] the **Government has not** [emphasis added] a dollar's worth of stock in it” (p. 25). Chairman Harding further elaborated that once the Federal Reserve “pay[s] dividends the Federal Reserve Banks **may keep their earnings** [emphasis added] until they have **accumulated a surplus equal to 100 percent** [emphasis added] of their own subscribed capital” (U.S. Congress Committee on House Banking and Currency, 1921, p. 25).

Unequivocally, the Federal Reserve Bank is privately owned and operates for profit. In fact, according to the testimony of the Former Chairman, the Federal Reserve, by law, is given the unique advantage of not paying any dividends until it has accumulated 100 percent surplus on its investment. This testimony given by the then Chairman of the Federal Reserve Board William P.G. Harding is most damning of the Federal Reserve Bank as they have and continue to blatantly lie and deceive the American people. In addition to the gross devaluation and inflation of the Dollar, such blatant deception by the Federal Reserve Bank to mask its ownership and its motives warrants its abolishment.

Mafi-Kreft (2003) advocated the abolishment of central banking (the Federal Reserve System) due to the inflation of money and favored the re-establishment of free-banking. Mafi-Kreft (2003) favored free-banking because inflation during the free-banking eras of various countries remained significant lower than under central banking (p. 482). Camera, Craig, and Waller (2001) demonstrated that when a government fails to preserve the value of its currency, the citizens choose to use an alternative currency as the medium of exchange (as cited in Mafi-Kreft, 2003, p. 480). In fact, the inflation rates remained lower when competition existed for the supply of money among private issuers than under central-banking (Mafi-Kreft, 2003, p. 482). Consequently, Mafi-Kreft (2003) found that a government that permitted currency competition provided sound economic growth that correlated with a decrease in inflation (p. 486).

In agreement with Mafi-Kreft (2003), White (2011) claimed that a “commodity standard with free banking, and no central bank to distort the financial system would have avoided such a boom-and-bust credit cycle” that occurred and continues to occur with the existence of the Federal Reserve (p. 497). Further supporting free-banking, Greenspan (1966) declared that when a free-banking system operates under the gold standard, the system “stands as the protector of an

economy's stability and balanced growth" (para. 9). Greenspan (1966) provided great insight when he stated that welfare-state advocates realized that the gold standard is "incompatible with chronic deficit spending," which he claimed as the "hallmark of the welfare state" (para. 12). Further, Greenspan (1966) declared that the gold standard "stands as a protector of property rights" and without the gold standard, there is "no way to protect savings from confiscation through inflation" (para. 14). This statement is crucial to understanding the significant role that a gold and/or silver standard plays in preserving the wealth and savings of citizens. For example, if an individual saved \$10,000 in their home in 1913, that same \$10,000 would be worth \$429.91 in 2013. This individual did not lose 95.7% of their wealth by gambling in the stock market or making risky investments, but by simply being responsible and saving [emphasis added] their cash. As a result, this individual and any other individuals, who saved their money, were punished for saving their money [emphasis added]. Unequivocally, these savers did not simply "lose" their hard earned money; their hard earned money was stolen [emphasis added] from them.

It is imperative to note that despite the United States being on the gold standard (domestically) until 1933, the Federal Reserve was still able to inflate the money supply and weaken the dollar significantly. Although the gold standard did limit the Federal Reserve as to how much it could inflate the money supply, the Federal Reserve was still able to significantly inflate the money supply because of its unchecked, unbalanced, and unquestioned power to control the money supply as the established central bank. According to White (2011), regardless of a gold standard, a "poorly constrained central bank can cheapen credit" when a central bank succumbs to political pressure in an effort to "stimulate the economy" or when the central bank simply deems it expedient (p. 498). White (2011) stated that although a gold standard places

constraints and limits on the expansion of the money supply, a central bank can still quickly expand or contract “its own liabilities, commercial bank reserves, and broad money as the gold flows enlarge (or deplete) its reserves” (p. 499). In comparison, under the current fiat currency, no limit exists as to how much the central bank can expand the money supply (White, 2011, p. 499). White (2011) suggested the implementation of a “tightly constrained system” where competition among several banks would constrain credit creation and where a non-existent central bank could not loosen those constraints (p. 500).

Constitutional Money

Buchanan (2010) claimed that the “Constitution remains the ultimate sovereign authority rather than the government (p. 258).” Thus, referring to the Constitution will enable an individual to determine the Federal Reserve Act of 1913 and the existence of the Federal Reserve and its currency unconstitutional. Article 1, Section 8, Clause 5 of the Constitution states that Congress shall have the power “To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures” (U.S. Const. art. I, § 8). Clearly, the Constitution granted power solely to Congress to coin and regulate the value of money essentially placing citizens, through representatives, of the United States in control of their nation’s currency. Thus, no other branch of government nor entity, either public or private, can coin or value money without violating the Constitution. Evidently, the Constitution explicitly prohibits States from emitting Bills of Credit, and using anything other than gold and silver as payment of debts. Following the ratification of the Constitution, Congress exercised its constitutional power to coin and regulate the value of money in gold and silver through the Coinage Act of 1792.

