2/16/2019

Understanding Federal Tyranny

Part Five

Examining F.D.R.'s 1933 Gold Confiscation

Welcome to Part Five of the five-part Patriot Corps presentation, *"Understanding Federal Tyranny."*

Parts 1 and 2 provided an overview of the series, explaining in general terms and from a broad perspective, how members of Congress and federal officials bypass their constitutional restraints, with impunity.

While the Framers who proposed and ratified the U.S. Constitution intended that members of Congress and federal officials exercise enumerated powers throughout the Union using only necessary and proper means, Alexander Hamilton devised a clever strategy to bypass those strict constraints. Chief Justice John Marshal later became that strategy's chief advocate.

Both men sought to exploit an-otherwise-unrealized loophole in the Constitution, to extend the unlimited power meant for the District of Columbia instead throughout the Union. These two men simply held that since the clause that authorized the District Seat (Art. I, Sect. 8, Cl. 17) was part of "This Constitution," then even that clause would necessarily be part of the "supreme Law of the Land" detailed in Article VI, Clause 2.

The necessary implication of that simple holding—according to Marshal—meant that even the local, State-like powers that only the "particular" States of Maryland and (for a time) Virginia ceded to Congress for the District Seat would therefore "bind the nation" like all other clauses of the Constitution and could therefore also be enforced *nationwide*.

The unavoidable consequence of this holding meant that members of Congress and federal official could now exercise their inherent discretion for the District Seat and indirectly extend it throughout the Union simply because proponents of limited government didn't understand what was going on to fight it correctly. Indeed, limited government proponents believed their opponents when those advocates of extensive government power said that they were changing the powers of government by redefining the words of the Constitution in a bold new way.

Of course, no member of Congress or federal official (including supreme Court justices), who take an oath to "support" the Constitution may ever stand superior to it and redefine their own power for the Union. They may only exercise inherent discretion *where* they have such power, which is in and for the District Seat.

Thus, government servants found a clever way to become our political masters.

However, in order to continue to exploit this clever loophole as the fount of unlimited power—Hamilton and Marshal needed to keep secret their strategy from limited government proponents.

Indeed, once Patriots understood Hamilton's unique approach and its necessary ramifications, they could easily begin taking the appropriate steps to contain that reign of absolute tyranny or end it completely.

After all, just because there are no *existing* words in the Constitution that currently exempt Clause 17 from being part of the supreme Law of the Land, doesn't mean that such clear words can't be added by a simple amendment, to short-circuit Hamilton's constitutional-bypass mechanism.

To prove true the general outline provided by the first two presentations, Parts 3, 4 and 5 of the presentation series "follow the money," to show how this clever loophole works in the corruption of our circulating lawful tender that was once only gold and silver coin.

Part 3 of the series examined the Coinage Act of April 2, 1792, to show clearly that lawful tender money for the Union is—or at least was initially—only gold and silver coin.

Part 4 then examined the diversion away from that initial monetary foundation of gold and silver coin as the 1871 *Legal Tender Cases* Court cleverly upheld the paper currencies of 1862 as legal tender, despite three earlier court opinions denying them that status, and despite no new amendment ratified to change the monetary powers of Congress.

But, that Fourth Presentation showed that paper currencies were actually upheld as legal tender only under the power for the District of Columbia, an exclusive-legislative area that isn't a "State" that is expressly prohibited by Article I, Section 10 from coining money, emitting bills of credit, or making anything other than gold and silver coin a tender in payment of debts.

Although members of Congress may only use necessary and proper means to implement the enumerated powers for the Union, those same members of Congress may alternatively do whatever is not prohibited them under their power for the District Seat. Of course, those alternative powers are supposed to be limited to the federal seat, but those members of Congress and federal officials are never going to willingly volunteer that vital information!

Thus, without a specific prohibition against emitting bills of credit or declaring them a tender under the power for the District Seat, members of Congress were able to do under the District Seat power that which they had no power or means to do for the Union.

The Fifth and final presentation today will examine President Franklin D. Roosevelt's 1933 gold "confiscation" decree, showing it likewise to be but a masterpiece of deception and trickery.

Things are not as they first appear, and it is up to freedom-loving Patriots to discover and understand the corruption used to bypass normal constitutional restraints and expose it as fraud, so we may Restore Our American Republic, once and for all or happily-ever-after.

