

Introduction

Some say "The past is the past" – irrelevant – "what matters is now." If so, how do we chart a course towards the future? How do we choose our direction if not by drawing a line from the past through the "now" to see where it points, and then making considered corrections? Absent direction, our course is hap-hazard. Thus, far from being irrelevant, the past – our collective history – is essential. This book draws a line of evidence from the past through the present towards a future even George Orwell might cringe at, and every day's news adds force to this vision. Do not let events pass unremarked and unchallenged. Be informed, and play an active role in choosing humanity's course, or accept the consequences of silent consent.

Available for free download at
www.grandillusion.info

For Neil

The Grand Illusion

"If you couldn't buy anything with your money/stocks/bonds, their worth would revert to the value of the paper they're printed on. It's that simple." Chris Martenson ¹

If historians ever write an objective history of the United States for the fifty years bridging the 20th and 21st centuries, they will say it was an "Age of Grand Illusion," an era when most of our citizens lived in a state of "suspended disbelief," like watching a movie, where logic and reason were switched off in favor of a beguiling alternative reality. Historians will note this collective state of mind required an atmospheric condition – something breathed into our lungs unconsciously, something so intoxicating we failed to grasp its significance. Historians will also note this situation was no accident. While many factors contributed, they will conclude this state of suspended disbelief was induced over time by being maneuvered into converting the US dollar from a gold-backed currency to "fiat currency," then by becoming addicted to the ease with which more dollars could be printed to "pay" for those things we otherwise could not afford.

"The U.S. Treasury Department is set to maintain elevated sales of long-term debt to finance the government's widening budget deficit, with new issuance projected to top \$1 trillion for a second-straight year." *Bloomberg* ²

What is "Fiat Currency?"

For most, the term "fiat currency" has no meaning. Money is money. But here's a good way to think about it:

Imagine your employer pays you with money he prints himself – money backed with his pledge you will perform more work in the future to cover the expense he incurs to employ you today. On top of that, imagine your employer charges you interest for the privilege of using the money he prints.

That's fiat currency, a sort of double-debt, pledged by our government in our name and loaned to us, facilitated by "private interests." Because fiat currency is backed, not by hard assets but instead by this pledge of our labor, it can effectively be printed as needed, so long as those whose labor is pledged are compliant. These private interests – "international bankers" who are best known in the US as the Federal Reserve Bank (FED) – have so successfully promoted fiat currency and the loose monetary policy it enables that politicians have authorized the printing and distribution of ever-increasing amounts with little or no thought of the consequences. Thus, international bankers, by virtue of the enormous debt-burden they hold over the collective heads of world governments, have been able to insinuate themselves into roles of tremendous political influence in the US and throughout the world, supercharging their global political clout.

"The political and financial alliance between bankers and presidents and their cabinets defined, and continue to define, the politics and laws that drive the economy. My research shows that the revolving doors between

¹ 12/1/2017, *Peak Prosperity*, "You're Just Not Prepared For What's Coming" tiny.cc/mzxx2y

² 1/28/19, "U.S. Treasury Set to Borrow \$1 Trillion for a Second Year to Finance the Deficit" <https://www.bloombergquint.com/politics/another-year-another-1-trillion-in-new-debt-for-u-s-to-raise#gs.vvDYaDTj>

public and private service weren't created in the 1980s, as so many recent works claim. They were always present...

Congress was also flexing its muscles. Its members were increasingly taking bribes from the leaders of big business in return for favorable legislation. (Today, the practice is called campaign financing.)"
Nomi Prins ³

"The borrower is the servant of the lender, and there has never been more debt in our world than there is right now." Michael Snyder ⁴

What isn't Fiat Currency?

Prior to August 15, 1971, the dollar was effectively backed by gold, a commodity no banker or government can print. One troy ounce of gold equaled \$35, as established by the post WW II "Bretton Woods Agreement."⁵ Gold, having a record of inherent value dating back for millennia, made the dollar an asset with physical value. With some notable exceptions, this was the nature of money dating back to the formative years of our Nation's founding. At that time, our Nation's "good credit" – impossible without debt – was deemed so essential to the prosperity of the United States that Alexander Hamilton dedicated himself to seeing the role of money and debt enshrined within the US Constitution. Hamilton said,

"Money is, with propriety, considered as the vital principle of the body politic; as that which sustains its life and motion, and enables it to perform its most essential functions. A complete power, therefore, to procure a regular and adequate supply of it, as far as the resources of the community will permit, may be regarded as an indispensable ingredient in every constitution." ⁶

And so our Constitution specifically mentions money and debt:

Article 1, Section 8 - "The Congress shall have the power...To borrow Money on the credit of the United States...To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures..."

Further, and perhaps because the paper money called "continentals" used during the Revolutionary War was such a failure, the Constitution specified:

Section 10 - "No State shall...make any Thing but gold and silver Coin a Tender in Payment of Debts..."

Note that Hamilton said, "As far as the resources of the community will permit." James Madison apparently listened. "Credit," as codified by the Constitution, was backed by the Nation's gold and silver.

The First Global Currency

After World War II and the adoption of the "Bretton Woods Agreement," other world currencies became pegged to the dollar.

³ "All the Presidents' Bankers," pages xvi and 6, respectively.

⁴ Oct. 16, 2017, "How The Elite Dominate The World – Part 1: Debt As A Tool Of Enslavement"
<https://freedomoutpost.com/elite-dominate-world-part-1-debt-tool-enslavement/>

⁵ https://en.wikipedia.org/wiki/Bretton_Woods_system

⁶ "Federalist Papers," #30.

