

LECTURE

By REV. CHAS. E. COUGHLIN

"THE NEW TEMPLE"

Sunday, October 29, 1933

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RT. REV. M. J. GALLAGHER, D. D.

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REV. CHAS. E. COUGHLIN

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"THE NEW TEMPLE"

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I.

Last Sunday I introduced this series of lectures with a partial discussion of the frontal attack which must be organized and carried out to destroy this so-called depression.

It was stated that a direct and courageous assault against our immoral and disastrous money policy is immediately necessary. Otherwise the lateral attack now being waged against uncontrolled mass production under the auspices of the NRA will fail miserably. If we continue to suffer much longer under the cruel burden of unpayable debts coupled with the needless famine of currency money, there will be little profitable production of any kind to engage our attention.

Before entering upon this afternoon's discussion, may I take the liberty to summarize the outstanding thoughts underlying these unpayable debts and this famine of money.

Briefly, I am thoroughly convinced that no nation can borrow itself out of debt when these debts, public and private, total approximately ten times our present national income and when our expenditures surpass by far our net earnings.

One hundred twenty million citizens spending a paltry two hundred dollars each per year for the bare necessities of food, raiment and shelter will consume our entire national income this year.

Who can live on two hundred dollars a year?

What economic magician can salvage from the two hundred dollars money for taxes—for government, for education, for medical care, for insurance or for funeral expenses—?

The policy in vogue today believes that by sharing poverty and by lessening the purchasing power of the nation an economic miracle will solve these questions.

It is the rejected policy of attempting to borrow ourselves out of debt despite the fact that debts steadily increase.

It is the unsound policy of credit inflation when we are already suffering from too much credit, otherwise known as debt.

The story of the last straw and the camel's broken back evidently has been forgotten. Were it remembered there would be an effort made to reduce debts instead of increasing them lest the over-taxed citizens be forced to adopt a program of repudiation.

Now the vast majority of our debts are honest as are the people who contracted them.

The average American desires to pay—not to cheat. But the sensible American does not want to be cheated by being forced to pay with dishonest dollars.

On the other hand, there is a portion of our national debts which are dishonest—debts which even honest men do not want to pay in their present form.

I refer to the Liberty Bonds—the war bonds—depression bonds. War bonds which represent money that was used for non-productive purposes; interest-bearing bonds which permit their holders to profit from the bloodshed, the waste and the destruction of the World War.

Men were conscripted. Men were taught how to hate, to kill and be killed.

But wealth was exempted. It was taught how to stay at home; how to increase and multiply while your father, your brothers, your sons suffered and rotted.

Like a gluttonous buzzard it gorges itself on their corpses, as year after year it practices its protected, legalized usury—and this in the name of a democracy which still exempts this kind of wealth from fighting on the battle front of our common depression.

Taxation, bankruptcy, poverty for the rest of you!

Interest, coupons, bonuses for the bondholders!

That is why I advocate that these undemocratic, these unfair, these immoral bonds be recalled from the vaults of the great blood-sucking banks of this nation.

Wipe out once and for all this profiteering upon death, this exemption from warfare by trading non-interest-bearing Treasury paper dollars for interest-bearing paper war bonds!

This will terminate the policy of borrowing ourselves out of debt.

This will end the famine of currency money.

II.

My friends, I do not sponsor any unsound program of printing ourselves into prosperity.

Both science and law permit us to have 250 paper dollars for every 100 gold dollars in our nation. Today the cart is before the horse. We have 110 gold dollars for every 100 paper dollars of currency. With the increased price of gold which, by the way, is now being purchased by the Government with borrowed money—with debentures—this ratio is increasing not in favor of the currency but of the gold.

Is it unsound to be scientific, to be legal? Is it inflationary to be normal?

One would believe so were he to swallow the fallacies on inflation as printed in the kept publications and circular letters which emanate from Wall Street.

III.

Judging from the tenor of many thousands of letters which were received this audience was dumbfounded to learn four facts which were expressed last Sunday.