The purpose of this presentation today is to help Americans interested in restoring limited government and individual liberty realize that much of what they "know" about federal actions is wrong. Thus, deeper examination is necessary.

And, a proper examination reveals that the many conditions we face may be boiled down to a single, common denominator—which is how members of Congress and federal officials bypass their constitutional restraints, with impunity.

Once our single political problem is accurately diagnosed, the appropriate cure can finally be applied.

With tragic repercussions, Americans foolishly concede that government servants may do pretty much as they please to anyone at anytime without repercussion, such as depriving Americans from their most-liquid form of property—their gold. The 1933 "confiscation" of American gold is a prominent legal falsehood that must be exposed as an utter lie in order to help protect all property now and in the future.

But, before beginning the examination into President Roosevelt's 1933 gold confiscation order, it is important to remind Americans of the express protections of the Fifth Amendment, which reads, in part:

> "No person shall be … deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation."

Due Process, for those people unfamiliar with the term, relates to judicial fairness—including especially the rights of notice and a fair hearing, where one may be heard before a final decision is given—before being deprived of property, liberty, or even life.

Protections helping to ensure Due Process include the right to be tried by an impartial jury of one's peers in a speedy and public trial, to be informed of the nature and cause of the accusation, to be confronted with witnesses against him, to have compulsory process for obtaining witnesses in his favor, to not be compelled in a criminal case to be a witness against himself, and to have assistance of counsel for his defense.

Since the supreme Law of the Land expressly declares that no person shall be deprived of property without due process of law, just how is it that an American *President* can issue an *executive order* requiring all persons to deliver their gold to a bank?

Indeed, Americans are expressly guaranteed *legislative representation*—which means having laws enacted *by the members of Congress* that we elect to represent us, to enact legislation within their delegated authority.

With a President issuing a decree forcing people to give up their gold, obviously something is going on here well beyond that which meets the eye.

The express purpose of this presentation is to expose that "something" to the bright light of day, so it may be understood—so person and property can be adequately protected from improper government action.

After all, President Roosevelt's 1933 gold confiscation decree hardly consisted of Americans violating established law, the violation of which exposed them to loss of their gold, after they were found guilty in court.

Instead, an American President who swore an oath to "preserve, protect and defend the Constitution of the United States" and to "faithfully execute the Office of President of the United States" issued a decree "requiring" all "persons" to deliver their gold to a bank, to be "paid" in non-redeemable paper currency.

That an American President appeared to act as tyrant capable of exercising absolute power must be examined in far greater detail, for that conclusion is and must necessarily be false.

President Roosevelt's Executive Order No. 6102, executed on April 5, 1933, boldly declares, in Section 2;

> "All persons are hereby required to deliver on or before May 1, 1933, to a Federal Reserve Bank or branch or agency thereof or to any member bank of the Federal Reserve System all gold coin, gold bullion and gold certificates…"

What followed next was a short list of four exceptions not here relevant, including $100 of gold per person, gold coins having "a recognized special value to collectors of rare and unusual coins," gold used in art and industry by license, and gold held for foreign governments and foreign central banks.

Section 9 provided the penalties for violating the order, saying;

> "Whoever willfully violates…this Executive Order…may be fined…$10,000, or…may be imprisoned for not more than ten years, or both."

Section 9 increased the stakes very high for anyone daring to stand up to an oppressive government intent on confiscating everyone's gold and leaving them only paper.

The President cited his authority for the order, saying;

> "By virtue of the authority vested in me by Section 5 (b) of the Act of October 6, 1917, as amended by Section 2 of the Act of March 9, 1933…"

It is informative to look quickly at the cited 1917 Act, the *Trading with the Enemy Act*.

What is interesting about this World War I-era Act is that Section 6 specifically creates the office of an "Alien Property Custodian" who is explicitly "vested with all the powers of a common law Trustee" to "receive all money and property in the United States due or belonging to an enemy" and to "hold, administer, and account" for the same during the war.

"After the end of the war," Section 12 of the Trading with the Enemy Act informs us, "any claim of any enemy…shall be settled" according to law. If the owner had no adverse claims against his, her, or its property or money, then the property and money were returned.

Patriots must understand the ramifications and implications of this wartime Act.

