

Proposed Amendment to the Republican Party 2024 Platform

Historical Background, Current Monetary Dilemma, and Amendment

HISTORICAL BACKGROUND

By 1781 America's ability to win the war against Great Britain was thrown into question due to a lack of proper funding. The 2nd Continental Congress had proven itself unable to keep its promise and redeem, in gold or silver specie, the statutory counterfeit (the *continental*) that it had spent into existence since the beginning of the war. As a result, the general public would no longer accept the *continental* in exchange for the supplies necessary to keep General Washington's Army sheltered, clothed, armed, and fed. Congress had lost all financial credibility.

Fortunately, a substantial loan of silver specie secured by Benjamin Franklin in Paris began arriving in the newly declared States. As Superintendent of Finance, Robert Morris was eventually placed in charge of the money's disposal. The loan arrived in tranches of silver specie. One of these tranches arrived in 1780 along with several thousand French Troops in Newport, Rhode Island. This tranche, in particular, was combined with a much smaller amount of specie obtained from private American investors and invested in America's first fractional reserve bank called the Bank of North America (BNA) — a privately managed, publicly and privately owned corporation chartered by the 2nd Continental Congress. The notes issued by the bank replaced the *continental*. A privately managed bank could be trusted, because its success or failure depended on its ability to keep its promise — specie on demand. It had no other authority and could only lend into existence what it thought it could reasonably redeem.

By 1784 — well after the war had ended — Congress was deep in debt, and the BNA allowed Congress to sell its bank shares back to the bank in exchange for money that it had borrowed from the bank to fund the war. Whereupon, the BNA was chartered a second time, but on this occasion by the Commonwealth of Pennsylvania.

So "successful" was the bank that New York and Boston merchants created their own banks called the Bank of New York (BNY) and Massachusetts Bank, respectively, and modeled each after the BNA that had, in turn, been modeled after the Bank of England

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online

that has been in existence since 1694. It was thus that the practice of lending money into existence and fractional reserve banking were introduced to the United States. It was a corrupt practice that satisfied real need.

Unlike the Pennsylvania General Assembly, the New York State Legislature understood that paper money lent into existence was counterfeit posing as real wealth, and it hesitated. Although this reluctance was well advised, after seven long years the Legislature succumbed to the demands of the BNY and New York merchants. This is unfortunate, because the State Legislature did not have the legal right to delegate an authority to a private corporation that it had itself been denied with the ratification of the Constitution of the United States in 1789.

“No State shall ... coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debts; ... or Law impairing the Obligation of Contracts,”

Constitutional Convention. 1787. Constitution of the United States of America, Article I, Section 10, § 1.

Accordingly, the Pennsylvania General Assembly and the Massachusetts General Court were under legal obligation to revoke the charters that each had granted to its respective bank. They did not.

The matter worsened and bad precedent was set in 1791 when Alexander Hamilton convinced, then President, George Washington, to sign into law legislation barely passed by Congress to form the first Bank of the United States. It was a practical maneuver that acknowledged having nearly lost the war due to poor funding on the one hand, but moved in direct contradiction to the just ratified Constitution of the United States on the other hand:

“The Congress shall have Power ...

To borrow Money on the credit of the United States; (§ 2)

To coin Money, regulate the Value thereof, and of foreign Coin, ...; (§ 5)

To provide for the Punishment of counterfeiting the Securities and current Coin of the United States; (§ 6)

ibid., US Constitution, Article I, Section 8

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468

admin@nudge.online

Nowhere in the US Constitution is Congress given the authority to make statutory counterfeit (the money that results when paper, electronic currency, and/or metallic tokens are borrowed or spent into existence) our nation's legal tender. In fact, it was empowered to "provide for the Punishment" of those who did. Neither, is there anywhere in the US Constitution where Congress is permitted to charter a private or public-private corporation. Indeed, this decision and several decision that followed over the course of several decades were vehemently contested within the context of Article I, Section 8, § 18 — namely,

"The Congress shall have Power ... [t]o make all Laws which shall be *necessary and proper* for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

As was the case with the Pennsylvania General Assembly and the New York State Legislature, the US Government does not have the right to delegate authority to others that it itself does not have. Despite these clear legal prohibitions the United States of America embarked on a path of unending major economic upheaval that first became broadly apparent during the Panic of 1819 — economic upheaval that has persisted in reoccurrence until today. It was Lincoln's National Bank Acts of 1862 and 1863 that made statutory counterfeit and the boom-and-bust cycle (so-called business cycle) more or less a permanent feature of America's financial landscape. The creation of the Federal Reserve System in 1913 during the Wilson Administration, the confiscation of gold during the Roosevelt Administration, and the freeing of America from the poorly conceived, post-war, international gold standard during the Nixon Administration have brought us where we are today: under threat of a central bank digital currency (CBDC) opposed by our 45th President as a wisely selected campaign promise in the run-up to the 2024 General Election. Unfortunately, it does not go far enough.

