

## Erratum

The topic of monetary reform has been liberally salted down through the years with a substantial number of fake quotes allegedly from famous personalities. The problem is these errors are repeated time and again throughout the years as one author quotes another. In the past, the research necessary to discover these has been very time consuming and expensive. Now, with the advent of the Internet, things are easier, but still it is often no small task. Unfortunately, these errors offer an easy target to critics who want to attack and discredit the entire monetary reform thesis, even though the facts remain unchanged despite some quotations being either inaccurate or falsely attributed to famous personalities. Generally, and with exceptions, the spurious monetary reform quotes are insightful and often true in themselves, but are not by the persons to whom they are attributed, which is of course crucial since their authority is invoked.

Of the 100+ quotations in the video, what follows is an errata list of either paraphrases or otherwise partially inaccurate quotations (7), or quotations attributed to famous persons which we cannot verify or which are spurious (12). We are also indebted to Gary North for bringing some of these to our attention.

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### **Thomas Jefferson**

“If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and corporations that will grow up around them will deprive the people of all property until their children wake up homeless on the continent their Fathers conquered...”

“I believe that banking institutions are more dangerous to our liberties than standing armies. Already they have raised up a money aristocracy that has set the government at defiance. The issuing power should be taken from the banks and restored to the people, to whom it properly belongs.”

According to Monticello, Jefferson’s home: <http://www.monticello.org/site/jefferson/private-banks-quotations>

Earliest known appearance in print: 1937[1][2]

Other attributions: None known.

**Status:** This quotation is at least partly spurious; see comments below.

**Comments:** This quotation is often cited as being in an 1802 letter to Secretary of the Treasury Albert Gallatin, and/or "later published in *The Debate Over the Recharter of the Bank Bill* (1809)."

The first part of the quotation ("If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and corporations that will grow up around them will deprive the people of all property until their children wake up homeless on the continent their Fathers conquered") has not been found anywhere in Thomas Jefferson's writings, to Albert Gallatin or otherwise. It is identified in *Respectfully Quoted* as spurious, and the editor further points out that the words "inflation" and "deflation" are not documented until after Jefferson's lifetime. [3]

The second part of the quotation ("I believe that banking institutions are more dangerous to our liberties than standing armies...") may well be a paraphrase of a statement Jefferson made in a letter to John Taylor in 1816. He wrote, "And I sincerely believe, with you, that banking establishments are more dangerous than standing armies; and that the principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale." [4]

The third part of this quotation ("The issuing power should be taken from the banks and restored to the people, to whom it properly belongs") may be a misquotation of Jefferson's comment to John Wayles Eppes, "Bank-paper must be suppressed, and the circulating medium must be restored to the nation to whom it belongs." [5]

Lastly, we have not found a record of any publication called *The Debate Over the Recharter of the Bank Bill*. There was certainly debate over the recharter of the National Bank leading up to its expiration in

1811, but a search of Congressional documents of that period yields none of the verbiage discussed above.

See this article's Discussion page for further insight into the formation and use of the latter portion of this quotation.

#### Footnotes

1. United States Congress. Senate. Committee on Agriculture and Forestry, Committee on Agriculture and Forestry, General Farm Legislation: Hearings Before a Subcommittee of the Committee on Agriculture and Forestry, United States Senate, Seventy-fifth Congress, Second Session, Pursuant to S. Res. 158, a Resolution to Provide for an Investigation of Agricultural Commodity Prices, of an Ever-normal Granary... (Washington, D.C.: GPO, 1937), 3607.
2. To establish the earliest appearance of this phrase in print, the following sources were searched for the phrase, "If the American people ever allow private banks to control the issue of their currency": Google Books, Google Scholar, Amazon.com, Internet Archive, America's Historical Newspapers, American Broad-sides and Ephemera Series I, Early American Imprints Series I and II, Early English Books Online, Eighteenth Century Collections Online, 19th Century U.S. Newspapers, American Periodicals Series Online, JSTOR.
3. Suzy Platt, ed., *Respectfully Quoted: A Dictionary of Quotations Requested from the Congressional Research Service* (Washington D.C.: Library of Congress, 1989; Bartleby.com, 2003), <http://www.bartleby.com/73/1204.html>.
4. Thomas Jefferson to John Taylor, Monticello, 28 May 1816. Ford 11:533.
5. Thomas Jefferson to John Wayles Eppes, Monticello, 24 June 1813. Ford 11:303.