America was at war—in *The War to End All Wars*. The United States had already declared war on the Imperial German Government on April 6, 1917. The United States would shortly declare war on the Imperial and Royal Austro-Hungarian Government, on December 7, 1917.

With war officially declared, then the principles of the Declaration of Independence held true;

> "Enemies in War, in Peace Friends."

With "war" declared, then the Article III, Section 3, Clause 1 words of the U.S. Constitution became especially relevant, which read:

> "Treason against the United States, shall consist only in levying War against them, or in adhering to their Enemies, giving them Aid and Comfort."

It is interesting to note that if the Alien Property Custodian had improperly returned property or money to an enemy individual or business during the course of the war, then the Custodian could have been charged with treason, and, if found guilty, summarily executed as a traitor.

The Trading with the Enemy Act rightfully prevented private citizens and private companies of Germany (and later Austria and Hungary) from accessing their U.S.-based money or property during the war that could be used to aid their country's war efforts against us. But, since the money and property was theirs, then those items would be returned to them *after the war ended,* absent adverse claims, according to law.

So, even though an enemy's money and property would be returned to the owners after the end of declared war, yet supposedly, the U.S. President may deprive American citizens during an era of profound peace of all of their gold and never return it, but instead forever leave them irredeemable paper currency in its place.

There were no court cases, no indictments, nor even any charges or allegations of wrongdoing of any kind, before American citizens were uniformly deprived of their gold.

With such differing outcomes that were contrary to all reason, in their hearts and minds, Patriots must innately realize that something extremely "funny" is going on with Roosevelt's decree. Yet, those same people invariably realize also that hundreds of millions of dollars' worth of gold was given up by Americans in 1933 (as these people were also effectively prohibited from owning gold for the next 40 years).

The best place to begin a proper inquiry into this odd historical phenomenon is by asking a simple question—Are the "persons" of the executive order who were commanded to deliver their gold to a private bank the same "persons" of the Fifth Amendment who cannot be deprived of life, liberty or property without Due Process of Law (and Just Compensation)?

Looking again at Section 2 of Roosevelt's Executive Order 6102, one sees, after all, that:

> "ALL PERSONS are hereby required to deliver…(to a bank)…all gold coin, gold bullion and gold certificates."

But, the Fifth Amendment details that:

> "NO PERSON shall be…deprived of life, liberty, or property, without due process of law."

Which is it, if the two are in contravention to one another?

Must a presidential directive give way to the supreme Law of the Land or does the supreme Law of the Land give way to a presidential decree?

Or, more importantly, the real question is if there is perhaps some way that the two directives may actually be in agreement with one another, that neither one truly contradicts the other?

To begin the proper examination, it is important to notice that Section 1 of Roosevelt's gold confiscation decree specifically defines the term *person* "For purposes of this regulation."

The disclaimer "For purposes of this regulation" allows the term therein being defined to mean something *entirely different* from its normal meanings.

The disclaimer informs us to take extra care to understand exactly what the defined term means for its present purposes, in order to understand what is actually being commanded and especially of whom. After all, the only people who were being commanded to deliver their gold to a bank were "persons" as specifically defined "For purposes of this regulation." If one was NOT a "person" *as defined*, then he or she was under no compulsion to deliver his or her gold.

Let me provide an example to explain this process, which the Patriot Corps calls "Government-by-Deception-through-Redefinition."

Here is a sample case for appropriate study;

> "For purposes of this example, *a pig is a dog*."

Thus, because of the directive given, the picture shown here is necessarily that of a "dog," *not* the pot-bellied pig you may think you see.

You may well know that some breeds of dog have flat noses such as a bulldog, or short legs such as a Dachshund or "weiner dog," but, now you know, that under special situations, dogs may also have cloven hooves and tusks.

While you may think I have been speaking hypothetically, here is the 1994 Vice-Presidential Order of then-Vice President Al Gore conferring the "Honorary Title" of "Dog" on "Harley the Potbellied Pig." Thus, because of this Vice-Presidential order, a pig was called a "dog." This simple holding allowed the Portland Police Bureau to obtain the federal funding that was available for drug-sniffing dogs to test whether pigs—legally held as dogs for this express purpose—could be effectively trained to sniff out drugs. Pigs, after all, are well known for their excellent olfactory sense, such as used in the search for truffles.