"Under the agreement, countries promised that their central banks would maintain fixed exchange rates between their currencies and the dollar."
Kimberly Amadeo ⁷

In this fashion, the first incarnation of a global monetary-system was established. An instrumental player in helping this happen was the central bank of central banks, the "Bank of International Settlements (BIS):"

"Our mission is to serve central banks in their pursuit of monetary and financial stability, to foster international cooperation in those areas and to act as a bank for central banks." Bank of International Settlements ⁸

With the dollar backed by gold, and there being a finite supply of gold, this limited how much money could be printed and borrowed. Attempts have long been made to stretch this limit – chief amongst them is “fractional reserve lending.” This is the practice of banks holding just enough of the money their customers entrust to them to cover the anticipated demands for future withdrawals, then loaning the rest out at interest. (See "Fractional Reserve Lending," later in this piece.) Pegging the dollar to gold, however, placed physical restraints on how much "stretch" banks could finagle. In turn, this naturally restrained monetary policies and helped hold government-spending in check.

In August of 1971, however, this restraint was eliminated by President Nixon. Infamous for the “Watergate Scandal,” Nixon took the United States – and by extension the entire world – off the “Gold Standard.” As his rationale, Nixon accused "money speculators" of threatening the dollar’s stability. In reality, the US no longer had sufficient gold to back the dollars in circulation:

"The US knew it was about to default on the Bretton Woods Accord."
Lynette Zang ⁹

Nixon’s “Watergate Tapes” offer another plausible explanation: He did it to get reelected.¹⁰ This leaves one to wonder who his backers were and how they managed to bring so much pressure to bear. Regardless of Nixon’s motivation, dropping the gold standard was like flipping a switch. Just like that, dollars became IOUs backed by nothing more than a pledge.

"Since the Nixon Administration took the United States off the gold standard...money is no longer backed by anything of intrinsic worth; its value rests merely on the shared confidence of its users in the system that creates it." William McKibben ¹¹

"In 1971 in what later came to be called 'The Nixon Shock,' President Nixon removed the dollar from the gold standard completely. At this point

⁷ 1/2/2019, "Bretton Woods System and 1944 Agreement - How Bretton Woods Introduced a New World Order"

<https://www.thebalance.com/bretton-woods-system-and-1944-agreement-3306133>

⁸ <https://www.bis.org/about/index.htm?m=1%7C1>

⁹ 10/11/2016, "The SDR: The New World Reserve Money"

<https://www.youtube.com/watch?v=rLaCoBNxbGE>

¹⁰ Ron Rimkus, CFA, "President Nixon: The Man Who Sold the World Fiat Money,"

<https://blogs.cfainstitute.org/investor/2013/03/13/president-nixon-the-man-who-sold-the-world-fiat-money/>

¹¹ "Deep Economy," page 162-163.

the dollar became a pure debt-based currency. With debt-based currencies, money is literally loaned into existence." *'Anonymous'*¹²

Of course, to average Americans there was little difference. They could still use their dollars to buy anything they wanted from almost anywhere in the world. That's because the dollar was trusted. In 1971, the dollar was the most trusted currency on the planet. This trust erroneously rubbed off on the dollar's new fiat surrogate.

"The Bretton Woods system rested on the gold exchange standard. The dollar was redeemable in gold by central banks at \$35/oz. Without this limit, the U.S. central bank could inflate at will. The federal government could run massive deficits financed by monetary inflation. That is why Nixon did it, and the FED responded as planned." Gary North,¹³

The Petrodollar Shuffle

Trust can be subverted, however, so Nixon and company bought an insurance policy to maintain the dollar's world primacy. They formed an agreement with Saudi Arabia which basically mandated the use of dollars to conduct oil transactions in the global marketplace. This is not the same thing as being backed by oil, but to the casual observer it created the perception of shifting the dollar's backing from gold to oil, an industrially vital commodity.¹⁴ Despite the dollar being backed by nothing, this linkage to oil created a huge demand for dollars in foreign exchange markets. Countries around the world felt compelled to opt in or be left behind. Thus the "petrodollar" was born, ensuring the dollar's continued primacy on the global stage.

"Much of the US dollar's global hegemonic status as perennial transnational reserve currency, most common means of value storage, means of exchange and even economic weapon, is based upon a nearly half-century old collusive political arrangement made between the Nixon administration and the Saudi Arabian government involving the necessary monetary means of pricing, trading, storing and investing with energy resources – The petrodollar standard, or petrodollar recycling, for shorthand." Tyler Durden¹⁵

Fertilizing the Federal Debt

With this new "fiat-currency" securely established, politicians in the federal government were faced with a huge new temptation. Predisposed to making promises, now they held an effective blank check. Not enough tax revenue to pay for a program? Borrow and print some more money.

"Promising Americans help, handouts, a hand up or to make things fair, required the spending of vast amounts of money, money that did not exist. It was obtained by taking the country off the gold standard and printing money out of thin air." LaVoy Finnicum¹⁶

¹² 9/10/2016, "The TRUTH about WW3," <https://www.youtube.com/watch?v=hHMe0NfUXNg>

¹³ 9/23/2016, "UN Report: The Looming Smash-Up of the World's Economy" <https://www.lewrockwell.com/2016/09/gary-north/looming-smash-worlds-economy/>

¹⁴ Pye Ian, May 11, 2017, <https://www.newsbud.com/2017/05/11/newsbud-exclusive-oil-on-gold-the-demise-of-the-ponzi-petrodollar-via-a-sustainable-multi-commodity-eastern-alternative/>

¹⁵ 2/2/2016, "The Global Run On Physical Cash Has Begun: Why It Pays To Panic First" <http://www.zerohedge.com/news/2016-02-27/global-run-physical-cash-has-begun-why-it-pays-panic-first>

¹⁶ "Only By Blood and Suffering," LaVoy Finnicum

Need more votes? Buy them.