Here's what Jefferson *did* say: in a letter to John Taylor in 1816. He wrote:

“And I sincerely believe, with you, that banking establishments are more dangerous than standing armies; and that the principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale.”

And Jefferson's comment to John Wayles Eppes,

“Bank-paper must be suppressed, and the circulating medium must be restored to the nation to whom it belongs.”

Notice how Jefferson understood that it was money issued by private banks that was the problem.

### Ben Franklin

“In the Colonies, we issue our own paper money. It is called Colonial Scrip. We issue it to pay the government's approved expenses and charities. We make sure it is issued in proper proportions to make the goods pass easily from the producers to the consumers. . . . In this manner, creating ourselves our own paper money, we control its purchasing power and we have no interest to pay to no one.”

Falsely attributed by our source to *The Autobiography of Benjamin Franklin*. These words do not appear in Franklin's Autobiography or any other work of his.<sup>1</sup> Gary North noted that Franklin fought the Colonial government issuing paper money to finance the war, and that the colonies previously used silver, Spanish coins.

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<sup>1</sup> <http://en.wikiquote.org/wiki/Money>

### James Madison

“History records that the Money Changers have used every form of abuse, intrigue, deceit and violent means possible to maintain control over governments by controlling money and its issuance.”

This quote is no doubt fake – as Gary North noted, Madison forced through the 2<sup>nd</sup> Bank of the US.

### Abraham Lincoln

“The government should create, issue and circulate all the currency and credit needed to satisfy the spending power of the government and the buying power of consumers..... The privilege of creating and issuing money is not only the supreme prerogative of Government, but it is the Government's greatest creative opportunity. By the adoption of these principles, the long-felt want for a uniform medium will be satisfied. The taxpayers will be saved immense sums of interest, discounts and exchanges. The financing of all public enterprises, the maintenance of stable government and ordered progress, and the conduct of the Treasury will become matters of practical administration. The people can and will be furnished with a currency as safe as their own government. Money will cease to be the master and become the servant of humanity. Democracy will rise superior to the money power.”

These are not Lincoln's own words, but just Gerry McGeer's inventive interpretation of Lincoln's policy.<sup>2</sup> In January, 1863 Lincoln told Congress never to send another “Notes” bill to him to sign (source: Gary North). This effectively amounted to pushing the National Banking Act of 1863.

### *The Times of London*

“If this mischievous financial policy, which has its origin in North America, shall become indurated down to a fixture, then that Government will furnish its own money without cost. It will pay off debts and be without debt. It will have all the money necessary to carry on its commerce. It will become prosperous without precedent in the history of the world. The brains, and wealth of all countries will go to North America. That country must be destroyed or it will destroy every monarchy on the globe.”

Attributed to an editorial in *The Times of London* in 1865. No such editorial ever appeared. The earliest known appearance is in *The Flaming Sword*, Vol. XII, No. 42 (2 September 1898), p. 7.

### Andrew Jackson

“I killed the bank.”

Reputedly from Jackson’s tombstone at the Hermitage in Nashville, TN, which on inspection we discovered is untrue. However, Jackson did say:

“The bank, Mr. Van Buren, is trying to kill me, *but I will kill it.*”

Said to Martin Van Buren (8 July 1832) and quoted in *The Autobiography of Martin Van Buren*, published in *Annual Report of the American Historical Association for the Year 1918, vol. II* (1920), ed. John Clement Fitzpatrick, ch. XLIII (p. 625) – referring to the Second Bank of the United States

This Jackson quotation:

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<sup>2</sup> McGeer, Gerald Grattan (1935). "5 - Lincoln, Practical Economist". *The Conquest of Poverty*. Gardenvale, Quebec: Garden City Press. pp. 186ff.