Calling things by another name allows for a simple but effective means to bypass normal legal constraints as the need arises.

President Roosevelt's presidential order worked no differently than Vice President Gore's—the former was simply more obtuse in its workings, intentionally so.

Returning to President Roosevelt's deceptive decree, one sees that Section 1 explicitly defined "person" for "purposes of this regulation" to mean;

> "any individual, partnership, association or corporation."

The first thing to compare and contrast is between Sections 1 and 2, to notice that "*All* persons" were being required to deliver their gold, but that "person" only meant *"any"* individual, partnership, association or corporation.

"Any" and "all" are not equivalent terms.

"Any" sets up an alternative situation—allowing for differentiation elsewhere—while "all" effectively means "every."

"Any" does not mean "every."

By clearly stating "*All* persons" had to deliver their gold—but holding "persons" to be only "*ANY* individual, partnership, association or corporation"—the *inclusive* word "All" effectively becomes substituted with a word allowing separate *differentiation*.

In other words, the *absolute* requirement of Section 2 became effectively a *conditional* alternative via Section 1, without the determinate factor or condition actually being given within the executive order.

Thus, the difference between "any" and "all" was enough to keep the Decree of '33 from contradicting the Fifth Amendment.

While (any) individuals, partnerships, associations and corporations *could become* "persons" who may be required by Section 2 to deliver their gold to a bank, not all of them necessarily were.

Something *outside of this decree* would separately bind individuals, partnerships, associations and corporations to become "persons" with a legal obligation to deliver gold to a bank.

Therefore, the limited "persons" of Roosevelt's executive order number 6102 required to deliver their gold were not the same "persons" of the Fifth Amendment (defined without limitation) who are yet protected in their property.

A simple question helps prove the inherent error of logic in the decree—the integral contradiction within the order that cannot be evaded—Are the member banks of the Federal Reserve System "persons" for purposes of the decree?

Remember, "person" was explicitly defined *independently* in Section 1, *before* "persons" were commanded in Section 2 to deliver their gold to "a Federal Reserve Bank or branch or agency thereof *or to any member bank of the Federal reserve system*."

That banks were made the places where the gold was to be delivered cannot by itself remove or exempt them from the definition of "persons" in Section 1 as "any individual, partnership, association or corporation."

There are only two possible answers to that simple question, of whether banks are "persons"—either "yes" or "no"—either banks are "persons" or they are not "persons" for purposes of the executive order.

If banks *are* "persons," then some "persons" must deliver their gold to other "persons."

If so, nothing in the decree provides sufficient excuse that some persons may be lawfully deprived of gold while other persons may receive all gold. Just because some persons were commanded to deliver their gold to other persons does not justify those persons from being summarily deprived of their property without Due Process of Law (and Just Compensation).

Again, whatever separates these two opposing types of "persons" with opposing rights and duties is not found within the decree. A look elsewhere is necessary to properly differentiate between persons of such opposing legal rights.

Indeed, if "banks" are "persons," then, to be consistent with that holding, the order should have stated "All persons but banks are required to deliver all gold to banks" or "Except for banks, all persons are required to deliver all gold to banks."

The only other available alternative to the earlier question if banks are persons is that member banks of the Federal Reserve System are *not* "persons" for purposes of Roosevelt's decree.

The important principle here would then necessarily be that "person" does *not necessarily include* all individuals, partnerships, associations or corporations—and if there is one un-named exemption, then there can also be others (like to keep the decree from violating the Fifth Amendment).

Again, in this case—as in all the other cases herein examined—*something else outside or beyond this decree* necessarily differentiates between the individuals, partnerships, associations or corporations *who are "persons" with a legal obligation to deliver their gold to a bank.*

Thus, no matter how the question (of whether banks are "persons" for the decree) is examined or answered, the decree itself does not provide the necessary information to determine who actually is bound to deliver their gold. With only the information provided by the decree, one cannot adequately determine who are the exact "persons" who are required to deliver their gold.

Indeed, it cannot be *all* individuals, partnerships, associations or corporations, because banks are associations and/or corporations, also. Actually, the definition does not even limit associations or corporations to private ones, but extends to public associations and corporations.

