

until the money manipulation policies of the federal reserve created the Great Depression. It was during the agony of that crisis that government once again ignored the Constitution, and a confused and distraught nation failed to restrain them. A prior Congress passed an administration measure under which the use by citizens of gold as money was made a criminal offense, the gold of the citizens was confiscated and paper was issued in its place. The private federal reserve banks in 1934 issued to themselves the only gold redeemable certificates - laying claim to the gold just taken from the citizens. Once more the matter came before a prior Supreme Court--and once more in another 5 to 4 decision the Court upheld Congress. This opened the door to an unlimited issue of paper money for the citizens which has continued ever since.

The change in our national fiscal affairs since the hard money system was abandoned to the federal reserve is reflected in the following approximated figures:

	<u>1933</u> (a)	<u>1982</u>
National Debt	\$ 27 Billion	\$ 1,000 Billion
Annual National Budget	\$ 5 Billion	\$ 750 Billion

The Grand Jury Finds--

Why it is so important that we use the precious metals rather than paper for money. The virtue of gold and silver is that governments or private credit monopolies cannot destroy citizens contract rights.

Gold and silver are perfectly suited to serve as money. Being largely impervious to decay, their value is not destroyed by the passage of time. Also they are probably the most versatile of all metals and this intrinsic worth together with their natural beauty has preserved their value in every nation and in every age. Every civilization has found them desirable and sought after them and it is this fact which makes them more stable than any other standard of value. Governments and private credit monopolies cannot manipulate nor corrupt this standard without such coming to the immediate attention of the people--and it has. Gold and silver have very distinctive physical characteristics which makes it relatively easy to observe a reduction in the weight or size of coins.

One oftentimes hears it said that there is not enough gold in the world to serve our monetary needs today--that the demand for money has grown so enormously since the Constitution was adopted that the monetary system it provided for will no longer suffice. The first answer to this argument is that the Constitution does not provide for a gold standard, but for a standard of gold and silver. Both metals were decreed as legal tender.

A second answer to the shortage argument is that it is utterly wrong to assume that we need a stock of gold and silver equal to the amount of money in circulation. We need only a small fraction of that amount. The truth of this fact can be seen by noting that the size of our gold stocks when we were on the gold standard between 1900 and 1933 was generally less than 10% ^(b) of the total money and bank deposits. The reason why such a relatively small amount of the precious metals will suffice is easily seen.

Imagine, if you can, everyone who has a claim for money simultaneously demanding that his debtor pay in gold and silver coin. Such a situation is unthinkable, especially when it is realized that we are all debtor and creditors at the