America Created It's Own Money In 1750

How Benjamin Franklin Made New England Prosperous

By Congressman Charles G. Binderup

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The following historical story is taken from a radio address given by Congressman Charles G. Binderup of Nebraska, some 50 years ago and was reprinted in Unrobing the Ghosts of Wall Street:

(function() {
var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];
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Colonies More Prosperous Than The Home Country

Before the American War for Independence in 1776, the colonized part of what is today the United States of America was a possession of England. It was called New England, and was made up of 13 colonies, which became the first 13 states of the great Republic. Around 1750, this New England was very prosperous. Benjamin Franklin was able to write:

"There was abundance in the Colonies, and peace was reigning on every border. It was difficult, and even impossible, to find a happier and more prosperous nation on all the surface of the globe. Comfort was prevailing in every home. The people, in general, kept the highest moral standards, and education was widely spread."

When Benjamin Franklin went over to England to represent the interests of the Colonies, he saw a completely different situation: the working population of this country was gnawed by hunger and poverty. "The streets are covered with beggars and tramps," he wrote. He asked his English friends how England, with all its wealth, could have so much poverty among its working classes.

His friends replied that England was a prey to a terrible condition: it had too many workers! The rich said they were already overburdened with taxes, and could not pay more to relieve the needs and poverty of this mass of workers. Several rich Englishmen of that time actually believed, along with Mathus, that wars and plague were necessary to rid the country from man-power surpluses.

Franklin's friends then asked him how the American Colonies managed to collect enough money to support their poor houses, and how they could overcome this plague of pauperism. Franklin replied:

"We have no poor houses in the Colonies; and if we had some, there would be nobody to put in them, since there is, in the Colonies, not a single unemployed person, neither beggars nor tramps."

Thanks To Free Money Issued By The Nation

His friends could not believe their ears, and even less understand this fact, since when the English poor houses and jails became too cluttered, England shipped these poor wretches and down-and- outs, like cattle, and discharged, on the quays of the Colonies, those who had survived the poverty, dirtiness and privations of the journey. At that time, England was throwing into jail those who could not pay their debts. They therefore asked Franklin how he could explain the remarkable prosperity of the New England Colonies. Franklin replied:

"That is simple. In the Colonies, we issue our own paper money. It is called 'Colonial Scrip.' We issue it in proper proportion to make the goods and 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."

The Bankers Impose Poverty

The information came to the knowledge of the English Bankers, and held their attention. They immediately took the necessary steps to have the British Parliament to pass a law that prohibited the Colonies from using their scrip money, and then ordered them to use only the gold and silver money that was provided in sufficient quantity by the English bankers. Then began in America the plague of debt-money, which has never since brought so many curses to the American people.

The first law was passed in 1751, and then completed by a more restrictive law in 1763. Franklin reported that one year after the implementation of this prohibition on Colonial money, the streets of the Colonies were filled with unemployment and beggars, just like in England, because there was not enough money to pay for the goods and work. The circulating medium of exchange had been reduced by half.

Franklin added that this was the original cause of the American Revolution - and not the tax on tea nor the Stamp Act, as it has been taught again and again in history books. The financiers always manage to have removed from school books all that can throw light on their own schemes, and damage the glow that protects their power.

Franklin, who was one of the chief architects of the American independence, wrote it clearly:

"The Colonies would gladly have borne the little tax on tea and other matters had it not been the poverty caused by the bad influence of the English bankers on the Parliament, which has caused in the Colonies hatred of England and the Revolutionary War."

This point of view of Franklin was confirmed by great statesmen of his era: John Adams, Jefferson, and several others. A remarkable English historian, John Twells, wrote, speaking of the money of the Colonies, the Colonial Scrip:

"It was the monetary system under which America's Colonies flourished to such an extent that Edmund Burke was able to write about them: 'Nothing in the history of the world resembles their progress. It was a sound and beneficial system, and its effects led to the happiness of the people.'" John Twells adds:

"In a bad hour, the British Parliament took away from America its representative money, forbade any further issue of bills of credit, these bills ceasing to be legal tender, and ordered that all taxes should be paid in coins. Consider now the consequences: this restriction of the medium of exchange paralyzed all the industrial energies of the people. Ruin took place in these once flourishing Colonies; most rigorous distress visited every family and every business, discontent became desperation, and reached a point, to use the words of Dr. Johnson, when human nature rises up and assets its rights."

Another writer, Peter Cooper, expresses himself along the same lines. After having said how Franklin had explained to the London Parliament the cause of the prosperity of the Colonies, he wrote:

"After Franklin gave explanations on the true cause of the prosperity of the Colonies, the Parliament exacted laws forbidding the use of this money in the payment of taxes. This decision brought so many drawbacks and so much poverty to the people that it was the main cause of the Revolution. The suppression of the Colonial money was a much more important reason for the general uprising than the Tea and Stamp Act."

Today, in America as well as in Europe, we are under the regime of the Scrip of the Bankers instead of the scrip of the nation. Hence the public debts, everlasting interest charges, taxes that plunder purchasing power, with the only result being a consolidation of the financial dictatorship.

There is only one cure for America's ultimate financial collapse and that is for Congress to exercise Clause 30 of the "Federal" Reserve Act, buy the outstanding shares of stock, shut down this unconstitutional system and sell off their assets to reimburse the people of this nation for this unspeakable theft of their wealth.