Neither is it that everyone is commanded to deliver their gold to the U.S. Treasury or some other branch of the U.S. Government.

The answer to the question of what binds individuals, partnerships, associations or corporations to become "persons" with a possible legal obligation to deliver gold to a bank may be found in the Federal Reserve Act of 1913. It is not a coincidence that banks were made the location where "persons" had to deliver their gold.

First, note that Section 2 of the 1913 Act reads:

> "The shareholders of every Federal reserve bank shall be held individually responsible…for all contracts, debts, and engagements of the banks to the extent of…their…stock."

It makes perfect sense that bank investors are being held responsible for their debts (at least to the extent of their bank stock). There is nothing unusual with this holding; such factors occur throughout the business world every day.

Next, note Section 16 of the 1913 Act:

> "Every Federal reserve bank shall maintain reserves in gold or lawful money of not less than 35% against its deposits and reserves in gold of not less than 40% against its Federal reserve notes in actual circulation..."

Here, one realizes that each Federal reserve bank had to maintain reserves "in gold" or "lawful money" of not less than 35% against customer deposits, to provide sufficient liquidity since customers draw frequently upon their money.

And, to back the Federal reserve notes that at that time were yet backed by gold, the banks had to keep reserves *in gold* of not less than 40% of the face value of the notes issued in their names.

Of course, the notes backed *as a whole* at 40% of face value were all individually redeemable in gold, at 100%.

Therefore, anytime more people brought their cash to a bank and wanted the gold they could still at that time claim, the gold reserves would directly draw on that 40% equity. As anyone who speculates with borrowed money knows, in a downturn in one's position, one's equity vanishes quickly, such that it must be shored up in the most inopportune of times.

Section 16 went on to declare that:

> "The Federal Reserve Board shall require each Federal reserve bank to maintain on deposit in the Treasury of the United States, a sum of gold sufficient in the judgment of the Secretary of the Treasury for the redemption of the Federal reserve notes issued to such bank."

Here, one realizes that the Secretary of the Treasury is to act as the bank speculators' *broker*, who—in the Secretary's discretion—tells bank stockholders to bring more gold to back their escalating liabilities and falling equity.

Thus, the Secretary of the Treasury was simply a broker who would make a "margin call" on bank shareholders who found that their economic position went against them. The bank shareholders needed to infuse gold quickly to meet minimum margins in the "bear" economy.

When bank customers were lining up in the streets in front of the banks—was it not proper for the Secretary of the Treasury's boss—the President of the United States—to begin the process of bank speculators shoring up their falling equity to meet their over-extended liabilities?

Should not have corporate shareholders been required to bring their gold to the banks, to meet the financial obligations they incurred by voluntarily buying bank stock and willingly taking financial risks for projected profits?

The events that threatened the financial position of overextended bank shareholders was instead turned into a spectacular financial coup for the biggest of banking concerns, as those with extensive political influence pulled the strings of a corrupt administration. Together, politician and financier, raked into their vaults all of America's gold, greatly deepening the financial despair of all others.

Roosevelt's gold confiscation strategy could not have worked without the unlimited power for the District of Columbia. Indeed, paper currencies already being declared a legal tender were a necessary precondition to effectively force American citizens to accept irredeemable paper currency in the place of their gold.

Since paper currencies could only be declared under the power for the District Seat as allowed by Article I, Section 8, Clause 17 through the power ceded only by the particular State of Maryland, Roosevelt's gold confiscation strategy couldn't have worked in the Union.

Of course, delivering the gold into the banks didn't yet reward their corrupt government partner.

Enter Phase II of the massive monetary swindle.

On January 30, 1934, President Roosevelt signed into law the "Gold Reserve Act of 1934."

Section 2 (a) of the Act read:

> "Upon the approval of this Act all right, title, and interest, and every claim of…every Federal Reserve bank…in and to any and all gold coin and gold bullion shall pass to and are hereby vested in the United States; and…payment… shall be payable in gold certificates…"

Under the 1934 Act, the ownership to all "gold coin and gold bullion" passed to and became vested in the United States.

Since the government paid the banks for their physical gold with "gold certificates" (the same gold certificates "All persons" were supposedly prohibited from owning), the government got all the gold, while the banks got all the gold *certificates*.