The Coinage Act of 1792 is extremely significant in understanding what is “constitutional money.” The Act establishes the free coinage through the United States Mint and the dollar as a

unit of measurement defined in silver. The legislation established free coinage to the people of the United States and declared it lawful for a person to “bring to the said Mint gold and silver bullion, in order to their being coined” and that the bullion shall be “assayed and coined as speedily” as possible being “free of expense to the person or persons by whom the same shall have been brought” (U.S. Coinage Act, § 14). Therefore, the act enabled any person free of charge to have their physical gold and silver bullion coined by the Mint for use as money for circulation. More importantly, by the government coining the gold and silver bullion of citizens free of charge, Congress established a debt-free currency. By issuing a debt-free currency, the government did not pay any interest for each dollar created and, thus, exonerating taxpayers from an exorbitant interest rate of bankers.

The act declared the dollar as a unit of measurement setting the value of one dollar to equal three hundred and seventy-one (371) four sixteenth parts ($\frac{4}{16}$) of grain (24.1 g) pure silver or four hundred and sixteen (416) grains (27.0 g) of standard silver (.90) while setting Eagles (gold coins) at “the value of ten dollars or units” to contain “two hundred and forty-seven (247) grains of standard gold (.90)” (U.S. Coinage Act, § 9). Plainly, the Coinage Act of 1792 explicitly defined a dollar as twenty-seven (27) grams of standard silver while ten dollars contained sixteen (16) grams of standard gold, which equaled ten silver dollars. Thus, Congress defined the dollar as unit of measurement in silver and authorized the minting of gold coins with a set value in relation to silver (15 ounces of silver: 1 ounce of gold ratio). Additionally, the legislation also stated that all gold and silver coins struck at and issued by the Mint “shall be lawful tender in all payments, whatsoever” (U.S. Coinage Act, § 16). As a result, the Founding Fathers established the United States Dollar on *bimetallism*, wherein the value of the monetary unit is defined as equivalent to a fixed quality and quantity of both gold and silver.

Many of the Founding Fathers praised and championed the establishment of free coinage and bimetallism in the United States as constitutional money through the Coinage Act of 1792. Founding Father and Secretary of the Treasury Alexander Hamilton (as cited by Kross, 1969a) argued in favor of debt-free money by stating that free coinage “preserves the intrinsic value of the metals (gold and silver),” which will prevent the devaluation or debasement of the currency (p. 182). In addition to Hamilton, Founding Father and President Thomas Jefferson (as cited in Kross, 1969) advocated bimetallism believing that “no money should be received, or paid at their (Congress) treasuries, or by any of their officers, or any bank, but on actual weight” of gold and silver (p. 193). Hence, Jefferson expressed only money of gold and silver should be accepted and used. Further, Jefferson found the debasement and devaluation of currency to be unlawful asserting “it criminal, in a high degree, to diminish their (banks) own coins, and, in some smaller degree, to offer them in payment, when diminished” (Kross, 1969, p. 193).

In fact, the Founding Fathers placed such significance on the establishment and the preservation of a gold-and-silver dollar currency that they included the following in the United States Coinage Act of 1792:

If any of the gold or silver coins which shall be struck or coined at the said mint shall be debased or made worse as to the proportion of fine gold or fine silver therein contained, or shall be of less weight or value than the same ought to be pursuant to the directions of this act, through the default or with the connivance of any of the officers or person who shall be employed at the said mint, for the purpose of profit or gain, or otherwise with a fraudulent intent, and if any of the said officers or persons shall embezzle any of the metals which shall at any time be committed to their charge for the purpose of being coined, or any of the coins which shall be struck or coined at the said mint, every such

officer or personal shall commit any or either of the said offences, shall be deemed guilty of felony, and shall suffer death. (§ 19)

Clearly, the Founding Fathers considered any theft, devaluation, and/or debasement of the currency by any employee of the mint to be so criminal that those guilty of such offenses would be guilty of felony and punished by death. The Founding Fathers equated the theft, devaluation, and/or debasement of the currency to the highest of federal crimes including treason, counterfeiting, piracy on the high seas, aiding the escape of a capital prisoner, and murder—all which were punishable by death (U.S. Punishment of Crimes Act, 1790). Given the dire consequences placed upon committing any theft, devaluation, or debasement of the currency, the severity of such actions in the eyes of the Founding Fathers cannot be understated or dismissed. Further, a person may argue that such dire consequences would have only applied to those employees of the Mint and not to other government officials, such as members of Congress, who would devalue and/or debase the currency by means of legislation. However, this argument for such application would be hypocritical and conceptually flawed.

Reinforcing the belief of Jefferson, Hamilton (as cited in Kross, 1969b) proposed as part of the constitution of a national bank that “the bills and notes of the bank, originally made payable, or which shall have become payable, on demand, in gold and silver coin, shall be receivable in all payments to the United States” (p.258). During the Constitutional Convention in 1787, the Founding Fathers “explicitly voted” to not grant the federal government the power to emit bills of credit and the power to charter banks (Grubb, 2006, p. 44). Former Massachusetts Senator and Secretary of State Daniel Webster (1837) also reinforced the beliefs of the Founding Fathers when he expounded in his speech following the re-chartering of the United States Bank in 1832 that no “No State, *not even Congress itself*, can make anything a

tender but gold and silver in payment of debts.” In fact, Supreme Court Justice Stephen Field also reiterated this view in his dissent in *Knox v. Lee* (1871). Justice Field dissented that since the Supreme Court majority now found Congress’ issuance of paper money as legal tender constitutional in the Legal Tender Cases of 1871 and 1884, then a future court may declare that Congress has the power to make a foot 6 inches instead of 12 inches or a pound 8 ounces instead of 16 (*Knox v. Lee*, 79 U.S. 457).