"Politicians have long relied on money as a weapon system to buy votes or to undermine resistance to Washington." James Bovard ¹⁷

While this may not have been the immediate reaction in the halls of elected power, it took comparatively little time for the prospect of boundless spending to take subliminal root.

"For seven decades, high tax rates and a growing economy have produced record revenue, but not enough to keep pace with Congress's voracious appetite for spending.

Since the early 1970s, entitlements have been the federal budget's largest spending category, the sole source of the federal budget's growth relative to GDP, and the primary cause of chronic budget deficits." John F. Cogan ¹⁸

Without the requirement of hard asset backing, the government has grown accustomed to printing more money any time it wants to finance a new program or war that tax revenues are insufficient to cover.

"The just-released US Nuclear Posture Review calls nuclear weapons 'usable,' legitimizes their first use, and sets the stage for spending trillions of dollars acquiring more nuclear weapons when massive public needs go unmet and 10 percent of the existing US arsenal is sufficient to destroy all life on earth." Paul Craig Roberts ¹⁹

"Politicians have leveraged the fiat monetary system to make spending commitments that would be unthinkable and impossible under a gold standard." *Sound Money Defense League* ²⁰

From food stamps to Wall Street bailouts, from cold wars to hot wars and everything in between, our economy is awash in paper promises, and our government has come to hold in near disdain the implied fiscal discipline and expressed policy limitations placed on it by the Constitution. According to the US Department of the Treasury, "Since 1960, Congress has acted 78 separate times to permanently raise, temporarily extend, or revise the definition of the debt limit."²¹

By 2018, the twenty-one-trillion dollars our federal government had authorized itself to borrow was almost six times as much as it collects [annually] in taxes.²² We routinely

¹⁷ 2/17/2016, "How Government Buys Your Support"
<https://mises.org/library/how-government-buys-your-support>

¹⁸ 2/22/2018, "Why America Is Going Broke"
<https://www.wsj.com/articles/why-america-is-going-broke-1519254875>

¹⁹ 2/7/2018, "Washington Threatens America and the World"
<https://www.paulcraigroberts.org/2018/02/07/washington-threatens-america-world/>

²⁰ 4/7/2016, "How Unsound Money Fuels Unsound Government Spending"
<https://www.soundmoneydefense.org/news/2016/04/07/how-fiat-money-spending-is-destroying-our-nation-000029>

²¹ US Department of the Treasury
<https://home.treasury.gov/policy-issues/financial-markets-financial-institutions-and-fiscal-service/debt-limit>

²² Kimberly Amadeo, Nov. 7, 2018, *the balance*, "Current US Federal Government Tax Revenue - Who Really Pays Uncle Sam's Bills?"
<https://www.thebalance.com/current-u-s-federal-government-tax-revenue-3305762>

borrow and print money just to service this debt. If someone ran their business or household this way, we would say they were doomed to bankruptcy.

"Over an extended period, the impossible can be made possible with greater and greater issuances of debt. But ultimately, a giant pyramid of debt that's constructed on top of a faulty foundation of debt-based collateral always comes crashing down. That's a fact." MN Gordon ²³

To make matters worse, the federal government's penchant for issuing unfunded mandates has saddled states and local municipalities – thus individual taxpayers – with additional liabilities estimated to be over \$200 trillion and climbing!²⁴ In testimony to Congress, Laurence Kotlikoff, an esteemed Professor of Economics at Boston University, referred to these liabilities as the "infinite horizon fiscal gap."

"The infinite-horizon fiscal gap tells us whether the government has, over time, enough receipts to cover its projected spending. It equals the present value of all projected future expenditures less the present value of all projected future receipts...

Our \$210 trillion fiscal gap [as of 2014] represents 58 percent of the present value of projected future taxes. Hence, eliminating the fiscal gap via tax hikes requires an immediate and permanent 58 percent hike in federal taxes. Stated differently, the overall federal government is 58 percent underfinanced... Alternatively, spending would need to be cut by 37.7 percent." Laurence J. Kotlikoff ²⁵

Over time and with increasing nonchalance, the federal government has borrowed and printed ever more fiat currency to make good on its promises, all with little more than a fig leaf of concern for the consequences. The phrase "living beyond our means" seems a gross understatement. Since 1971, the growth of the US National Debt has taken an unerring path. While debt is nothing new to running a government, it's difficult to dismiss the apparent correlation between the adoption of fiat currency and the acceleration of total US debt in the post-Nixon era:

