

WASHINGTON, DC - Congressman Ron Paul, Chairman of the Domestic Monetary Policy and Technology Subcommittee, announced today that the subcommittee will hold a hearing to examine the Federal Reserve's assistance to the Eurozone and the impact of that assistance on the U.S. monetary system and the dollar.

"The Federal Reserve has been creating money out of thin air for forty years now," Chairman Paul stated, "and they've ramped up the printing presses during these five years of crisis—all in the name of economic stability. But there are consequences to massive amounts of money creation, consequences when central banks print money, consequences when they loan it, and consequences when banks get this money and create even more money and credit through fractional reserve banking. Indeed, these Fed actions helped cause the very crisis we're suffering from today."

Congressman Paul continued, "It is important for Congress to acknowledge this and to hold the Fed accountable for its actions, since they affect the value of the dollars in our wallets. This isn't just about the Fed trying to bailout Europe; there is a fundamental question here about what fiat money does to the economy. I am pleased that President Dudley, a permanent voting member on the FOMC, will be appearing before the subcommittee so we can ask some important questions about the Fed's involvement in Europe and what that means for the dollar and our fiat monetary regime."

The hearing, entitled "Federal Reserve Aid to the Eurozone: Its Impact on the U.S. and the Dollar," will be held on Tuesday, March 27, at 10:00 a.m. in Room 2128 of the Rayburn House Office Building.

Witnesses scheduled to testify:

- William Dudley, President & CEO, Federal Reserve Bank of New York
- Steven B. Kamin, Director, Division of International Finance, Board of Governors of the Federal Reserve System