The first: That practically the same personnel is in charge of the Federal Reserve Bank which conducted its affairs under the Hoover-Coolidge-Mellon regime.

The second: That the Federal Reserve Bank is a private corporation, the profits derived from whose activities in no part are shared with the United States Government. By the Banking Act of 1933 these profits belong entirely to the stockholders of the Federal Reserve Bank.

And third: That the gold of the nation which was confiscated a few months ago from private citizens and private banks was handed over not to the Treasury of the United States but to this private corporation known as the Federal Reserve Bank. This gold, incidentally, by Government edict, has now increased in value from approximately four billion to more than six billion dollars.

And fourth: That the solid opposition delaying our President from driving the money-changers out of the Temple and from restoring normalization to our currency money originates from these Federal Reserve banksters in whose vaults there reposes the great bulk of the interest-bearing war bonds.

The ghosts of the four horsemen of the apocalypse are to this day riding roughshod over this nation—Mellon, Mills, Meyers and Morgan—the “M” standing for misery.

This afternoon I propose to devote most of this period to a short discussion of the Federal Reserve Bank. It is this bank which is the Temple of the money-changers—our Temple, by the way, which has been handed over to them.

Now that this has been done by the Banking Act and by the confiscation of our gold, we are heartily in accord with what our President proposed last Sunday.

He courageously proposed to build a second Temple. He will not employ the crude architecture of the adobe mud hut of communism. He will determine to construct our edifice of prosperity not upon the shifting sands of an irreligious socialism but rather upon the solid bedrock of Christian principles against which the winds and rains of pagan passion may beat in vain.

Let our foundation stones be those of charity and of justice—charity that loves our neighbors as ourselves; justice that renders to every man his dues according to the laws of God and according to the reasonable laws of man.

Let us recognize that the State exists for all the citizens—their common welfare, their common good—not for a chosen few.

Human rights must be preferred to financial rights. Bread, raiment, shelter! The right to labor at a profit; the joy of procreating children unhaunted by the fear of forced idleness; the security of providing for one's old age.

These are a few of the stones which the builder must choose.

Usury, which is related to unjust profits, must be abandoned.

Taxation which is identified with possession and production and profits shall be the granite steps leading to this new Temple. The old system of taxation only on the basis of use and consumption is unjust.

The stumbling stone of wealthy citizens, corporations or banks accumulating interest on non-productive war bonds shall be cast aside.

Managed poverty must give way to managed wealth.

The old Temple from whose pulpit was preached the doctrine of selfishness, of bloody wars, of the conscription of men and the exemption of gold to fight these wars; the wicked Temple whose high priests tyrannized a nation by monopolizing its gold, its credit, its currency money must be razed stone by stone.

Public ownership and control of our greatest public necessity, namely, our gold and our currency, must be the solid walls of this new edifice.

Incidentally, may I be prompt to state that public ownership of certain essential properties as sometimes is identified with socialism is rather a Christian principle, clearly expressed in the words of Pius XI:

“It is rightly contended that certain forms of property must be reserved to the State, since they carry with them an opportunity of domination too great to be left to private individuals without injury to the community at large.”

Name this architecture “socialized capitalism” if you will. But the crude capitalism of yesterday is no more fit habitation for the men of today than are the ruins of the Parthenon or the broken walls of the Coliseum.

IV.

My friends, I am not so hypocritical as to paint you pretty pictures, inspire you with false hopes of peace, merely to dress the western sky of tomorrow with an ever fleeting mirage of disappointment.

My purpose is to inspire you to action. You can succeed in erecting the Temple if you will.

Gird yourselves, then, with determination! Drive out without mercy, without remorse these unholy money-changers, these international bankers, these gold worshippers of the great central banks of this nation—drive them out of your drafting room or else your best plans will be ruined!

My friends, it is impossible for us to serve two masters. Either the Temple inhabited and controlled by the money changers must be destroyed or the walls of the new Temple

will rest upon sand. Monopolistic capitalism and socialized capitalism cannot exist side by side.