Although the government got all the physical gold, all they really had so far was the *legal duty* to store it—at their risk of loss—because the banks at that point held all the ownership equity to the government's newly-acquired gold. After all, gold certificates are the pink-slip ownership titles to physical gold.

The very next day, January 31, 1934, President Roosevelt issued his Presidential Proclamation No. 2072, thereby proclaiming, ordering, directing, declaring and fixing "the weight of the gold dollar to be 15 and 5/21^{sts} grains of gold nine-tenths fine."

In other words, the day *after* the government took the ownership of all the gold coin and gold bullion that was collected from unsuspecting individuals and businesses, the government devalued the dollar from its 1837 standard of $20.67/ounce, dropping it to $35.00/ounce.

Thus, all the gold certificates which the day before had reached all the physical gold, the next day reached only about 60% of it. Thus, *with the devaluation*, the government thereby received its 40% cut in the gold confiscation debacle.

While the banks got the first $20.67-worth of gold value, the government received the difference from $35.00/ounce, or $14.33 for every ounce of gold the banks had collected.

Of course, since the U.S. Constitution expressly vests only with Congress the enumerated power "To coin Money" and regulate its value, it was *not* the "U.S. Dollar" that President Roosevelt devalued that day.

American Presidents may not exercise any of the delegated legislative powers the U.S. Constitution vests with Congress for the Union—American Presidents may only exercise the legislative powers

that the State of Maryland ceded to Congress for the District Seat which has no guarantee of legislative representation attached to it.

Thus, the American dollar remains gold and silver coins at its historic rates and purity, where every 25.8 grains of gold nine-tenths fine (23.22 grains of pure gold) equal one dollar, at an equivalent rate of $20.67 per ounce of fine gold.

Meanwhile, the dollar of the District of Columbia may be—following the Act of February 25, 1862—paper currencies redeemable in gold. The District dollar may be irredeemable paper currency after 1933 or yet gold at equivalent rates of $35.00/ounce, after January 31, 1934. And, the dollar of D.C. may be base metal coins at historic silver rates, after 1965.

Before leaving the discussion of the Gold Reserve Act, one more section should be mentioned—Section 5, which reads:

> "No gold shall hereafter be coined, and no gold coin shall hereafter be paid out or delivered by the United States: *Provided, however*, That coinage may continue to be executed by the mints of the United States for foreign countries in accordance with the Act of January 29, 1874...
>
> "All gold coin of the United States shall be withdrawn from circulation, and, together with all other gold owned by the United States, shall be formed into bars..."

By this section, three points must be examined, which are that:

1. "No gold shall hereafter be coined…by the United States";
2. "No gold coin shall hereafter be paid out or delivered by the United States"; and
3. "All gold coin of the United States shall be withdrawn from circulation, and…shall be formed into bars."

The 1934 Act ominously appears to end all coinage of gold and pull it from circulation.

How may Congress, together with a complicit President, deprive Americans of their circulating gold coinage, when members have the express duty "To coin Money" and regulate its value?

Section 5, coupled together with Roosevelt's executive order supposedly banishing private gold ownership, undeniably cast a very dark future for gold. Indeed, private gold ownership in the United States was effectively prohibited for the next 40 years.

But, recall the clever Government-by-Deception-through-Redefinition trick, of *calling things by another name,* to bypass normal constitutional constraints.

Since the U.S. Government has repeatedly proven itself unworthy of our trust, it is important to scan the 1934 Gold Reserve Act for limited legal definitions.

The Gold Reserve Act of 1934 does not disappoint. As usual, the definitions were buried deep in the devious legislation.

Section 15 of the 1934 Act reads, in part:

> "As used in this Act the term 'United States' means the Government of the United States; the term 'the continental United States' means the States of the United States, the District of Columbia, and the Territory of Alaska…"

Notice again that all-important disclaimer, *"As used in this Act…"*

With these five crucial words, Patriots must again be put on alert that no matter their understanding of the terms outside of this legislation, the terms therein defined must be used with their defined meaning to understand the true nature of the legislative Act.

Thus, one finds that the term "United States"—for purposes of the Gold Reserve Act of 1934—means *"the Government of the United States."*

To reach the "States" of the Union, the term *"the continental United States"* had to be used.

