



Written by [Michael Tennant](#) on November 5, 2010

Ben Bernanke's Worst Nightmare: Chairman Ron Paul

In the 111th Congress Rep. Ron Paul (R-Texas) introduced legislation to perform a wide-ranging audit of the Federal Reserve. That bill was, in Paul's words, "gutted" before it came to the floor for a vote. Ultimately only a few very weak provisions of Paul's original bill became law.



With Republicans taking control of the House of Representatives in January, however, Paul is likely to get another crack at the Fed, and he doesn't intend to waste the opportunity. Paul is currently the ranking member of the House Subcommittee for Domestic Monetary Policy and Technology and is, therefore, in line to become chairman of the subcommittee when the 112th Congress commences. If he does indeed assume the chairmanship, "Paul said his first priority will be to open up the books of the Federal Reserve to the American people," [according to CNBC.com senior editor John Carney](#). "We need to create transparency there. To see what it is they are buying and lending, and who it is they are dealing with," Paul said.

Auditing the Fed is only the beginning, as one might expect from the author of *End the Fed*. Carney writes that Paul told NetNet, "I will approach that committee like no one has ever approached it because we're living in times like no one has ever seen." Among his other objectives: using subcommittee hearings to educate the public about Austrian economists' view of the business cycle, namely that it is a result of central banks' shenanigans rather than something inherent in the free market, and [auditing the U.S. gold reserves](#) in preparation for monetary reform, either by legalizing competing currencies or by returning to the gold standard (or both). Also on his agenda, [says Reuters](#), is scrutiny of the International Monetary Fund and other global financial institutions, probably as part of monetary reform. These institutions, as *The New American* has [reported](#) on [multiple occasions](#), are pushing for a global currency, which may explain Paul's comments, as reported by Carney: "We will have to have monetary reform. I think those on the other side of this issue are already planning. They are going to try to replace a bad system with an equally bad system."

As noted earlier, all of this is predicated on Paul's becoming chairman of the subcommittee, a position for which he would seem to be a shoo-in. However, the Republican leadership in the House, never fond of the Texas Congressman, has more than once prevented him from assuming this position in the past, as *Roll Call's Jonathan Allen reported*, quoting Rep. Barney Frank (D-Mass.):



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In 2003, Ron Paul was in line to be chairman of the Domestic Monetary Policy Subcommittee.... Specifically and solely to frustrate Ron from being the chairman, they merged the Subcommittee on Domestic Monetary Policy with the Subcommittee on International Monetary Policy. Ron Paul then complained to [then-Majority Leader] Tom DeLay, and Tom DeLay told [then-Chairman Mike] Oxley [R-Ohio] "Don't change it."... Two years later, even though they merged the two subcommittees in the progression, Ron was then again ready to be chairman, this time of the combined one. [Then-Rep. Deborah] Pryce [R-Ohio] was dragooned to come back and assert a subcommittee chairmanship.... Ron at that point said to me, "I guess I have to wait for you to be chairman for me to have any authority around here." The Republican Party was a staunch defender of the Fed against Ron Paul.

Allen wrote that both Paul and other "Republican sources" confirmed this account with the exception of the involvement of DeLay.

Will the GOP allow Paul to ascend to the chairmanship this time around? With his higher profile and increased popularity, the party "would fear the backlash" from denying it to him, [says](#) Paul's former chief of staff, Lew Rockwell. Assuming Rockwell is correct, Ben Bernanke and the rest of the globalist currency destroyers had better lay in a good supply of Roloids and Sominex.

Photo of Ron Paul: AP Images



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