The former must perish if the latter hopes to survive.

V.

To you who dream of liberty, of peace, of human contentment; to you who still hope for employment, for modest prosperity, for equitable justice, may I tell quickly the story of this Temple which rules and ruins the lives of the millions who came as devotees to worship at its altar but remained as slaves in the courtyard of its misery?

It is the story of the Federal Reserve Banks of this nation.

Its high priests are the international bankers whose patriotism is bounded by the shores of exploitation. Their ritual is the dead hand of debt. Their religion is the worship of the god of gold.

Their heaven is the luxury of control.

You ask me whence they came?

If so, turn back the pages of history to the name of Rothschild.

Ever since the rise of that family—about the time of Napoleon—it has been the dream of the international banker to identify all wealth with gold.

Thus, in our own country in the year 1873 by the legislation known as the Demonetization Act and by future Acts, silver was fraudulently outlawed as basic money and gold was established as the sole basic money of the United States.

It was ever the object of the international bankers to pervert the Constitution of the United States which says: "*Congress shall have power to coin money and regulate the value thereof.*"

Having demonetized silver they now perverted the Constitution.

In 1877 Mr. James Buel, Secretary of the Associated Bankers of New York, Boston and Philadelphia, sent the following circular letter to the members of his association. It is an astounding letter. It reads as follows:

"Dear Sir:

"It is advisable to do all in your power to sustain such prominent daily and weekly newspapers, especially the agri-

cultural and religious press, as will oppose the greenback issue of paper money, and that you also withhold patronage from all applicants who are not willing to 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 act creating bank notes, or to restore to circulation the government issue of money, will be to provide the people with money and will therefore seriously affect our individual profits as bankers and leaders.

"See your Congressman at once and engage him to support our interest, that we may control legislation."

It must be at once apparent to readers of our daily papers as well as certain of our religious and agricultural press, that in this blessed year 1933 the Bankers Associations are just as actively engaged in spreading propaganda which is favorable to the bankers and not in the interest of millions of people who send their representatives to Congress to represent the people, but are oftentimes controlled by the money monopoly.

To provide the people with Treasury Notes instead of Bankers Notes in this day and age will still "*seriously affect our individual profits as bankers.*"

Did you ever hear such a blasphemous letter?

With the legalization of gold as the sole basis of wealth and after the organization of national banks—private corporations—with the right to make their own money on the Treasury printing presses and the inferred right to inflate credit, there was conceived in this country the plan of establishing a bankers' bank, a central bank, owned and operated by the bankers themselves.

The first serious attempt to establish it dates back to the year 1908 when Senator Aldrich and Congressman Vreeland were authorized to preside over the National Monetary Commission out of which was born the Aldrich bill—the Bankers' Bank Bill—in other words.

Its purpose was to establish a money monopoly with the privilege of issuing and withdrawing currency and credit almost at will.

Thanks to Charles A. Lindbergh, the father of the famous Lone Eagle, this Aldrich Bill was defeated by Congress.

VI.

Now for the creation of the Federal Reserve Bank—now for the second attempt to establish the bankers' bank—the masterpiece of the international bankers—the high treason of high finance!

Every step towards its accomplishment had now been prepared. Gold was wealth. Silver was outlawed. National Banks were legalized with the right to issue their own currency. England, France, Germany—these nations already were controlled by central banks!

Now for America! This nation must be bloodsucked by a super-central bank and endowed with super powers of control!

The Aldrich Bill had been cunningly planned but clumsily named under the title of the National Reserve Association. It did not fool the public.

For twenty years the European international bankers, assisted by the Morgan-controlled sycophants in this country had been working relentlessly to establish this bankers' bank. Aldrich had been their tool in 1908. Carter Glass their willing tool in 1913.

Thus, in that year of 1913—almost on Christmas Eve—the Federal Reserve Banks were cradled in the manger of liberty to bring not peace but war; not prosperity but poverty; not brotherly cooperation but fiendish exploitation. At last larceny had been legalized!