“If Congress has the right under the constitution to issue paper money, it was given them to be used by themselves, not to be delegated to individuals or corporations.”

is actually a paraphrase from the Veto Message Regarding the Bank of the United States [1] (10 July 1832):

“It is maintained by some that the bank is a means of executing the constitutional power ‘to coin money and regulate the value thereof.’ Congress have established a mint to coin money and passed laws to regulate the value thereof. The money so coined, with its value so regulated, and such foreign coins as Congress may adopt are the only currency known to the Constitution. **But if they have other power to regulate the currency, it was conferred to be exercised by themselves, and not to be transferred to a corporation.** If the bank be established for that purpose, with a charter unalterable without its consent, Congress have parted with their power for a term of years, during which the Constitution is a dead letter. It is neither necessary nor proper to transfer its legislative power to such a bank, and therefore unconstitutional. “

### Rothschild Related Quotes

“Permit me to issue and control the money of a nation, and I care not who makes its laws!”

Attributed to Mayer Amschel Rothschild (1744 - 1812). No primary source for this is known and the earliest attribution to him known is 1935 (*Money Creators*, Gertrude M. Coogan). Before that, "Let us control the money of a nation, and we care not who makes its laws" was said to be a "maxim" of the House of Rothschilds, or, even more vaguely, of the "money lenders of the Old World".<sup>3</sup>

And then there is this one:

“The few who understand the system, will either be so interested in its profits, or so dependent on its favors that there will be no opposition from that class, while on the other hand, the great body of people, mentally incapable of comprehending the tremendous advantages...will bear its burden without complaint, and perhaps without suspecting that the system is inimical to their best interests.”

Attributed to Senator John Sherman in a letter supposedly sent from the Rothschild Brothers of London to New York bankers Ikleheimer, Morton, and Vandergould, June 25, 1863. The letters are forgeries that could not have been written before 1876. Further, no evidence of a firm with the name "Ikleheimer, Morton, and Vandergould" has been found.<sup>4</sup>

References to Nathan Rothschild warning about a war (1812) if the 1<sup>st</sup> Bank of the US were not rechartered are questionable. The facts surrounding the 1815 Waterloo/Consols events are questioned by some authors, as they have been by the Rothschilds. Similarly the March 13, 1868 letter allegedly from James Rothschild to Belmont.

### Bismarck

“The division of the United States into federations of equal force was decided long before the Civil War by the high financial powers of Europe. These bankers were afraid that the US, if they remained as one block, and as one nation, would attain economic and financial independence, which would upset their financial domination over the world.”

This quote is listed as “unsourced” by Wikiquote. And then the other quote used from Bismarck is much more difficult to research, but has a dubious, anti-Semitic source:

“The death of Lincoln was a disaster for Christendom. There was no man in the United States great enough to wear his boots. And Israel went anew to garner the riches of the world. I fear that Jewish banks

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<sup>3</sup> <http://en.wikiquote.org/wiki/Money>

<sup>4</sup> <http://en.wikiquote.org/wiki/Money>

with their craftiness and tortuous tricks will entirely control the exuberant riches of America and will use it to systematically corrupt modern civilization.”

The source of this quote only goes back to 1826, *The Secret World Government Or “The Hidden Hand”*. This was written by Count Cherep-Spirdovich. He got it from someone named Conrad Siem. G. Edward Griffin also uses this quote. According to both Gary North and Griffin, Siem was a German native who became an American citizen and wrote about the life and views of Bismarck. North even claims that Siem’s source was a personal letter from Bismarck to Siem, who North says was only 15 at the time. North bases this claim on a 1930 census record saying that a “Conrad Siem” was living in Washington, D.C. at that time who was born about 1861. North, however does not divulge how he determined that this was the Conrad Siem in question. As one can see, this all gets very murky very quickly.