Discussion

I have provided multiple figures in the form of charts to illustrate the many numbers and percent changes referenced in this thesis. As such, the figures illustrate the following: Figure 1- Value & Supply of US \$1, Figure 3-Average Silver Price (Per OZ), Figure 4 -Average Gold Price (Per OZ), Figure 5- Average Price for a Gallon of Gas, Figure 6- US Dollars in Circulation, and Figure 7- US Debt. The aforementioned figures illustrate the percent change of the respective item yearly from 1913 to 2012 with the exception of the Average Price for a Gallon of Gas, which begins in 1919 due to a lack of records. I gathered the figures regarding the quantities and prices of gas, Dollars in circulation, purchasing power of the Dollar, and total US debt from the United States Department of Labor, Bureau of Labor Statistics and the prices of silver and gold from the precious metal company Kitco. My model for my thesis is Figure 8. Figure 8 reflects the findings of my thesis: the direct correlation between the Average Price of Silver, Gold, & a Gallon of Gas VS the Purchasing Power of Dollar, US Dollars in Circulation, & US Debt.

Figure 8 depicts the direct and strong correlation between the prices of Silver, Gold, and a Gallon of Gas to the Purchasing Power of the Dollar, the amount of Dollars in Circulation, and

US Debt. I have provided data points to mark the same specific years on the multiple item lines. I provided two separate lines that depict the purchasing power of the Dollar from 1913 to 2012 simply for reference and convenience. The percent change is the same, however, one begins at \$1 billion dollars while the other begins at \$100 dollars. The first marker on all the item lines shows the price or quantity of that item in 1913, which was the first year of the Federal Reserve Bank's existence. The second marker on all the item lines shows the price or quantity of that item in 1946, which signified the end of World War II. The third marker on all the item lines illustrates the price or quantity of that item in 1983. The last marker on all the item lines illustrates the price or quantity of that item in 2012.

The chart depicts the relationship between the items as the following: as the amount of US Dollars in circulation increased, the purchasing power of the Dollar decreased causing the average price of silver, the average price of gold, the average price for a gallon of gas, and the total US debt to increase accordingly. For example, within a ten-year period from 1973 to 1983, the amount of US Dollars in circulation increased from \$67 billion to \$162 billion (141% increase). Within the same ten-year period, the average price of silver increased from \$3.14 to \$9.12 (190% increase), the average price of gold increased from \$97 to \$424 (337% increase), the average price for a gallon of gas increased from \$.36 to \$1.22 (238% increase), and the total US debt increased from \$458 billion to \$1.3 trillion (184% increase) while the purchasing power of the dollar declined from \$22.51 to \$10.03 (55% decrease). This ten-year period marks one of the more drastic expansions of the money supply in American history, which correlated to a drastic increase in silver, gold, a gallon of gas, and total US debt while Americans lost an incredible 55% of their purchasing power and wealth. In 2011, a pre-1965 U.S. dime (90% silver) could have purchased one gallon of gas, which was the cheapest price for a gallon of gas

in United States history. The price of a gallon of gas rose only when priced in Dollars and decreased to a historical low when priced in silver. This suggests that the cause of the increase in gas prices is the devaluation of the dollar, not a high demand, or a lack of supply.

Conclusion

The prosperity of our nation is contingent upon our returning to the usage of constitutional money since “no nation could do more for the prosperity of its citizens than” to establish a bimetallist standard since both gold and silver are of “intrinsic value and totally honest in their measure” (Griffin, 1994, p. 324). Buchanan (1994) warned Americans that governments have “almost always moved beyond constitutionally authorized limits of their monetary authority” and “it is in the monetary responsibility that almost all constitutions have failed” (p. 4). Meltzer (2010) declared that no example in history exists of a country that experienced “high money growth, large and growing budget deficits, and a depreciating currency that escaped inflation” (p. 305). The year 2013 marks the centennial of the Federal Reserve Bank’s existence. The Federal Reserve Bank’s track record over the last hundred years has been, simply put, horrendous. Whether the motives and actions of the Federal Reserve Bank and its owners are criminal and/or fraudulent remains undetermined until investigated. Regardless, if Americans desire the historically unique economic prosperity and stability that once existed in this country, Americans must immediately demand the abolishment of the Federal Reserve Bank and demand the restoration of constitutional money (gold and silver). Americans must also demand the restoration of the power to regulate the value and quantity of money back to its proper constitutional authority, Congress. Without these immediate demands, the Dollar will continue to be worth less and less with each day until it is eventually worthless, leaving the nation and its citizens in economic chaos, perpetual debt, and poverty.

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[bin/query/r?ammem/AMALL:@field\(NUMBER+@band\(rbpe+2130140a\)\)](http://memory.loc.gov/cgi-bin/query/r?ammem/AMALL:@field(NUMBER+@band(rbpe+2130140a)))

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Appendices

Tables

Table 1. “Multiple Regression Results: Trust in Government, 1952-1981,” Onder (p. 162, 2011).

Multiple Regression Results: Trust in Government, 1952-1998

Variables	Initial coefficients		Revised coefficients	
	B	Beta	B	Beta
INTERCEPT	78.161		19.679	
GINI	-102.906	-0.136	-6.937	-0.011
CAPACITY	1.096	0.238**	1.605	0.334***
TAXBURD	0.342	0.018	-0.972	-0.073
UNEMPL	0.610	0.050	0.126	0.020
INFLATIO	-1.325	-0.216***	-0.554	-0.133*
HONEST	0.423	0.275**	0.369	0.236
MURDER	-3.394	-0.361***	-3.703	-0.392***
F-Ratio	137.460		43.013	
Adjusted R ²	0.950		0.086	
Durbin's d	0.686		1.392	
Number of cases	47		46	

Notes. * $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$.