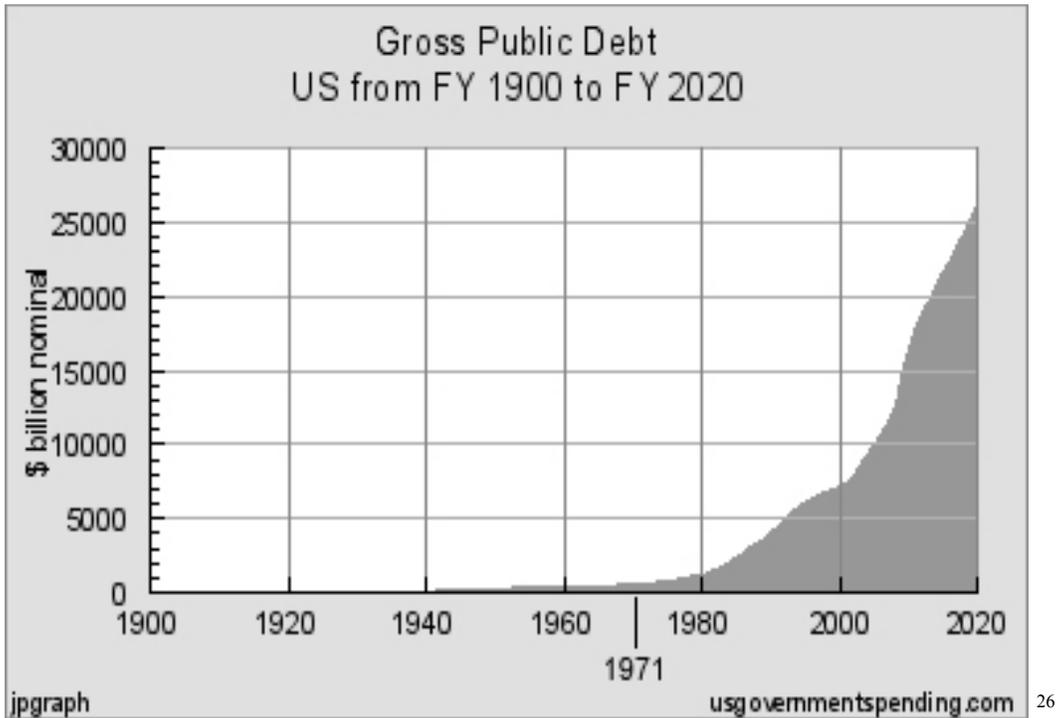
²³ 5/25/2018, "Getting Out of Dodge"

<https://economicprism.com/getting-out-of-dodge/#more-6065>

²⁴ Chris Martenson, July 6, 2018, *Peak Prosperity*, "Our Future Is (Literally) Crumbling Before Our Eyes," <https://www.peakprosperity.com/blog/99486/our-future-literally-crumbling-our-eyes>

²⁵ 2/25/2015, "America's Fiscal Insolvency and Its Generational Consequences - Testimony to the Senate Budget Committee"

<https://www.kotlikoff.net/sites/default/files/Kotlikoffbudgetcom2-25-2015.pdf>
(pages 4 and 5 respectively)



Meanwhile, the Federal Reserve Bank (FED) has been only too pleased to oblige, as it generates income on every dollar the government borrows, first in terms of a one-time fee for physical cash printed (constituting a small portion of "dollars" in circulation):

Denomination	Cost of Production
\$1 and \$2	5.4 cents per note
\$5	11.5 cents per note
\$10	10.9 cents per note
\$20	12.2 cents per note
\$50	19.4 cents per note
\$100	15.5 cents per note

²⁶ "Two Centuries of government Debt"
http://www.usgovernmentpending.com/debt_deficit_history
²⁷ "How much does it cost to produce currency and coin?"
https://www.federalreserve.gov/faqs/currency_12771.htm

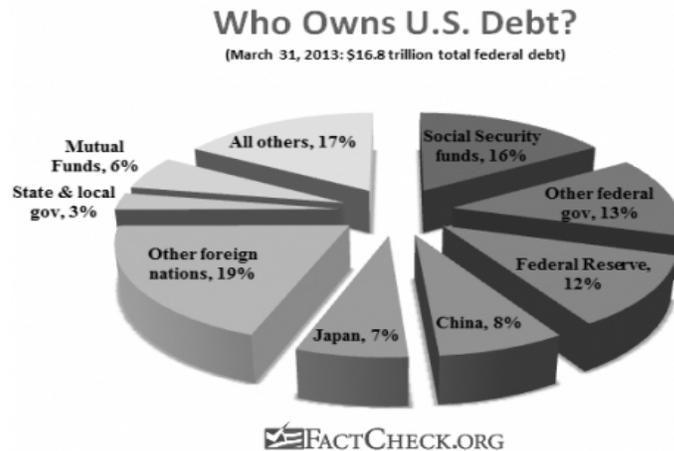
Then second, and most importantly, there is the ongoing interest our government pays on Treasury Bills held by the FED. The annual US debt service expense:

Available Historical Data Fiscal Year End	
2018	\$523,017,301,446.12
2017	\$458,542,287,311.80
2016	\$432,649,652,901.12
2015	\$402,435,356,075.49
2014	\$430,812,121,372.05
2013	\$415,688,781,248.40
2012	\$359,796,008,919.49
2011	\$454,393,280,417.03
2010	\$413,954,825,362.17
2009	\$383,071,060,815.42
2008	\$451,154,049,950.63
2007	\$429,977,998,108.20
2006	\$405,872,109,315.83
2005	\$352,350,252,507.90
2004	\$321,566,323,971.29
2003	\$318,148,529,151.51
2002	\$332,536,958,599.42
2001	\$359,507,635,242.41
2000	\$361,997,734,302.36

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In the last several years, the FED has become one of the largest private holders of US treasuries.

"The Federal Reserve has conjured an astonishing amount of money out of thin air in order to buy a big chunk of [US] debt." Simon Black ²⁹



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The previous pie chart is for 2013. As of January 2019, the FED owned \$2.46 trillion in Treasury Bills.³¹ While the FED reimburses interest income to the Treasury at the end of

²⁸ "Interest Expense on the Debt Outstanding"
https://www.treasurydirect.gov/govt/reports/ir/ir_expense.htm

²⁹ 2/16/2016, "Here's Why (And How) The Government Will "Borrow" Your Retirement Savings"
<http://www.alt-market.com/articles/2808-heres-why-and-how-the-government-will-qborrowq-your-retirement-savings>

³⁰ 11/19/2013, Brooks Jackson, "Who Holds Our Debt?"
<https://www.factcheck.org/2013/11/who-holds-our-debt/>

³¹ Kimberly Amadeo, 1/23/2019, "Who Owns the U.S. National Debt?"
<https://www.thebalance.com/who-owns-the-u-s-national-debt-3306124>

each year, the FED still owns the debt, suggesting the FED wields more leverage than a casual observer might think.