CURRENT MONETARY DILEMMA

The conditions that seduced the minds of sound men during the 2nd half of the 18th century are no longer present, and there is no reason for us to continue to embrace persistent, incremental, but too often, volatile, economically devastating, monetary and price inflation, when we could be very satisfied with persistent, incremental, stable price deflation accompanied by a money supply whose market value increases over time with ever increasing prosperity. The boom and bust cycles for which statutory counterfeit is the primary cause are an anathema to sound economic growth and environmental

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online

conservation. There is nothing that we consume that is not the product of human endeavor and the land to which it is applied. Wasteful use of our nation's resources that can be avoided should not be tolerated, and it is this waste through malinvestment that statutory counterfeit engenders.

Moreover, the economic and political liberty of the individual citizen that we have prized for so long is in imminent danger of being usurped through the issue of Central Bank Digital Currencies (CBDC) world-wide. That America be the "shining city upon a hill" described by Ronald Reagan in his 1989 farewell address as our nation's 40th president.¹

Our nation has been playing with fire for far too long, and we need to put a stop to it before it consumes us and our nation entirely.

The Solution

There are two approaches to the problem: one, convince the GOP to endorse a platform of sound money and advocate for the elimination of statutory counterfeit and the designation of either gold or silver as the sole source of our national money supply; two, understand that the political establishment on either side of the aisle — the so-called *Uniparty* — will not voluntarily relinquish its control of our national money supply and join other States in seeking to enforce Article I, Section 10 of our Constitution. This second approach would compel Congress and the President to behave less recklessly.

Both approaches could be applied simultaneously. Let us examine the second first.

STATE FISCAL AND MONETARY POLICY

¹ By way of clarification he stated "... in my mind it was a tall, proud city built on rocks stronger than oceans, wind-swept, God-blessed, and teeming with people of all kinds living in harmony and peace; a city with free ports that hummed with commerce and creativity.... We made the city stronger, we made the city freer, and we left her in good hands."

Unfortunately, we left her in the same hands that she has always been — those of corrupt counterfeiters. Then too, who was President Reagan or any other American citizen to know the difference? Our money supply has been corrupted since our nation was founded. Simply, it has taken a long time for the disease to spread and finally reach a point of crisis whose symptoms are no longer easily treatable.

That we stop treating the symptoms, cure the disease, and heal the nation! The path forward is clear.

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online

The States are bound by the US Constitution to conduct their business in gold and silver specie. At the time that our nation's basic law was written the problem of *bimetallism* was not widely understood, and various monies minted from gold and silver were in circulation. Primary among these was the Spanish silver dollar after which our own US dollar was eventually named. The language in the Constitution of the United States of America is clear, and neither Congress, nor the Supreme Court can change it. This said, common sense today would tell us to choose one or the other (silver or gold), but not both.

By way of reminder, the US Constitution prevails over any legislation passed by Congress including the Federal Reserve Act of 1913 and any laws passed since then that sustain the issue of our nation's current Federal Reserve Notes.

"This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; ... shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding."

US Constitution, Article VI, § 2

The key phrase in the above passage above is

"made in Pursuance thereof"

In other words, not only are the "Constitution or Laws of any State" subordinate to the US Constitution, but also any law passed by Congress. In short, the Federal Reserve Act of 1913 could be removed with a clear, but simple ruling of the US Supreme Court.

In the past, exceptions have been made to the wording of our nation's basic law when a strict reading would threaten the integrity of the Union (Lincoln), or when a specific policy agenda supported by Congress (Roosevelt) or promoted by the President (Nixon) was politically popular. At the moment our Union is endangered by both foreign global and domestic forces. There is, however, a very good chance that we will elect a populist president in 2024.

In order for a State to satisfy the requirement that "No State shall ... make any Thing but gold and silver Coin a Tender in Payment of Debts", it must itself collect its revenue in "gold and silver Coin".

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online

Because a State is forbidden from coining money,

“No State shall ... coin Money; ...”

and the US Government coins so little of it, the State must be resourceful and do as those who once convinced the US Supreme Court that statutory counterfeit is a constitutionally approved substitute for coin — namely, fight and demand that the US Government produce more gold and silver coin so that every State can meet its constitutional obligation to trade only in gold and silver coin. Obviously, in today’s world this coin would be represented by paper, plastic, and electrons, but it would also circulate freely among those who preferred it. Important is that any representation of it would be a one-to-one mapping of the metal content, and that a coin and its representation would not both circulate simultaneously.

This task could be achieved by an assembly of attorney generals who would sue the US Government for not adhering to its constitutional obligation.

