

fifty thousand million dollars of interest the twentieth century of civilization is slowly but surely bogging down into the tragedy of disagreement and disaster, revolution and war. When a man can write in 1894 a description of events that perfectly describe what historians are compelled to record in 1934, men considering banking legislation for the future have a right to recognize not only his wisdom but what is more valuable, that wisdom that gives expression to prescience.

In 1911, Woodrow Wilson said:

The great monopoly of this country is the money monopoly. So long as that exists, our old variety and freedom and individual energy of development are out of the question. The growth of the nation and all our activities are in the hands of a few men, who, by reason of their own limitations, chill, check and destroy genuine economic freedom.

The Pujo money committee, appointed in 1912, to investigate the financial systems of the world, declared for one thing against the monopoly of money, the very thing that you are creating in this Bank Act.

Louis D. Brandeis, an associate justice of the Supreme Court of the United States, a man whose rise to the bench was fought by bankers and by the interests of the United States as no other man was ever fought but who was elevated to that high position, despite that vicious opposition—yes, there were reasons for fighting Louis Brandeis; yes, there were reasons for crucifying another Jew two thousand years ago and they were almost identical—in 1912 Brandeis declared this in his book, "Other Peoples Money." And that is a book published in 1912 that can be read with tremendous advantage to-day:

We must break the money trust or the money trust will break us. . . . This failure of banker-management is not surprising. The surprise is that men should have supposed it would have succeeded. For banker-management contravenes the fundamental laws of human limitations: First, that no man can serve two masters; second, that a man cannot at the same time do many things well.

All I think will agree with this conclusion.

Sir Charles Gordon of the Bank of Montreal might be a good man in the textile business, and given the proper kind of training he might be a good banker, but it is a safe bet that he cannot be a good banker and a good textile man at one and the same time. Herbert Holt may be a cracker jack as a railroad contractor—and I am not—

The CHAIRMAN: Mr. McGeer, do you not think you had better leave personalities out of this thing? It is the system you are attacking not the men.

The WITNESS Oh well, I am not so sure about that.

The CHAIRMAN: I think you had better not say that.

The WITNESS: Very well, I bow to your ruling on that. But what I am pointing out is this, that to get to the proposition of having one man do many things well you go a little further than that. It is a very dangerous thing to allow your banker to mix in any private form of business. If you are going to operate a system where bankers can mix money making in business with the administration of public credit you are very apt to get up against what you were up against in railroad administration. There you allowed directors of railways to give rebates and special privileges to corporations in which they were interested, to communities in which they were interested, and were eventually compelled to recognize that, to stop those abuses, you had to establish the Interstate Commerce Commission of the United States and the Board of Railway Commissioners in the Dominion of Canada.

Can you conceive of any more flagrant violation of this postulate of common law—and it is one that is well known to every student of law—"that

[Mr. G. G. McGeer]