"As much as economists talk about the independence the FED holds from Congress, these remittances represent a strong link. In fact, since they enable federal spending, they create a form of quasi-fiscal policy for the FED to use, in addition to its more common monetary policy options."
David Howden ³²

By the beginning of 2016, the United States Federal Government had saddled its citizens with 19 trillion dollars of debt – an amount roughly equal to the nation's total GDP.



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That's roughly 60 thousand dollars per man, woman and child, regardless of whether or not they're employed. Of course, we citizens are also on the hook for our government's unfunded liabilities – the future cost to pay yesterday's promises. The value of unfunded liabilities is calculated by taking

"the difference between the net present value of expected future government spending and the net present value of projected future tax revenue, particularly those associated with Social Security and Medicare."
Vance Ginn ³⁴

How much does this come to? Since estimates for our unfunded liabilities range from 50 to 200 trillion dollars, the amount for every man, woman and child in the United States is between 200- and 800 thousand dollars. That's in addition to the aforementioned 60 thousand dollars. This all comes on top of what the federal government already takes in taxes, fees and mandates.

³² 2/4/2016, "The Cozy Relationship between the Treasury and the Fed"
<https://mises.org/library/cozy-relationship-between-treasury-and-fed>

³³ 1/8/2015, Dr. Joe Webb, "Federal Debt as Percentage of GDP Over 100%"
<http://whattheythink.com/data/71843-federal-debt-percentage-gdp/>

³⁴ 1/17/2014, "You Think The Deficit Is Bad? Federal Unfunded Liabilities Exceed \$127 Trillion"
<https://www.forbes.com/sites/realspin/2014/01/17/you-think-the-deficit-is-bad-federal-unfunded-liabilities-exceed-127-trillion/#3ed3cfa69bf8>

In state and local governments the circumstances are similar, with unfunded liabilities – federally mandated spending – accounting for much of this growth. At all levels of government, deficit spending continues with no end in sight.

"The economics profession shoulders some of the blame for this situation. Many economists relied on dubious macroeconomic theories to advocate deficit spending during the past recession. This provided a cloak of respectability to large budget deficits." Scott Sumner ³⁵

This begs the question of whether all this debt can ever be repaid.

"It's unlikely America will ever pay off its debt. It doesn't need to while creditors remain confident they will be repaid." Kimberly Amadeo ³⁶

"Confidence." That's a critical concept against which to measure the evolution of fiat currency and monetary policy.

A Brief History of the FED

To most Americans, the FED is a department of the federal government. As such, the FED's actions are interpreted as actions taken by the government itself. Most Americans are incredulous when informed the FED is a privately run, for-profit institution.³⁷ Nonetheless, this is so, and much of the authority over US monetary policy was ceded to the FED by Congressional passage of the "The Federal Reserve Act of 1913."³⁸

The Federal Reserve Act of 1913 established the Federal Reserve System as the central bank of the United States to provide the nation with a safer, more flexible, and more stable monetary and financial system. The law sets out the purposes, structure, and functions of the System as well as outlines aspects of its operations and accountability.³⁹

While the bill says nothing about the private nature of the "Federal" Reserve System, the bill was in fact conceived of and written in secret at a meeting held on Jekyll Island by the private bankers themselves.⁴⁰ The bill was passed on December 23rd, when most of the nation was ostensibly distracted by the upcoming holidays.⁴¹

"Our Constitution delegates to Congress the power to control our money. But with the Federal Reserve Act of 1913, Congress and Woodrow Wilson transferred power over our money to an international cabal of privately owned banks – the 'Federal Reserve.' " ⁴²

³⁵ 12/02/18, The Hill, "Our deficits may finally be coming home to roost"
<https://thehill.com/opinion/finance/419161-our-deficits-may-finally-be-coming-home-to-roost>

³⁶ 1/17/2019, "Will the US Debt Ever Be Paid Off?"
<https://www.thebalance.com/will-the-u-s-debt-ever-be-paid-off-3970473>

³⁷ Brooks Jackson, 3/31/2008, "Federal Reserve Bank Ownership"
<http://www.factcheck.org/2008/03/federal-reserve-bank-ownership/>

³⁸ "The Senate Passes the Federal Reserve Act"
https://www.senate.gov/artandhistory/history/minute/Senate_Passes_the_Federal_Reserve_Act.htm

³⁹ "The Federal Reserve Act"
<https://www.federalreserve.gov/aboutthefed/fract.htm>

⁴⁰ "The Creature From Jekyll Island," G. Edward Griffon, page 15

⁴¹ Stack Jones, 1/1/2018, "An Essay On the History of Banking"
<https://criminalbankingmonopoly.wordpress.com/category/banking-fraud/>

⁴² Publius Huldah, 1/11/2019, "The USMCA 'Trade Agreement' violates our Constitution and sets up Global Government"

President Woodrow Wilson gladly signed the bill into law, but not everyone was pleased with the prospect of a central bank.

"One of the plan's most strident critics, Representative Charles A. Lindbergh Sr., the father of the aviator, predicted that the Federal Reserve Act would establish 'the most gigantic trust on earth,' and that the Fed would become an economic dictator or, as he put it, an 'invisible government by the money power.'" Roger Lowenstein ⁴³

Money is the life's blood of a developed economy, especially a capitalist economy. Money is the fuel for the engine of "progress" made possible by freedom.

"Freedom is essential to capitalism. It is not surprising then that Milton Friedman picked 'Free to Choose' as the title of his extremely popular PBS series on capitalism, and 'Capitalism and Freedom' was the title of his book that sold over 1.5 million copies. He argued that economic freedom was 'a necessary condition for political freedom.'" Jonathan Tepper ⁴⁴

Already ensconced at the hub of capitalism by the nature of their business, passage of the Federal Reserve Act put private bankers in an even more powerful position to influence economic policies.