Table 2. “Average Inflation During the Free-Banking Era and After Central Banking Began,” Mafi-Kreft (2003).

Average Inflation During the Free-Banking Era and After Central Banking Began					
Country	Free Banking Years	Average Annual Inflation Rate During Free Banking	Average Annual Inflation Rate After Central Banking Began	Change in Annual Inflation Rate	Absolute t-ratio
Australia	1862–1911	−0.50	4.36	4.86	5.19***
Canada	1849–1933	0.95	4.67	3.72	2.57***
France	1796–1848	−0.63	5.88	6.51	2.58***
Italy	1832–1894	0.38	13.14	12.76	1.75*
New Zealand	1892–1933	1.81	5.70	3.89	4.23***
Spain	1844–1874	1.32	4.95	3.63	1.96**
Switzerland	1834–1907	0.35	4.54	4.19	2.88***
Sweden	1831–1901	0.50	4.12	3.62	4.12**
United States	1782–1914	0.49	3.39	2.90	1.93*

Notes: The starting date of the free-banking years does not always reflect the starting date of the free-banking era, but the first year of the free-banking era when data were available. Significance levels represented by: *** 1%, ** 5%, * 10%.

Table 3. “Output Growth during the Free-Banking Era and After Central Banking Began,” (Mafi-Kreft, 2003).

Output Growth During the Free-Banking Era and After Central Banking Began			
Country	Output Growth during Free Banking	Output Growth After Central Banking Began	Absolute t-ratio
Australia	0.047	0.078	1.35
France	0.004	0.013	1.12
Italy	0.006	0.015	0.88
Spain	0.017	0.013	0.79
Sweden	0.017	0.013	0.61
United States	0.019	0.227	0.23
Notes: The starting date of the free-banking years does not reflect the starting date of the free-banking era, but the first year of the free-banking era when data on industrial production or GDP were available. Significance levels represented by: *** 1%, ** 5%, * 10%.			

Figures

Figure 1. "Value & Supply of US \$1," Dollar Daze (2009).

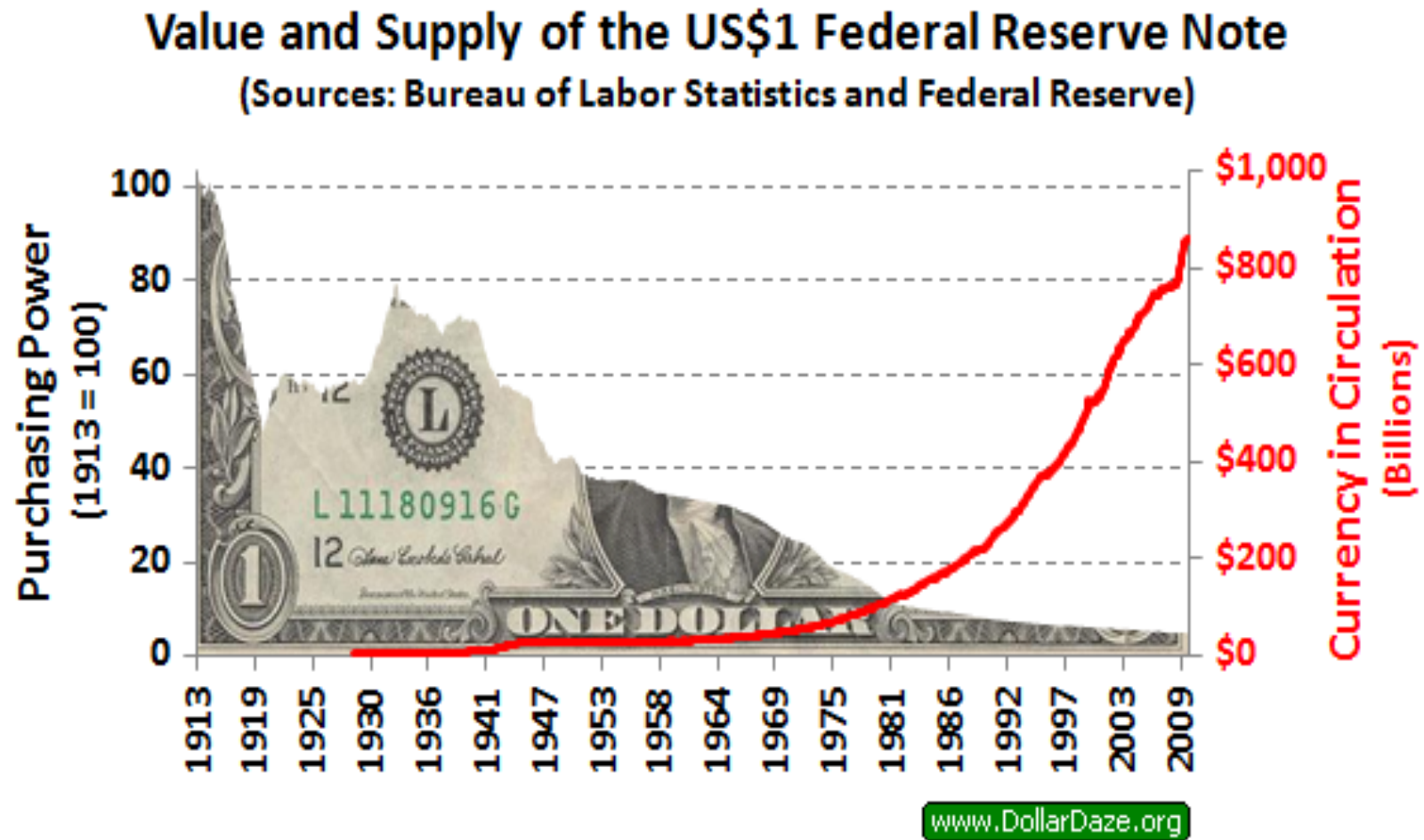


Figure 2. "Who Owns the Federal Reserve," Federal Reserve Bank (2013).

