

STODDARD FOR CONGRESS

— Utah's 3rd Congressional District —

“RESTORE SOUND MONEY!”

End the Affordability Crisis Now

**End the Systematic Destruction of
Our Money**

Ending the Hidden Tax and Restoring Honest Money to the
American People

A Policy Position Paper

***“The Congress shall have Power ... To coin Money, regulate the Value
thereof, ... and fix the Standard of Weights and Measures.”***

— U.S. Const. art. I, § 8, cl. 5

**Sound Money to the Founders was a Specific Weight of Gold and
Silver!**

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SoundMoney Plank:

Congress MUST End the Federal Monopoly on Money, Restore Honest Banking, and Repeal the Legal-Tender Coercion That Forces Americans to Save in a Currency Designed to Lose Value

“RESTORE SOUND MONEY!”

“Every counterfeiter in America goes to prison for printing money that quietly dilutes the value of everyone else’s. The federal government does exactly that — on a scale no counterfeiter could dream of — and calls it monetary policy. I have spent my career tracing where money goes and naming what an honest ledger requires, and the first rule of any honest ledger is that you cannot create value by writing a larger number. Inflation is not weather. It is a tax no one voted for, falling hardest on the people who can least afford it. I am running to give Americans back the one thing every honest economy is built upon: money that does not lie.”

— Michael R. Stoddard, C.P.A., C.F.P.

I. The Problem

The American dollar is dying by design. A dollar saved in 1913 — the year Congress created the Federal Reserve — buys less than three cents’ worth of goods today. More than ninety-six percent of its value is simply gone, transferred away from the people who earned and saved it. This is not an accident of history or a misfortune of markets. It is the predictable output of a monetary system built on three devices that would land any private citizen in federal prison: money loaned that was never saved, a currency backed by nothing but the word of those who print it, and a central authority empowered to create that currency at will.

Strip away the jargon and the machinery is simple. When a bank takes your deposit, it does not keep it; it lends most of it out while still assuring you the money is available on demand. When the Federal Reserve decides more dollars should exist, it creates them from nothing and buys assets with them. And when you try to step out of the arrangement by holding gold, silver, or any honest alternative, the law taxes you for the privilege and compels you to settle your

wages, debts, and taxes in the very currency being diluted. A private citizen who did a fraction of this would be prosecuted for fraud, embezzlement, and counterfeiting. Done by sovereign authority and given a respectable name, the same conduct is called “monetary policy.”

The act is the same act. The only difference is who is permitted to commit it.

II. Inflation Is a Tax No One Voted For

Americans are taught to think of inflation as something that happens to prices — as if bread and rent and gasoline simply decide, on their own, to cost more. This is the central confusion, and it must be corrected plainly. Prices do not rise on their own; the dollar falls. When the supply of money grows faster than the supply of real goods, each existing dollar commands less. That loss of value is neither random nor free. It is a transfer — purchasing power taken from everyone holding the currency and handed to whoever receives the new money first.

The order of receipt is everything. New money does not reach everyone at once. It enters through the banks, through the government’s largest contractors, and through the financial markets — and those first receivers get to spend it while prices are still low. By the time it reaches the wage-earner, the saver, and the retiree on a fixed income, prices have already risen. The first in line buy at yesterday’s prices; the last in line pay tomorrow’s with today’s paycheck.

The result is the most regressive tax in existence, and the cruelest, because it strikes hardest at exactly the people least able to defend themselves. The poor and the elderly hold what little they have in cash and savings — the very thing being debased. The wealthy hold theirs in homes, stock, and land — assets that rise with the same flood that drowns the saver. No legislature votes on this tax. No appropriations bill authorizes it. No public debate precedes it. It is levied silently, and most of its victims never learn its name.

III. A Century of Broken Promises

This did not happen all at once, and it did not begin in our lifetimes. It began with a single concession — the idea that the value of money is something a

government may set by decree rather than something a free market discovers. The Coinage Act of 1792 fixed the exchange ratio between gold and silver by law, and the moment Congress substituted a legislated number for a market price, the crack was set in the foundation. Everything that followed was an extension of that first error: the creation of the Federal Reserve in 1913; the confiscation of Americans' gold by executive order in 1933; and, in August 1971, the final severing — when the dollar's last link to gold was cut and the currency became a pure creature of policy, redeemable for nothing but more of itself.

The consequences accelerated once the last constraint was removed. In the two decades since the 2008 crisis, the Federal Reserve's balance sheet swelled from under one trillion dollars to nearly nine trillion at its peak — money conjured to buy assets, multiplying the holdings of those who already owned them while the cost of a home, a degree, and a doctor's visit climbed out of reach for those who did not. The inflation of recent years that emptied American grocery carts and gutted American paychecks was not a foreign shock or a supply-chain accident. It was the bill, arriving at last, for money created without limit.