"The Federal Reserve Act has been amended a number of times since it became a law on December 23, 1913, but none of the amendments can be said to have affected any fundamental change [restrictions] in the structure or operation of the Federal Reserve System. Experience has indicated how the purposes of the framers of the Act could be advanced by further legislation." Walter S. Logan ⁴⁵

Indeed, in the wake of breaking the dollar's linkage to gold, the FED's primacy was further enhanced by "The Federal Reserve Reform Act of 1977:"

"The Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall maintain long run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices and moderate long-term interest rates." ⁴⁶

Often referred to as the "Dual Mandate," this act charged the FED with "maintaining stable prices AND ensuring maximum employment."⁴⁷ Putting these two objectives under the oversight of one organization was an ideal recipe for conflicts of interest. ⁴⁸

⁴³ 6/22/3013, *NYT*, "The Federal Reserve's Framers Would Be Shocked"

<https://www.nytimes.com/2013/06/23/business/the-federal-reserves-framers-would-be-shocked.html>

⁴⁴ 11/25/2018, "Competition Is Dying, and Taking Capitalism With It"

<https://www.bloomberg.com/opinion/articles/2018-11-25/the-myth-of-capitalism-exposed>

⁴⁵ Jan. 1922, *The Annals of the American Academy of Political and Social Science*, "Amendments to the Federal Reserve Act"

https://www.jstor.org/stable/1014518?seq=1#page_scan_tab_contents

⁴⁶ Fed Reserve Bank of Chicago, 1/18/19, "The Federal Reserve's Dual Mandate"

<https://www.chicagofed.org/publications/speeches/our-dual-mandate>

⁴⁷ Andrea Billups, 7/1/2015, "What Is the Fed's Dual Mandate?"

<http://www.newsmax.com/Finance/Money-Wire/Federal-Reserve-dual-mandate/2015/07/01/id/653144/>

⁴⁸ Narayana Kocherlakota, 6/10/2013, "Achieving the Dual Mandate, Together"

<https://www.minneapolisfed.org/publications/the-region/achieving-the-dual-mandate-together>

While the act stipulates taking a "balanced approach" to managing these objectives, the wording is subject to interpretation, thus the Reform Act created an environment rich with opportunities to pursue private agendas under the guise of public interest. For instance, the bank bailouts which began in 2008 put taxpayers in the position of subsidizing Wall Street banks. At this time the phrase "too big to fail" was coined, suggesting the country itself was in jeopardy if the banks ever failed. Then there was "quantitative easing" – printing money to stimulate the economy. Between 2008 and 2014, the base money supply increased four-fold, though much of it has mysteriously remained dormant:

"Today, more than \$2 trillion worth of these [new] reserves are parked at the Fed, which means that only two-thirds of the newly created money has actually been pumped into the 'real economy.' Now this policy should rightfully puncture the narrative that the Fed was at all concerned with providing liquidity to businesses on Main Street (i.e., not big banks). After all, if the aim of the various rounds of QE was to get banks to loan, then paying them not to is irrational. Instead, the Fed was using taxpayer dollars to subsidize the very same banks that they just bailed out. We are continuing, to this day, to pay banks to not make loans." Tho Bishop ⁴⁹

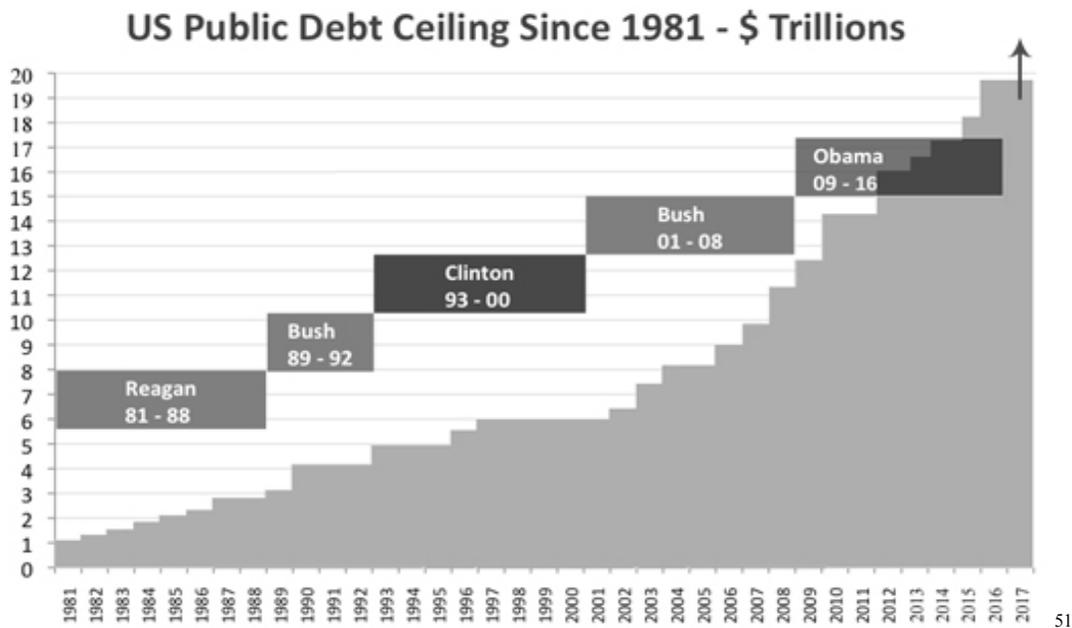
To whose benefit?