Substituting the fully-defined term within Section 5 in the place of the cryptically-defined term, one may discover the true and correct meaning, which is that:

> "No gold shall hereafter be coined…by *the Government of the United States*" and that "no gold coin shall hereafter be paid out or delivered by *the Government of the United States.*"

Because of the Gold Reserve Act of 1934, the Government of the United States was no longer going to strike gold coin or pay it out.

In other words, this legislation was the government's notice to all suppliers that if they wanted to do business with the government, that it would thereafter only pay out irredeemable paper dollars, those dollars that were legal tender in the District of Columbia where the Government of the United States is seated.

Further, the Government of the United States was going to take all its own gold coin and bullion and melt them and then form the melted gold into uniform bars.

Also, note, however, that Section 5 specifically provides "That coinage may continue to be executed by the mints of the United States for foreign countries..."

Again, substituting the correct meaning for the legally-defined term, one sees "That coinage may continue to be executed by the mints of the Government of the United States for foreign countries..."

The mint of the *Government of the United States* is not necessarily the mint of the United States, (which would have been worded in the Act, the "mint of the continental United States").

The mint of the continental United States was not discontinuing the striking of its gold coin, or, if the mint of the Government of the United States was the only mint to operate thereafter, it could still legally strike gold coins for the continental United States (which was foreign to—or not the same as—the *Government* of the United States).

Americans were still free to use gold coins, but when any of them got back to the government, the government would pull them from circulation and melt them into bars.

Calling things by another name provides paper tyrants an effective means of bypassing normal constitutional restraints, at least when two clauses of the Constitution offer federal officials and members of Congress an alternate source of authority virtually unrestrained from limitation.

While Roosevelt's Decree of '33 effectively deprived American citizens and businesses of their gold, foreign governments and foreign central banks were still paid gold for their American government bonds they held.

However, on August 15, 1971, President Richard M. Nixon temporarily "closed the gold window," thereafter preventing foreign governments and foreign central banks from collecting anything other than irredeemable paper currency for their U.S. Government bonds they held in their portfolios.

Thereafter, the dollar for the District of Columbia was severed domestically and internationally from gold*, at least for everyone beyond the bank shareholders who still owned gold certificates*. The value of gold per ounce as measured in paper dollars thereafter began to steadily climb, along with the federal debt.

Interestingly enough, the Par Value Modification Act of March 31, **1**972, changed the legal relationship of gold to the dollar, reading in Section 2;

> "The Secretary of the Treasury is hereby authorized and directed to take the steps necessary to establish a new par value of the dollar of $1 equals one thirty-eighth of a fine troy ounce of gold."

Under Roosevelt's January 31, 1934 dictate, the dollar was devalued effectively valued from $20.67/ounce, to $35.00/ounce. By President Nixon's 1971 severing of the dollar from gold internationally, it was supposedly freed from its direct tie thereafter. But, by Nixon's *1972* dictate—*after* his *1971* gold window closure—gold was interestingly being valued at $38.00 per ounce.

Of course, it should be noted that American citizens were still ostensibly prohibited from owning gold (which restrictions were finally lifted in January of 1975).

Section 2 of the 1972 Act also provided the express purposes for establishing the new tie for gold to the dollar, saying:

> "Such par value shall be the legal standard for defining the relationship of the dollar to gold for the purpose of issuing gold certificates pursuant to…the Gold Reserve Act of 1934."

Thus, even after Roosevelt's Confiscation Decree of '33, even after Nixon closed "the gold window" in 1971 nominally freeing the dollar from any direct tie to gold, Congress and President Nixon explicitly yet acknowledged that for purposes of the gold certificates issued pursuant to the Gold Reserve Act of 1934, that the dollar *was still fixed*, now at the lower rate where every $38.00 of gold certificates were payable in one ounce of gold.

On September 21, 1973, Congress and President Nixon again redefined the dollar for purposes of gold certificates, to be thereafter worth $42.22 per ounce of gold. In other words, it now took gold certificates worth $42.22 to be able to receive in return one ounce of pure gold.

The U.S. Government today still officially values its gold at $42.22/ounce—one may go to the *www.Treasury.gov* website and search "Gold Status Report" and find the book value and number of troy ounces of gold owned by the government and confirm that fact.

Of course, against much of the gold held by the U.S. Government are still many gold certificates owned by private shareholders of the Federal reserve banks.