### The Earnest Seyd Controversy

For over a century, a story has circulated that a London based banker named Ernest Seyd bribed key members of Congress in 1873 to get them to vote for a gold-only money system, known as “The Crime of ‘73”:

“In 1872, a British banker named Ernest Seyd was given £100,000 (about \$5,000,000 in today’s money) by the Bank of England and sent to America to bribe the necessary Congressmen to get silver demonetized to further reduce the money supply.”

According to *Wikiquote*:<sup>5</sup>

In 1892 ... Frederick A. Luckenbach gave a sworn affidavit that, when Luckenbach had dined with Seyd in 1874, Seyd had told him just that story. At the time, Luckenbach was selling mining equipment to silver miners in Colorado. The president of the State Silver League persuaded him to give the affidavit about what Seyd allegedly told him.

However, Seyd, as it turned out, had been one of the foremost advocates of silver in England, and an expert on bimetallicism. Seyd advocated for silver in all his works and had been consulted on the coinage bill because he had written a 250-page book, *Suggestions in Reference to the Metallic Currency of the United States*.<sup>6</sup> Here is Milton Friedman’s opinion:

Seyd was anything but a “designing bullionist.” He was a British bimetallicist who objected strongly to the demonetization of silver by the United States.<sup>7</sup>

Congressmen soon distanced themselves from the story and even issued formal apologies for their allegations.<sup>8</sup> Writers pointed out numerous problems with Luckenbach’s affidavit and with the story of the bribery.<sup>9</sup> Perhaps Hermon Wilson Craven stated the most glaring question this way:<sup>10</sup>

The bill dropping the silver dollar from our list of coins had passed the senate on January 10, 1871, by a vote of 36 to 14. It had passed the house on May 27, 1872, by a vote of 110 to 13. In the name of common sense, what need was there for English and German bankers to send Seyd here in the winter of 1872-3, to bribe congress to favor a measure that had already passed both houses of congress without a word of opposition from a single member?

### James Garfield

<sup>5</sup> [http://en.wikiquote.org/wiki/Ernest\\_Seyd#cite\\_note-2](http://en.wikiquote.org/wiki/Ernest_Seyd#cite_note-2)

<sup>6</sup> Seyd, Ernest (1871). *Suggestions in Reference to the Metallic Currency of the United States*. (London: Trübner. OCLC 7262411).

<sup>7</sup> Friedman, *Money Mischief*, p. 61.

<sup>8</sup> Cannon, Marion, “A Retraction from Mr. Cannon”, *Los Angeles Times*, Oct. 7, 1893, p. 6.

<sup>9</sup> McCleary, James Thompson (June 1, 1896). “The Crime of 1873”. *Sound Currency* 3 (13): 116-130.

<sup>10</sup> Craven, Hermon Wilson (1896). *Errors of Populism*. Seattle: Lowman & Hanford. pp. 82-89,87. OCLC 7268848

“Whosoever controls the volume of money in any country is absolute master of all industry and commerce . . . And when you realize that the entire system is very easily controlled, one way or another, by a few powerful men at the top, you will not have to be told how periods of inflation and depression originate.”

This common quotation cannot be verified and so is now assumed to be a fake.

### **Senator Barry Goldwater**

“Most Americans have no real understanding of the operation of international moneylenders...The accounts of the Federal Reserve System have never been audited. It operates outside the control of Congress and...manipulates the credit of the United States.”

This common quotation, cannot be verified and so is now assumed to be a fake.

### **Related errata notes from Gary North:**

Tally sticks were receipts for taxes paid – not used directly as money.

Presidents Andrew Jackson and Martin Van Buren advocated a gold standard.

The U.S. was mainly on a silver standard at the time of the Constitutional convention.

The Louisiana purchase was made for \$15 million in gold (not \$3 million), borrowed from the Dutch.

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