ELIMINATE FRACTIONAL RESERVE BANKING

Our entire monetary system is based on statutory counterfeit whose quantity is controlled, in great part, by a private banking cartel managed by a combination of elected and appointed leaders. It has no direct connection with our nation’s real output that is not contrived. Its primary purpose is to provide our nation’s market agents with a uniform medium of exchange and itself with a tool to transfer quietly real wealth from the people to its member banks, the US Government, and their closest business associates.

While the IRS pounds on our front door with the threat of confiscation and arrest, the cartel sneaks in through the backdoor and robs our safe. The mechanism by which this theft occurs is *fractional reserve banking*, and the financial instrument employed to effectuate the mechanism is *statutory counterfeit* — namely, the government approved practice of lending, borrowing, and spending purchasing power into existence.

The actual theft manifests itself in the form of extraordinary rates of interest controlled by the cartel, relentless incremental inflation, and outright property confiscation undertaken during the bust phase of the boom and bust cycles to which fractional reserve banking is the primary contributor. The system is not only corrupt, but completely unnecessary. More importantly perhaps, it undermines the integrity of the

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online

voluntary, free-market system that once made us the most prosperous nation on earth. It provides the ideologues of our world with a moral weak point at the very top of American and Western society. It is, in fact, this very point that Karl Marx once attacked and labeled the capitalist system — a name that has unfortunately stuck. What we should be arguing for is voluntary, free, markets and sound money.

Real money — gold or silver — funded the Dutch Empire during the 17th century, and there is no reason why it cannot fund the Anglo-American empire of the 21st century. No, it not my intention to endorse imperial reign. Simply, we need to look reality in the face, if we are to free ourselves from its shackles.

Our corrupt financial system can be completely overhauled by forbidding the practice of lending money into existence, pegging the value of the US dollar to a predetermined, immutable amount of either gold or silver, and mandating the issuance of paper, plastic, and electrons that correspond one-to-one with the amount of gold or silver in the system. This reform can be achieved through a combination of presidential orders, congressional legislation, and a simple amendment to the US Constitution. This latter would only be necessary, by the way, after the President and Congress have acted, and the nation has agreed to the aforesaid condition. There is much historical precedence for such actions already in place.

By allowing the creation of ever smaller denominated monetary units there would never again be a shortage of money, and the value of the available supply would increase in value incrementally with ever increasing real output and falling prices brought about by technological advance and the corresponding improvements in the extraction and recycling of our nation's physical resources. Finally, manufacturers, merchants, and even bankers would put aside the corrupt notion of "making money", and once again see their market goal as bringing *real* value to the market place for which they would receive *real* market value in return.

In order to avoid a rapid contraction of our current money supply and economic collapse, the conversion from fractional reserve banking to 100-percent reserve banking, would be gradual, scheduled, and persistent with room for adjustment in the rate of conversion only. This schedule would be regularly updated and the economy carefully monitored until the conversion is complete.

Because we live in a different era than that of our founding fathers, and because we are well accustomed to statutory counterfeit (soft money) in all of its forms, this approach

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online

would require a major educational effort on the part of each State. The current naïvety of the general public toward gold or silver specie (hard money) and the infatuation with cryptocurrency among many members of the younger generation would require such an effort.

This proposal is completely doable, and the future of voluntary, free markets hangs in the balance. Our economic progress has taken place despite the existence of *statutory counterfeit*, not because of it, as we are taught, and we have over three centuries of increasing social, political, and economic havoc to attest to its failure. Our money supply should be the collective property of the commune that is held exclusively by each individual according to his contribution to the market place, preference for liquidity, and desire to live a better material existence in the future. Its amount and flow should not be regulated by corrupt bankers and a self-serving state — especially, one bent on ever greater power and control.

Proposed Amendment

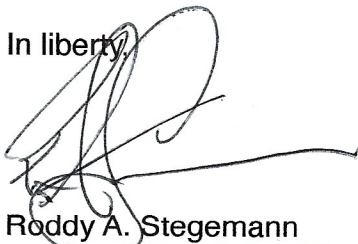
Whereas over three hundred years of statutory counterfeit has plagued the world and now threatens to become the demise of voluntary free markets and our individual liberty,

Whereas the conditions that existed at our founding and before do not warrant the continued use of statutory counterfeit,

Whereas statutory counterfeit is irrefutable fraud that has created a racket of theft not previously known in the history of humankind,

It is high time that this foul practice be brought to an end, and that the control of our nation's money supply and its flow be returned to the people of our once great land.

In liberty,



Roddy A. Stegemann

Author of [Mount Cambitas - The Story of Real Money](#)

The Cabrini • Suite 603
909 Boren Avenue
First Hill • Seattle • Washington
United States of America (USA) 98104

Mobile: +1 (206) 291-8468
admin@nudge.online