Money control had been centralized. By Congressional enactment it was decided that wealth should be concentrated in the hands of a few.

And so the old Aldrich Bill was resurrected from the tomb of Congress. Its commas were re-arranged; its semi-colons were revamped; its phrasing was polished. Propaganda was fed to the voters of this country that it was a Federal institution. This time it was named the Federal Reserve Act. It fooled the public.

In the preamble to the Federal Reserve Act we read:

"An act for the establishment of Federal Reserve Banks, to furnish an elastic currency, to afford means of redicounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes."

How miserably these Federal Reserve Banks failed!

"Elastic currency" this has turned out to be controlled credit and famine currency!

"Discounting commercial paper" this became the euphonious phrase for confiscating homes and farms.

"A more effective supervision of banks" this developed into a policy which permitted banks to become bucket shops protected by hide-out holding companies until finally the entire banking structure of the nation crumbled and fell!

My friends, who owns the Federal Reserve Bank? What results has it produced? The answers are simple: The great banks of this country own the Federal Reserve. The greater the bank, the greater the shares of ownership.

By law, every National Bank must contribute six per cent of its capital and surplus to establish a working capital for the Federal Reserve Bank.

Experts at confiscation!

Moreover, the Federal Reserve Bank can conscript three per cent of time deposits and from seven to ten and thirteen per cent of the demand deposits of all national banks.

In other words part of your life's earnings, of your deposits, of your savings go to this profit-making, private corporation.

On the money taken from National Banks the Federal Reserve pays six per cent dividends each year.

No taxes except land taxes are levied against this colossus of private wealth.

All profits made by the Federal Reserve Bank pertain to the bank and none to the Government.

It holds in its vaults four-fifths of the gold of this nation.

It prints its own currency to the disparagement of our Treasury currency.

It opposed our forsaking the gold standard. It was adverse to the revaluation of gold. It decries the normalization of our currency dollar.

It thrives upon war bonds, foreclosed mortgages and misery. It propagates through its kept publications the vicious theory

that "greenbacks" or honest Treasury Notes are inimical to sound prosperity.

It is inspired by the House of Morgan, the hired and able servant of the British Empire.

It is expert at expanding and contracting credit at will.

In fine, it holds the financial life of America in the hollow of its hand.

The unconstitutional privilege of printing currency money was given to the Federal Reserve Bank because it promised to avert financial panics. But it so misused this questionable privilege that the greatest panic our country ever knew was produced.

Thus, the Federal Reserve Bank was and is so potent that even in the throes of our depression it amended the law of 1913 to read that all profits practically accrue to its members—none to the Government; it so bedevilled the legislators of the last Congress that all the confiscate gold of the country gravitated to its greedy vaults.

This is the arch-money-changer whom we must drive from this country—the money-changer to whom we can apply the following words of Pope Pius XI, namely:

"In the first place, then, it is patent that in our days not alone is wealth accumulated, but immense power and despotic economic domination is concentrated in the hands of a few, and that those few are frequently not the owners, but only the trustees and directors of invested funds, who administer them at their own pleasure.

"This power becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying so to speak, the life-blood to the entire economic body, and grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will."

I presume that for not only breathing but also speaking against their will shall cost me more than mere verbal castigation.

My friends, you can choose between socialized capitalism or monopolistic capitalism. The former if constructed upon

Christian principles can save this nation. The latter, if persisted in, must result in a revolution.

More necessary than power and transportation, more essential than army and navy and post office departments; more fundamental than factories is our money—the life-blood of trade, of prosperity, of national existence. We demand that our money be nationalized and taken out of the hands of the money-changers. We demand that the racketeers of the Federal Reserve Bank be despoiled of their dubious right to control our credit, to issue our currency, to dominate our security, our homes, our industry, our commerce and our lives.

These functions belong to the American people, to their Government and not to the chosen few who fly the hypocritical flag of the Federal Reserve Bank when they should have skull and cross-bones above their doors.

VII.