FRB: Who owns the Federal Reserve?

FRB: Who owns the Federal Res...

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Informing the public about the Federal Reserve

Who owns the Federal Reserve?

The Federal Reserve System fulfills its public mission as an independent entity within government. It is not "owned" by anyone and is not a private, profit-making institution.

As the nation's central bank, the Federal Reserve derives its authority from the Congress of the United States. It is considered an independent central bank because its monetary policy decisions do not have to be approved by the President or anyone else in the executive or legislative branches of government, it does not receive funding appropriated by the Congress, and the terms of the members of the Board of Governors span multiple presidential and congressional terms.

However, the Federal Reserve is subject to oversight by the Congress, which often reviews the Federal Reserve's activities and can alter its responsibilities by statute. Therefore, the Federal Reserve can be more accurately described as "independent within the government" rather than "independent of government."

The 12 regional Federal Reserve Banks, which were established by the Congress as the operating arms of the nation's central banking system, are organized similarly to private corporations--possibly leading to some confusion about "ownership." For example, the Reserve Banks issue shares of stock to member banks. However, owning Reserve Bank stock is quite different from owning stock in a private company. The Reserve Banks are not operated for profit, and ownership of a certain amount of stock is, by law, a condition of membership in the System. The stock may not be sold, traded, or pledged as security for a loan; dividends are, by law, 6 percent per year.

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Figure 3. Average Silver Price (Per OZ)

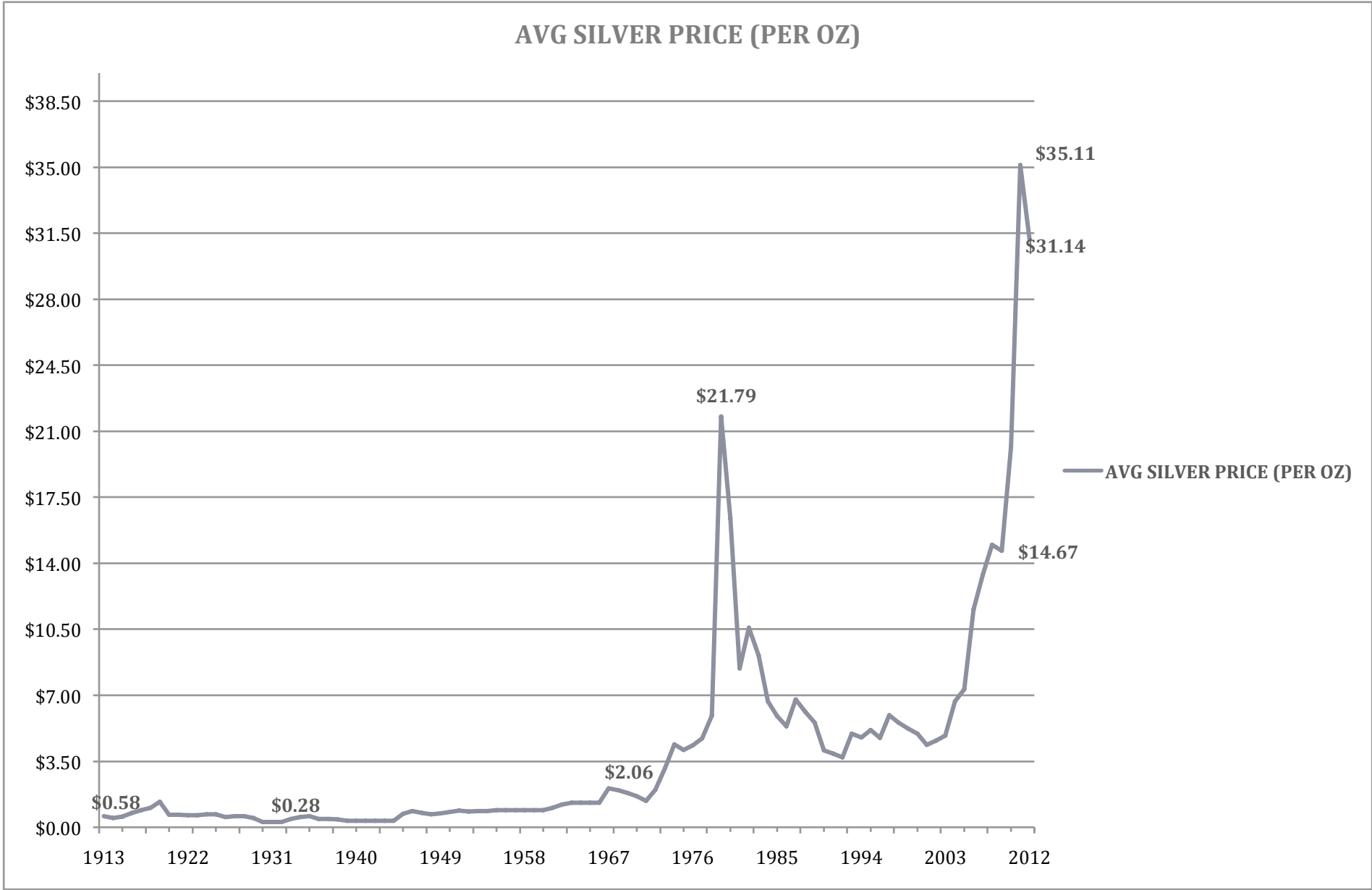


Figure 4. Average Gold Price (Per OZ).