"In the wake of the 2008 financial crisis, the Fed, then chaired by Ben Bernanke, began an unprecedented quantitative easing (QE) program that literally changed everything. During the last eight years, monetary policy has completely upended the economy, and concentrated wealth into fewer and fewer hands, while making it more and more difficult for ordinary people to stay afloat." Mac Slavo ⁵⁰

While the Federal Reserve Act and its successive amendments contain language which seems to confer strict oversight of the FED to the government, the opposite tends to be the case. Having surrendered authority over monetary policy to the FED, one of the few fiscal controls retained by the US government is deciding how much money it will allow itself to borrow – the "debt ceiling." The next chart provides a quick overview of debt ceiling activity dating back to the early 1980s:

⁴⁹ 8/2/2017, "The Fed Gave Wall Street a Bomb, and the Taxpayers are Paying Ransom" <https://mises.org/library/fed-gave-wall-street-bomb-and-taxpayers-are-paying-ransom>

⁵⁰ 3/18/2016, "Proof It Is Rigged: 'Fed Moved 93% of Entire Stock Market Since 2008' " http://www.shtfplan.com/emergency-preparedness/proof-it-is-rigged-fed-moved-93-of-entire-stock-market-since-2008_03182016



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Thus "fiscal policy" has apparently been restrained by no more than the government's increasingly boundless appetite for spending and the scruples of those with the power to print, distribute and dictate the interest rates at which money is lent.

As government dependence on debt has grown, so too has the political clout of private bankers.

"It seems that every few weeks, another Goldman Sachs executive goes to work for a government agency, with bankers landing in positions of power at the Treasury Department, the Federal Reserve, and pulling the levers of the massive trillion-dollar federal bailout." Marcus Baram ⁵²

The "Godfather" of modern banking provides what may be the best possible glimpse into the motives of private banking interests:

"Let me issue and control a nation's money and I care not who writes the laws." Mayer Amschel Rothschild (1744-1812), founder of the House of Rothschild. ⁵³

Rothschild founded today's central banking cartel which includes the FED, and his apparent hubris finds flower in statements made by at least two Fed Chairmen from the early 21st century:

"First of all, the Federal Reserve is an independent agency. That means basically, there is no other agency of government which can overrule actions that we take." Alan Greenspan. ⁵⁴

⁵¹ "History of United States debt ceiling" (augmented)

https://en.wikipedia.org/wiki/History_of_United_States_debt_ceiling

⁵² Dec 06, 2017, "Government Sachs: Goldman's Close Ties To Washington Arouse Envy, Raise Questions"

http://www.huffingtonpost.com/2009/06/02/government-sachs-goldmans_n_210561.html

⁵³ "Famous Quotations on Banking"

<http://www.themoneymasters.com/the-money-masters/famous-quotations-on-banking/>

⁵⁴ 2/2/2012, "The Federal Reserve Is Above The Law"

<https://www.youtube.com/watch?v=zV0MyMpcSp4>

With regards to emergency bank bailouts, Senator Bernie Sanders asked Chairman Ben Bernanke if he would tell the committee which banks the Federal Reserve loaned money to. Bernanke's response, "No." ⁵⁵

While such comments might give one pause, renowned economists, including Milton Friedman, have lent significant credence to the fiat currency system by opining against what has historically been its alternative, the gold standard:

"[Milton Friedman] promoted the idea that storing gold in government vaults to back the currency is wasteful... To make monetary policy more efficient, the Federal Reserve should increase money by 2% to 5% per annum. He wanted central-bank-controlled fiat money." Gary North ⁵⁶

"[The gold standard] is not feasible because the mythology and beliefs required to make it effective do not exist. This conclusion is supported not only by the general historical evidence...but also by the specific experience of the United States." – Milton Friedman ⁵⁷

"The mythology and beliefs required to make it effective do not exist." One might draw the exact same conclusion about fiat currency.

Taking Advantage of Political Cover

Couple Friedman's opinion with the view espoused by Maynard Keynes that government spending helps to "stimulate and stabilize" the private sector,⁵⁸ and a dutiful train of politicians have embraced the mindset that without the benefits of an expanding fiat-money supply and government spending, our economy would not have grown so quickly, nor would our Nation have "progressed" so far:

- We might not have achieved the same degree of industrial and agricultural consolidation that exploits economies of scale to yield cheaper prices for consumers.
- We might not have climbed to the same heights of scientific and technological advancement that spin off new labor-saving devices and put almost boundless information at everyone's fingertips.
- We might not have developed so many medical breakthroughs that promise to prolong life.
- We might not have enacted so many programs to "promote the general Welfare."
- We might not have been able to put so much effort into knitting the diverse peoples of the world into a cohesive global society.

In short, we might not have become so culturally and economically efficient had it not been for the proliferation of fiat currency:

⁵⁵ Senator Bernie Sanders, 3/3/2009, "Fed Stonewalling - Bernanke Flatly Refused to Say Which Banks Took Trillions in Taxpayer Loans"

<https://www.youtube.com/watch?v=dX2qvbznGKM>

⁵⁶ 3/21/2011, "Milton Friedman's Money Machine"

