



Written by [Alex Newman](#) on May 28, 2012

House to Vote on Ron Paul Bill to Audit the Federal Reserve

GOP leadership in the House of Representatives announced that legislation to thoroughly audit the secretive Federal Reserve, a wildly popular measure pushed by Rep. Ron Paul (R-Texas) for decades, will come up for a floor vote in July. Honest-money advocates and pro-transparency activists celebrated the news as a historic opportunity to rein in the central bank, which has come under heavy fire — especially in recent years — for debasing the U.S. dollar, manipulating markets, and showering big banks with trillions in bailouts.



The legislation, [H.R. 459](#), already has over 225 co-sponsors in the House including an impressive roster of senior Democrats and Republicans, some of whom chair important committees. In the Senate, however, a similar bill has only about 20 co-sponsors so far, forcing Audit-the-Fed activists to wage a massive campaign aimed at exposing Senators who refuse to support transparency at the shadowy central bank. Polls in recent years revealed that four out of five Americans support auditing the Fed.

“The Fed has proven it cannot be trusted and must be audited. While the banksters’ dangerous schemes have been going on for years, the bailouts exposed the trillions being stolen from the American people,” noted Sen. Rand Paul (R-Ky.), a sponsor of the Senate legislation and the son of Congressman Ron Paul. “It is time to Audit the Fed. Time to shine a bright spotlight on the largest theft in American history.”

But victory in what Sen. Paul called this “vital effort to rein in the Federal Reserve” will not be easy, he noted. The establishment is already fighting back hard against the plan in an effort to shield the controversial institution from public scrutiny. And as the battle heats up, the Fed and its supporters will not give up easily.

“As we enter this critical time, we have an unprecedented chance to finish this fight and finally hold the Fed accountable for all it has done to wreck our economy and endanger our nation,” Sen. Paul concluded. “Don’t let this opportunity slip away.”

Experts and economic analysts have long said that if citizens understood what was really going on behind closed doors at the privately owned central bank, a tsunami of outrage would almost certainly force politicians to shut down the Fed and restore honest money once and for all. Even a [watered-down audit](#), passed as part of the broader Dodd-Frank financial-reform bill, exposed blatant conflicts of interest among top Fed officials as well as some \$16 trillion in Fed bailouts to big banks around the world.

Public outrage was unprecedented. Millions of Americans who had never even seriously contemplated the institution or its functions demanded reform. And lawmakers, political candidates, and grassroots organizations — realizing that there was no way the cat was going back in the bag — eventually jumped



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on the bandwagon, too.

"This historic moment is only possible thanks to your relentless pressure. Now we must turn up the heat to secure victory — first in the House and then in Harry Reid's U.S. Senate," wrote Vice-President Matt Hawes of the freedom-promoting Campaign for Liberty, one of the organizations leading the public battle for an audit that is planning a huge operation to make sure the legislation becomes law. "Now, we just need to show Congress the American people demand action on the Audit the Fed bill."

With the looming vote, officials will soon have the chance to demonstrate whether their loyalty lies with the American people or with the mega-banks that literally own and control the Fed system. "You see, with the piling up of trillions of dollars in reckless bailouts of Wall Street and international bankers, even many politicians in Washington, D.C. want to show you they're 'being responsible,' " Hawes explained. "What better way for Congress to do this than by auditing the Federal Reserve to account for the trillions stolen from the U.S. taxpayers?"

The Fed, of course, has fiendishly resisted an audit — going so far as to hire a lobbyist to defend its interests on Capitol Hill while producing pro-central bank propaganda aimed at children — all under the guise of maintaining its supposed "independence." But activists and monetary-policy experts suspect something far more sinister is going on.

"They know coming clean with Congress and the American people on what they've done to our money would result in an anti-Fed firestorm," noted Hawes, echoing comments made by a vast array of experts and policy makers who support sound money. "So can you imagine the impact of a full-scale audit?"

According to Hawes, the Campaign for Liberty, and numerous economists, auditing the Fed would expose the destructive economic consequences of centrally planning interest rates and manipulating the supply of currency. It would also show that the central banking system leads to the destruction of the middle class, the destruction of the currency, and eventually, chaos.

"You and I have seen the damage the out-of-control Fed can cause, especially during a time of crisis. As you know, the Federal Reserve, the Treasury Department, and their cronies on Wall Street have for nearly four years been engaged in the worst plundering of a country's wealth in the history of civilization," Hawes explained in a letter to supporters soliciting help for the battle ahead.

"Americans are crushed under a mountain of debt, yet the Fed continues to print more money — backed by nothing but the whims of Ben Bernanke and international bankers," he added. "If you and I don't put an end to it all, it will clearly be the ruin of our entire way of life." The next crisis, experts believe, could be just around the corner.

Other commentators backing the legislation also emphasized that the time to move on this crucial measure is now — for more than one reason. "As the global financial system teeters on the cusp of another recession, and nations throughout the Eurozone fall to economic insolvency, the time appears right for Congress to finally address the issue of the Federal Reserve, especially before their original 100-year charter expires," wrote finance analyst Kenneth Schortgen Jr with the *Examiner*.

Even the debate will have a big impact, too. "[House Majority Leader] Eric Cantor's decision as a prime leader in the Republican party to bring the bill before Congress in July will have staggering effects on what the Fed may have to reveal in subpoenaed testimony, and what efforts they may be handcuffed from doing going forward if the economy continues to decline," Schortgen [explained](#). But actually passing the full bill, its supporters say, is more crucial than ever.



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While Rep. Paul has been a longtime leader in the movement to expose, rein in, and eventually abolish the Fed, the public outcry about the issue has become so loud that lawmakers in both parties have taken up the call as well. During a recent hearing in Paul's subcommittee on monetary policy, a bipartisan collection of legislators and experts discussed whether the Fed should be [reformed or simply dismantled](#). Progress in addressing the problems, while slow, is expected to speed up.

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Photo: Leaving the campaign trail behind, Republican presidential candidate, Rep. Ron Paul (R-Texas) returns to his day-job in Congress as a member of the House Financial Services Committee, as it held a hearing with Federal Reserve Ben Bernanke, Feb. 29, 2012.; AP Images



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