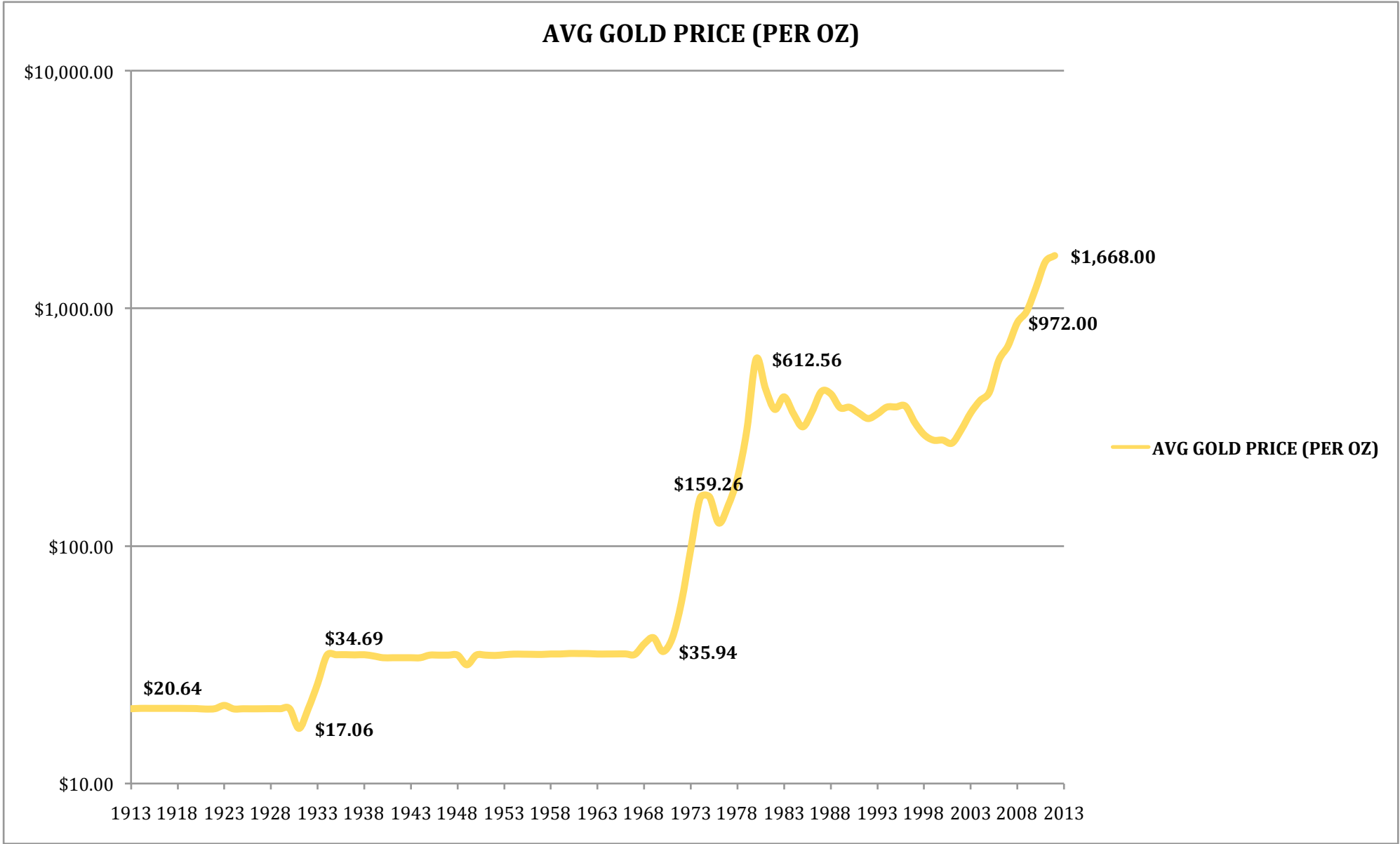


Figure 5. Average Price for a Gallon of Gas.