And the boom-and-bust cycles that punctuate the whole period are not the free market's failures. They are the wreckage left behind each time an artificially cheapened interest rate lures the economy into building what real savings could never sustain — a false signal, followed by a real collapse. The pattern repeats because the cause repeats.

IV. The Proposal

I will introduce and support legislation to end the monopoly and restore the people's right to honest money, in four parts.

A. Repeal the Legal-Tender Coercion and Let Honest Money Compete

No American should be forced to save in a currency engineered to lose value. I will work to repeal the legal-tender compulsion (31 U.S.C. § 5103) that lets the government impose its own debasing currency on every wage, contract, and debt, and to end the capital-gains penalty that taxes gold, silver, and sound alternatives

as though honest money were a speculative profit. Let the dollar compete on a level field against media that hold their value. A currency that must be forced upon a free people is confessing what it is.

B. Restore Honest Banking

Your deposit is your property, held for safekeeping — not a loan to your bank to do with as it pleases while telling you the money is still there. I will support the restoration of true safekeeping law for demand deposits and the legal right of full-reserve banks — institutions that actually hold what they claim to hold — to exist and compete, which today's regulatory framework effectively forbids. A people who understood that their "deposits" had been lent out, and that no bank could survive their all asking for their money at once, would demand nothing less.

C. Open the Fed's Books and Return the Power to the People

The institution that sets the price of money for the whole nation deliberates in private, answers to no vote, and has never once submitted to a genuine independent external audit. The same standard I demand of the entire federal government applies here with double force: open the Federal Reserve's books to independent external audit, and return the power to create money to the people's elected representatives, where Article I of the Constitution placed it. Power this large, exercised in secret, is not expertise. It is the absence of accountability.

D. Re-Anchor the Currency to Reality

Over time, the only lasting remedy is to tie the currency to something its issuers cannot fabricate by decree — to restore a commodity standard, or its modern equivalent, so that the money supply answers to reality rather than to the convenience of those who manage it. The path there will be gradual and prudent; the destination is not negotiable. The goal is money that cannot lie.

V. Anticipated "Objections"

"This is a gold-bug fantasy — we can't turn back the clock."

It is not a clock; it is a principle. The principle is simply that money should keep its value, and that a free people should be free to choose money that does not rob them. I am not asking anyone to relive 1913. I am asking that honest alternatives be allowed to compete instead of being taxed and outlawed out of existence. The objection is not really to gold — it is to letting Americans choose for themselves.

“Leave it to the experts — the Fed is independent for a reason.”

Independent of whom? Independence from the voter is not a virtue; it is the very problem. And no twelve people, however brilliant, can possibly know the genuine savings, needs, and time-horizons of three hundred million Americans well enough to price money correctly for all of them. The knowledge does not exist in any one room. A free market in lending discovers that price the same way it discovers every other — without requiring anyone to be omniscient.

“A little inflation is healthy — two percent is normal.”

Two percent is a slower theft than ten, but it is theft all the same.

Compounded quietly, a two-percent target cuts the value of a lifetime's savings roughly in half within a single generation. A standard that steadily punishes the saver and rewards the borrower is not health. It is managed dishonesty, dressed up as prudence and measured by statistics that conveniently understate the cost of the things families actually buy.

“Without this system, credit would dry up and the economy would stall.”

This confuses the system with the function. Honest banks lent money, economies grew, and capital was formed for centuries before any central bank existed — Scotland and Canada ran robust, stable banking systems on far sounder footing than ours. Real prosperity rests on real savings, and a currency that punishes saving undermines the very foundation it claims to provide. The credit conjured from nothing is not wealth; it is a claim on wealth that does not yet exist, and the bust is the reckoning.

“This is fringe and dangerous in today's economy.”

The danger is already here, and it is the status quo. A savings account that loses a third of its real value in a decade is not safety. A currency backed by nothing, managed by no one the people can vote out, and losing value by design is not stability. Sound money is not the radical experiment. It is the thing we abandoned — and the experiment is the century we have lived since.

VI. Conclusion

This is not a radical proposal. It is the most conservative position available: money that holds its value, banks that keep what they are handed, and a government held to the very law against fraud it imposes on every citizen and every business in the land. The radical position is the one we have drifted into — a dollar worth three cents of its founding value, a central bank accountable to no vote, and a people taxed in silence by a currency built to fail them.

I am a Certified Public Accountant. I have spent my professional life examining books, evaluating controls, and holding institutions accountable for the truth of their numbers. The first rule of any honest ledger is that you cannot create value by writing a larger number. The American people have been handed larger numbers for a century while the value behind them quietly disappeared. I am asking for one thing on their behalf: money that tells the truth.

Restore sound money!

Honest-Money Mike

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Paid for by the Committee to Elect Michael Stoddard