At the present moment, my friends, there are those Federal Reservists who not only opposed our going off the gold standard. They now are agitating for its return. They are devising ways and means to perpetuate the high treason of high finance.

But this nation has arrived at sufficient understanding of their own affairs and of world affairs to think differently.

While in one sense this depression has had a tendency to nationalize our thought, in another it has internationalized our sympathies.

The English people, the French people, the German people were all victimized by the international central banker as much as were we.

Their national problems are, in a sense, similar to our own.

Their desire for freedom from the vultures who fatten upon war debt is identical with our own.

Those people, too, have become national—national in the sense that they have grown weary of a false internationalism which was conceived and regulated by the international gold bankers for the purpose of dominating the nations and the world.

Although some nations have gone to extremes which we care not to follow in getting rid of their international bankers and in nationalizing their own central banks, nevertheless, we all share in common the spirit of revolt against the concentration of wealth in the hands of a few.

Of a sudden we have all awakened to the menace of the monopolistic international banker and his gospel of gold—a gospel that has been the breeding swamp of war, of famine, of poverty in the midst of plenty.

Sane nationalism has no quarrel with Christian internationalism. Its only argument is against the internationalism of the gold worshipper.

Thus, in these days of reconstruction when international forbearance and sympathy begin to supplant intolerance and vindictiveness, let us approach not only the subject of national debts but also of international debts in the light of the Sacred Scriptures which depict for us the incident where peace and justice have kissed!

To be practical and concrete, here is what I mean. How can we Americans free ourselves from the menace of gold control? How can international debts be adjusted? How at the identical moment can national debts be settled? I believe that England wishes to pay her just debts. I know that the English people can never meet their full payments in ounces of gold any more than the American people can pay their national or domestic debts in gold.

Why then, is it not practical to adjust the entire problem by accepting ounces of silver; by agreeing to a mutual remonetization of this metal?

Can you not visualize the results?

There are China and India and South America—silver trading nations whose treasuries are practically innocent of gold.

Four-fifths of the world's population silver trading nations!

One paltry fifth, gold traders!

More than nine hundred million people anxious to trade with us as we are with them, if we had but the medium of exchange to offer!

Your silver dollar really contains no more than forty cents. Let us render our dollar honest! It was rendered dishonest by the international banker who cut in half the purchasing power of the silver trading nations and closed their markets to the manufacturers and producers of gold trading nations.

Make possible the re-opening of these markets, of our factories, the hum of our motors! Weigh anchor for the hundreds of ships now rusting to death!

Approximately eight billion ounces of commercial silver exist in the world; approximately one billion eight hundred million ounces of it in America! Legalize its existence as real money. This step is the forerunner to an unprecedented industrial activity at home as the channels of trade to and from the silver trading nations become thronged with ships!

And incidentally, besides enabling debtor nations to meet their creditors' demands, it will assist the citizens of every nation—of our own in particular—to unfasten the shackles which bind us in servitude.

This is the sane internationalism controlled by the nations themselves and not dictated by the damnable international bankers.

One ordinary ship could carry as cargo all the commercial gold in the world. Because gold is scarce the bankers found it more easily controlled. Because it is more easily controlled, then are the people who serve it more readily held in submission!

Supposing this ship and its cargo were sunk? Would business cease? Would farms go untilled? Would our schools remain closed? Our factories lock their gates? Ridiculous!

The high priests of gold have cast a spell of superstition across the face of the earth. Upon our gullibility they capitalize, while we continue to grovel in the mire of depression at the mere whisper of their illogical mumblings!

The god of gold must be destroyed!

Our money must be nationalized!

Our currency must be nationalized!

Our silver must be remonetized!

Silver is the key which shall open the door of trade permitting China and India and South America and the rest of the countries to purchase what our idle factories can produce and enable us to sell what the foreigner is craving to purchase.

The rule of the international banker must come to a surcease.

The gospel of his high priests who proclaim as heresy what I have spoken today, must be ostracized from the new Temple which we are determined to construct upon Christian teachings or else become converts to the principles of charity and to the logical conclusions derived therefrom!