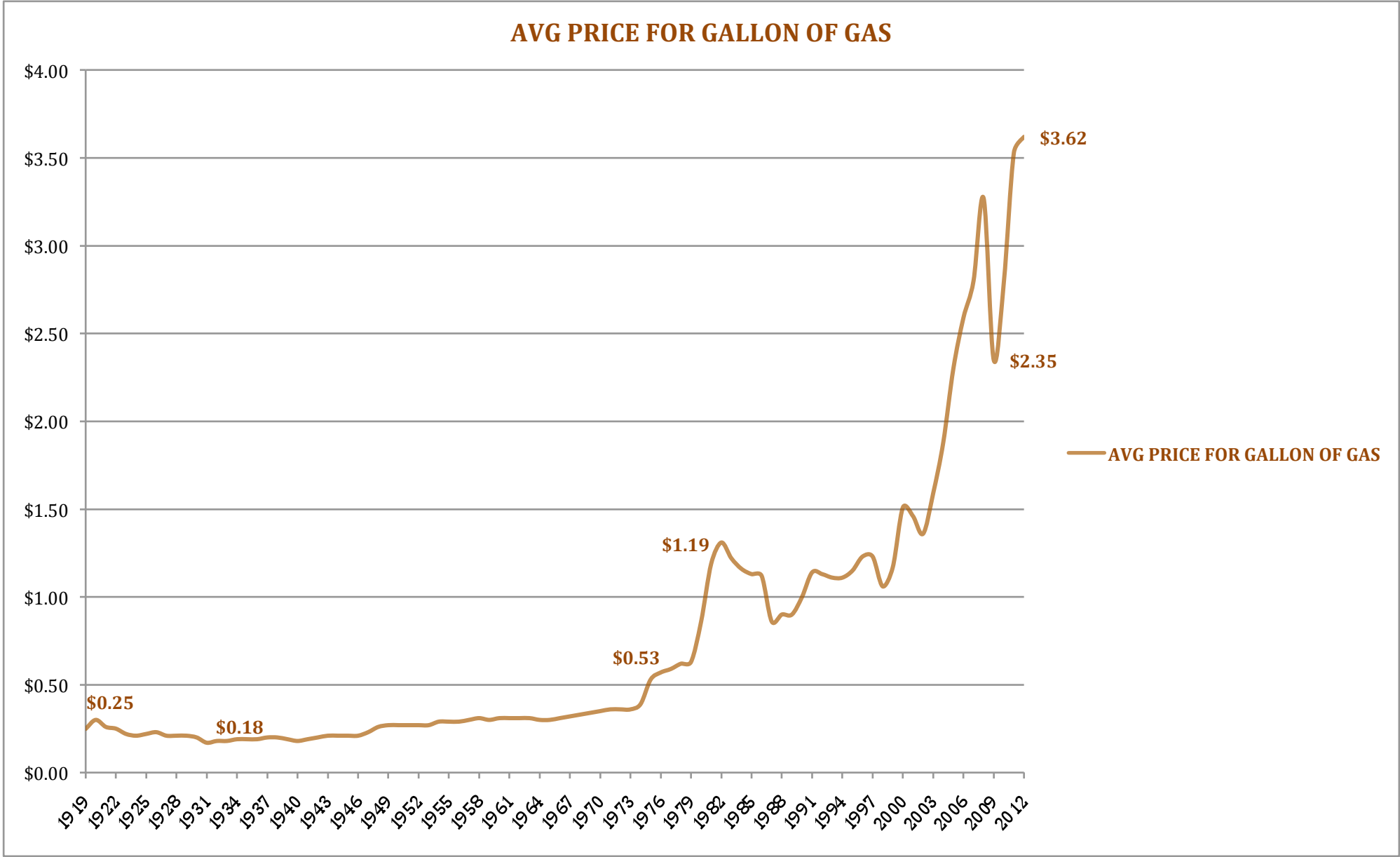


Figure 6. US Dollars in Circulation.

