



Written by [Joe Wolverton, II, J.D.](#) on February 2, 2019

Tennessee Considering Bills Restoring Gold and Silver as Sound Money

If two bills offered for consideration in the Tennessee legislature become law, gold and silver will be a step closer to being restored to their rightful place as sound money and legal tender.

A pair of companion measures offered by Representative Ron Gant and Senator Dolores Gresham in the Tennessee House of Representatives and Senate respectively, would prohibit state sales and use tax from being collected on the sale of platinum, gold, or silver bullion.



To be honest, such bills should be unnecessary.

Although the Constitution was created by the states to grant limited, mutually beneficial authority to a general (we call it “federal”) government, there are a few clauses that serve to restrict the retention of power by the states themselves.

One such clause is found in Article I, Section 10, which reads in relevant part: “No State shall...make any Thing but gold and silver Coin a Tender in Payment of Debts.”

It would seem that when it works against their usurpation of power, the feds don’t understand the language of the Constitution; the words “infringed” and “warrant” come to mind.

In the case of coinage, the federal government would never willingly enforce the mandate of Article I, Section 10 because it would serve to abolish the Federal Reserve and the banksters who make trillions of dollars from its monolithic control of the American monetary system.

The bills in Tennessee aim to right that wrong as do similar bills filed in Arizona, Wyoming, and West Virginia since the beginning of the current legislative season.

In a statement published by the Ron Paul Institute for Peace, Dr. Paul praised the bill filed in Arizona for “ensuring that people are not punished by the taxman for rejecting Federal Reserve notes in favor of gold or silver. Since inflation increases the value of precious metals, these taxes give the government one more way to profit from the Federal Reserve’s currency debasement.”

“The Federal Reserve’s failure to reignite the economy with record-low interest rates since the last crash is a sign that we may soon see the dollar’s collapse. It is therefore imperative that the law protect people’s right to use alternatives to what may soon be virtually worthless Federal Reserve notes,” the former presidential candidate and constitutionalist icon added.

Over the past several years, I have reported on the efforts of many states to enact some version of a sound currency bill. Others are debating proposals aimed at abolishing or auditing the Federal Reserve. By placing the lion’s share of the blame squarely at the feet of the federal government, particularly its unrepentant, unchecked, and (most importantly) unconstitutional manipulation of the monetary system



Written by [Joe Wolverton, II, J.D.](#) on February 2, 2019

of the United States through the creation and perpetuation of the Federal Reserve system, bills to restore the value of sound money, such as the two Tennessee proposals, reassert the sovereignty of the states and re-enshrine the 10th Amendment to the Constitution wherein the Founding Fathers intended to erect an impregnable barricade, one that would protect the people from the usurpations they knew would be attempted by the general government.

In 2011, then-Chairman of the Federal Reserve Ben Bernanke weighed in the issue of restoring gold and silver as legal currency. “You need to be attentive to where the economy is and not move too quickly to reverse the policies that are helping the recovery,” Bernanke said, apparently without being purposefully facetious.

The only hope of a recovery lies where hope for liberty has always lain: with the people and the states.

If any state authorizes gold and silver as an alternative to Federal Reserve notes, economists say that the economy of such a state would stabilize and increase. A happy side effect of such a system would be the weakening of the Federal Reserve notes and a strengthening of the appeal of gold and silver.

This genuine recovery (as opposed to the “boom and bust” pseudo-recovery espoused by Bernanke) would obliterate the fiat money monopoly exercised by the Federal Reserve. The history of that monstrosity was described most ably in G. Edward Griffin’s *The Creature From Jekyll Island*. Griffin writes:

The American Heritage Dictionary defines fiat money as “paper money decreed legal tender, not backed by gold or silver.” The two characteristics of fiat money, therefore, are (1) it does not represent anything of intrinsic value and (2) it is decreed legal tender. Legal tender simply means that there is a law requiring everyone to accept the currency in commerce. The two always go together because, since the money really is worthless, it soon would be rejected by the public in favor of a more reliable medium of exchange, such as gold or silver coin.

It is noteworthy that even the etymology of the English word “money” reveals that only precious metals qualify for that designation.

Of course, despite the obvious benefits of a return to sound money, the federal government will not sit idly by and watch its monopoly be rendered irrelevant by state governments. In a host of issues, the plutocrats on the Potomac have demonstrated that they will go to any length to maintain their monopoly.

When it comes to the central bank and its machinations, the fix is in. The Fed — ostensibly a non-profit organization — owns the mint, the money, and sets the terms of the loans it makes to the federal treasury. What’s more, there is no product; there is nothing being loaned other than worthless paper that can never be traded in for anything of value because all that is used to secure the worth of the currency is now owned by the very bankers who control the Federal Reserve.

The fact is that since that day in 1913 when the Federal Reserve was created, the dollar has lost over 95 percent of its purchasing power. Most, if not all, of this precipitous decline was caused by the monetary policy of the Fed.

And the it will continue to accumulate power. There is no limit to the lengths global bankers will go to in order to control the economic policies that affect the entire population of the world. There is no hope of regulating restraint. Power of this magnitude operates beyond the reach of regulations.

As it has since 1958, The John Birch Society offers Americans a well-established, experienced, and



Written by [Joe Wolverton, II, J.D.](#) on February 2, 2019

influential way of organizing with like-minded constitutionalists who demand the Federal Reserve be not only audited but also abolished. A statement from The John Birch Society declares the group's position:

The powers of Congress are described in Article I, Section 8 of the Constitution, and the creation of a central bank like the Federal Reserve is not listed as one of those powers. The Federal Reserve is charged with protecting the value of the dollar through managing our nation's monetary policy. However, since its inception in 1913, the dollar has lost 95 percent of its value under the Federal Reserve's monetary oversight. The John Birch Society advocates abolishing the Federal Reserve.

The key to restoring sound money in the manner prescribed by the Constitution is for the people to call on Congress to abolish the Federal Reserve and to elect state legislators (all of whom took an oath to "support the Constitution") committed to busting up the Fed's fiat money monopoly by enacting bills restoring gold and silver to their constitutional status.

As of February 1, House Bill 212 has been assigned to the Tennessee House of Representatives' Finance, Ways, and Means Subcommittee. Senate Bill 333 has been assigned to the same subcommittee on the Senate side of the legislature.



Photo: thad/iStock/Getty Images Plus



Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



[Subscribe](#)

What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.