

Lincoln knew this racket. He learned all about it because he fought the Civil War with printing press money—the despised and hated “greenback currency.” All the bankers in his day got together and they ganged up on Lincoln, and if you want to know the history of Lincoln’s fight with the bankers’ you may read Warshaw’s “Wall Street.” There you will see how in 1862 when Lincoln started to use “greenback currency,” the bankers set up in Wall Street a gold exchange and they did play gold against the non gold American dollar, the greenback; they boosted the price of gold in terms of greenbacks up to \$57 an ounce. Roosevelt is not setting any precedent in fixing the price of gold at \$35 an ounce. The bankers back in 1864 got it up to \$57 an ounce. Lincoln’s proposition to finance the war by the use of “national currency” had been adopted in every national crisis, up to that time and was again adopted in the great world war crisis that came in 1914. We abandoned gold then; why? Why did we abandon gold in 1914? Because we knew that we could not keep the purchasing power medium of exchange in circulation that was necessary to pay men and war contractors to finance the war, if we stayed on the gold standard. The volume of money that we required was greater than the volume that the gold standard would permit; so to save ourselves in war time, just as the United States had to do, in the Civil War period, just as England and Germany had to do in the Napoleonic wars—and in every major crisis—we resorted to the use of national credit, we abandoned gold but instead of using national currency we borrowed bank credit. In Lincoln’s time, just as they are doing to-day, the usurers, known as the wolves of society in the New Testament, as the beast of the city in the days of ancient Rome, and as the money changers in Christ’s time proceeded to plunder the nation by manipulating gold against the national currency.

Lincoln added to the wisdom of the world by declaring:

It is peculiarly the duty of the national government to save the treasury from the payment of interest by securing to the people a uniform national currency and a sound circulating medium by furnishing a currency as safe as their own government.

Now, as Lincoln proceeded with his policy, the bankers published certain circulars at that time designated to assure opposition to Lincoln’s ideas; and while they were issued in 1862, these circulars define the policy set out in the Bank Act which is described as Bill 19 and now before this committee.

The National Bankers’ circular was issued by James Buell, the representative of the Bankers’ Association in the United States, and a copy was sent to each banker in the States and it read as follows:—

DEAR SIR;—It is advisable to do all in your power to sustain such daily and weekly newspapers, especially the agricultural and religious press, as will oppose the issuing of greenback paper money, and that you also withhold patronage or favours from all who will not oppose the government issue of money. Let the government issue the coin, and the banks issue the paper money of the country; for then we can better protect each other. To repeal the law creating national banks, or to restore to circulation the government issue of money, will be to provide the people with money and will therefore, seriously affect your individual profit as bankers and lenders. See your Member of Congress at once, and engage him to support our interest that we may control legislation.

Mr. IRVINE: What is that number?

The WITNESS: The National Bankers’ Circular. This is part of the Congressional Record of a later date. It is published in several books, one, “The Management of Credit,” by T. Cushing Daniel, is a well-known document.

[Mr. G. G. McGeer]