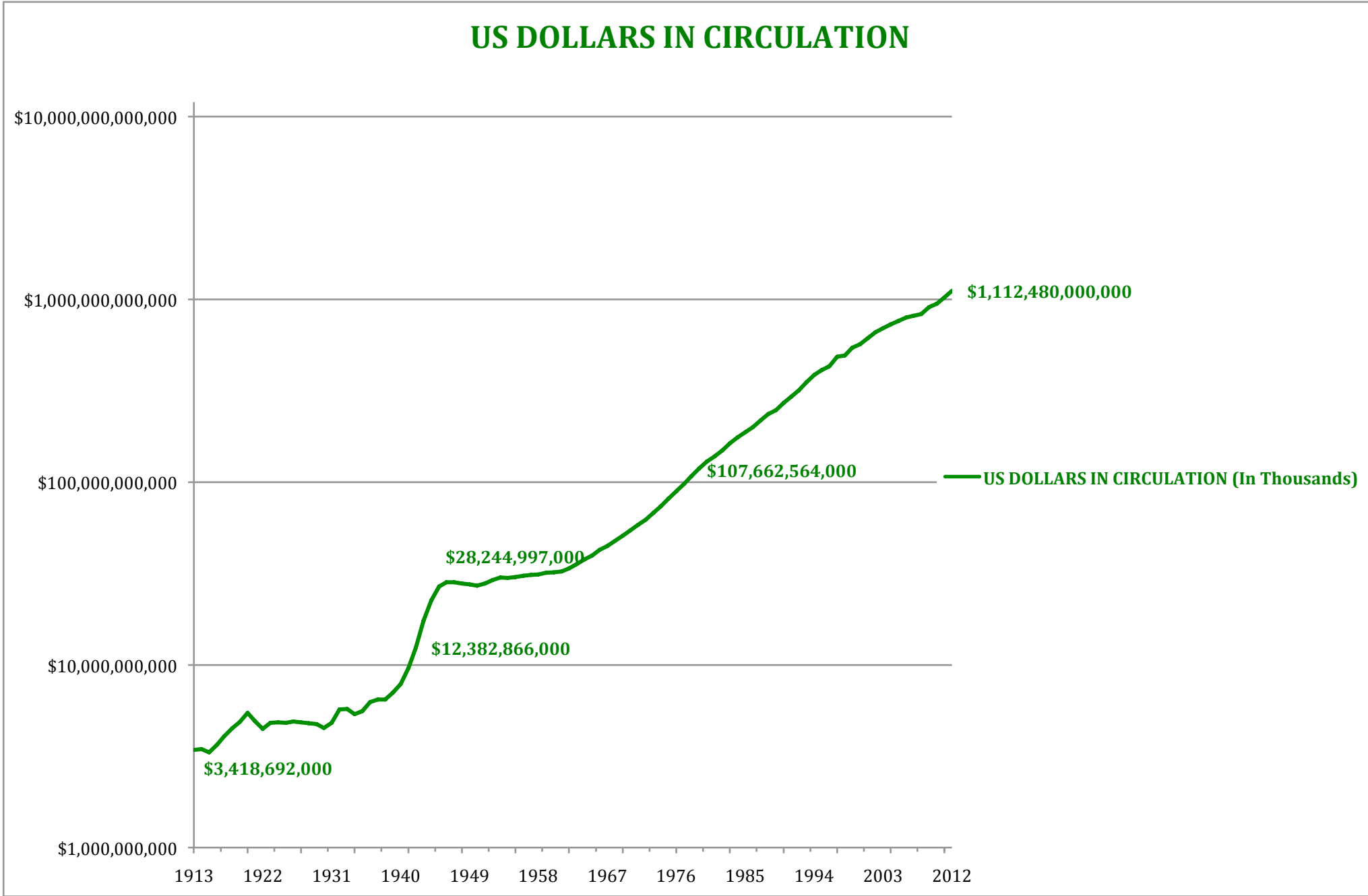


Figure 7. Total US Debt.

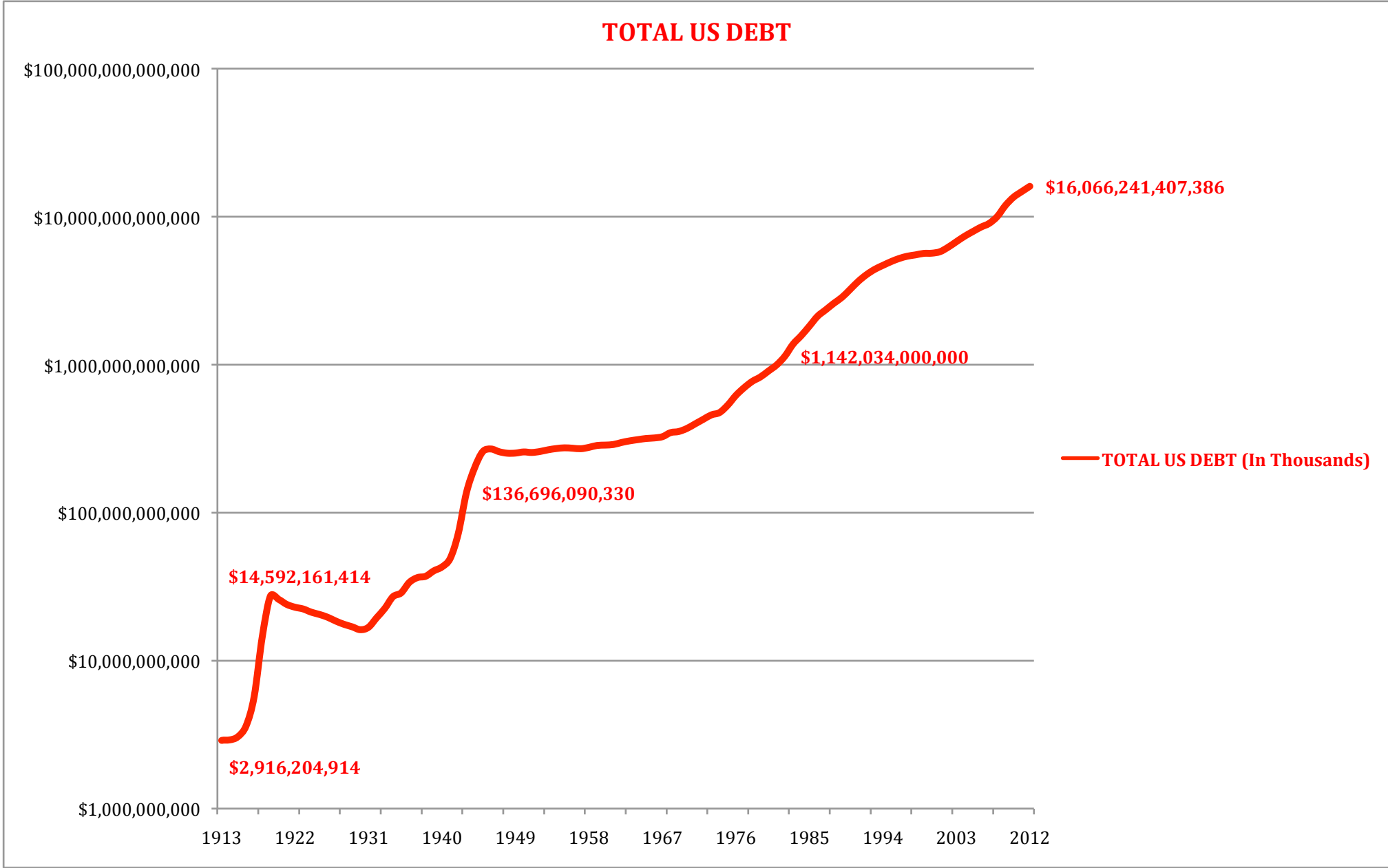


Figure 8. Silver, Gold, & Gallon of Gas VS the Purchasing Power of Dollar, US Dollars in Circulation, & US Debt.