Federal reserve banks are the entities the U.S. Government chartered under the authority of Article I, Section 8, Clause 17 for the District of Columbia, which own government debt (gold certificates) payable in gold at $42.22/ounce, but owe the public only paper (which are not directly redeemable in gold).

Federal reserve banks *own* the rights to gold but *owe* only paper.

The Federal reserve banks are the clever wealth-transfer means instituted to separate Americans from their gold, to drive a firm wedge between the dollar and gold—for everyone but them.

It should be again explicitly stated that the Federal reserve banks, Roosevelt's Gold Confiscation Decree of '33, the Gold Reserve Act of 1934, Nixon's closure of the "gold window," nor the Par Value Acts of 1972 and 1973 would have been possible or permitted without Article I, Section 8, Clause 17 of the U.S. Constitution. It is only under that special authority therein allowed, that members of Congress and federal officials may exercise such inherent discretion to do as they please.

Separating the dollar from gold—at least for everyone but the biggest banks—removed a great many of the inherent impediments to higher federal expenditures. Federal debt thereafter escalated quickly. Unfortunately, it is quite possible that those biggest banks intend the government's debts will be paid in gold dollars where every $42.22 of face value of debt brings them one ounce of gold.

In support of that theory, note that Nixon closed "the gold window" only "temporarily."

Then, one must examine the old court cases. The concurring opinion of Justice Bradley in the 1871 *Legal Tender Cases*—which was the first case to uphold paper currencies as legal tender (for the District of Columbia)—perhaps gives credence to such a current holding, with his words:

> "No one supposed that these government certificates are never to be paid — that the day of specie payments is never to return… Through whatever changes they may pass, *their ultimate destiny is to be paid."*

While it is true that the paper currency notes to which he was referring were yet payable in gold—even as their payment in gold was suspended due to the Civil War—it is yet true that the Constitution figures all government debts are payable in gold or silver coin.

For instance, in the same concurring opinion, Justice Bradley also detailed that United States notes were "a *promise…to pay* dollars…not…to make dollars."

And, *even the earlier court cases that ruled that paper currencies were not a legal tender* nevertheless held government debt similarly. While the 1870 *Hepburn v. Griswold* court referred to *paper dollars* as "mere *promises* to pay dollars," the 1869 *Bronson v. Rodes* court held that a "*note* dollar" was a "*promise* to pay a *coined* dollar."

No matter how the court held paper dollars for purposes of legal tender, they all uniformly held that paper dollars were *promises* to pay *coined* dollars of gold or silver, the only things that are lawful tender under the U.S. Constitution for the Union.

It is again true that the paper currency dollars of the District of Columbia no longer promise to pay coined dollars, at least explicitly and at least to the common creditor. However, it is also true that the U.S. Government has favored its largest banking benefactors at every turn in our tragic financial history.

No matter how the federal debts will ultimately be paid, however, that they are escalating beyond prudence is unquestionable.

Sadly, there is nowhere near enough gold to meet demands, however debts are ultimately figured, which means all the extensive assets owned by the U.S. Government will likely be reached come the inevitable Judgment Day.

To regain lost liberty and limited government under strict construction of the whole Constitution, Patriots must begin to question apparent truths which are not true, for false assumptions do not equal truth. Patriots must search out the answers to odd phenomena and peculiar conundrums, to make sense of government nonsense found at every turn.

For more in-depth study, please also see any of Matt Erickson's ten public domain books found at the **www.PatriotCorps.org** website, including *Understanding Federal Tyranny* in book form.

The books and public domain newsletters at the website examine more deeply the issues and ramifications that were examined briefly in these five presentations.

After viewers watch all Five-Parts of this presentation series on *Understanding Federal Tyranny,* the Patriot Corps recommends again watching Parts One and Two—the two-part general overview. Being able to fit the monetary particulars discussed in Parts Three, Four and Five fit back into the broad understanding covered in Parts One and Two helps reinforce the general understanding with the particulars of a specific case.

Recall also, that Part Two specifically detailed the needed cures to resolve the single political problem we face—*The Peculiar Conundrum*—the odd phenomenon of members of Congress and federal officials bypassing their constitutional constraints, with impunity.

God bless these United States of America and the Republic they founded.