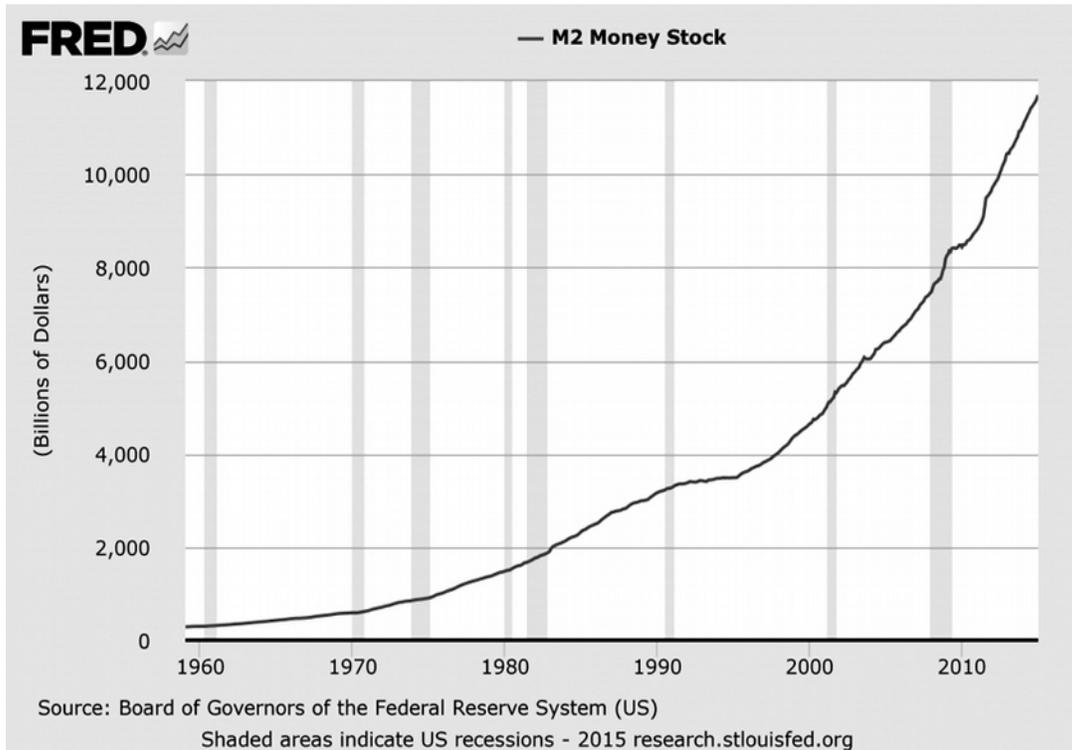
<https://dailyreckoning.com/milton-friedmans-money-machine/>

⁵⁷ Quoted by James Pethokoukis, 11/13/2015, "The gold standard: Please, stop"

<http://www.aei.org/publication/the-gold-standard-please-stop/>

⁵⁸ "Keynesian economics"

http://www.newworldencyclopedia.org/entry/Keynesian_economics



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Note: M2 is a calculation of the money supply that includes all elements of M1 as well as "near money." M1 includes cash and checking deposits, while near money refers to savings deposits, money market securities, mutual funds and other time deposits. These assets are less liquid than M1 and not as suitable as exchange mediums, but they can be quickly converted into cash or checking deposits.⁶⁰

But this begs the question, have our increased global efficiencies been a net benefit?

Who Defines "Benefit?"

Benefit is often defined by the political leaders and corporate captains who apply wealth and power to bolster their interests above all other concerns. Over time, companies owned and/or influenced by banking interests would grow to dominance and acquire other companies, thus growing into conglomerates which have further expanded into transnational corporations with even more influence. These corporations and their surrogate institutions have participated in writing increasingly sweeping legislation to favor themselves. Under the guise of pursuing greater efficiency they have consolidated many small companies into a few large corporations:

"The Telecommunications Act of 1996, signed into law on February 8, 1996, was 'essentially bought and paid for by corporate media lobbies,' as Fairness and Accuracy in Reporting (FAIR) described it, and radically "opened the floodgates on mergers." The act dramatically reduced important Federal Communications Commission (FCC) regulations on cross-ownership, and allowed giant corporations to buy up thousands of media outlets across the country, increasing their monopoly on the flow of information in the United States and around the world. Twenty years later the devastating impact of the legislation is undeniable: About 90 percent

⁵⁹ Ted Kavadas, "Money Supply Charts Through January 2015" <https://www.economicgreenfield.com/2015/02/26/money-supply-charts-through-january-2015/>

⁶⁰ Nathan Reiff, 12/30/2018, "M2" <http://www.investopedia.com/terms/m/m2.asp#ixzz4mRFaEAGx>

of the country's major media companies are owned by six corporations." Michael Corcoran ⁶¹

"While six companies controlling most everything the Western world consumes in regard to media may sound like a sinister arrangement, the Swiss Propaganda Research Center (SPR) has just released information that is even worse. The research group was able to tie all these media companies to a single organization—the Council on Foreign Relations (CFR)." Matt Agorist ⁶²

The telecommunications industry is just one case of many throughout the last century, with the people behind all the lobbying and boardroom negotiations often being the best situated to reap the greatest rewards from the efficiency of consolidation.

" 'Free to Choose' sounds great. Yet Americans are not free to choose. In industry after industry, they can only purchase from local monopolies or oligopolies that can tacitly collude. The U.S. now has many industries with only three or four competitors controlling entire markets. Since the early 1980s, market concentration has increased severely." Jonathan Tepper ⁶³

"To create efficiencies, an awful lot of inefficiencies have had to be eliminated."⁶⁴ How has the single-minded quest for economies-of-scale impacted the availability of satisfying vocations? What does it mean to tip an indigenous people and their environment upside-down for the sake of producing cheaper widgets? These are just for starters, and therein lies the problem. The consequences of eliminating inefficiencies include,

- Job displacement
- Cultural upheaval
- Destabilization of sovereign countries
- Environmental degradation
- International trade imbalances and more

Unfortunately, there are no universally accepted ways to measure the economic impact of consequences like these in cash-equivalent terms. Absent standardized measurement, the cost of eliminating inefficiencies just gets handed down to the common man and our planet.

"The external costs of capitalism will far exceed the total value of all the goods produced over the course of the industrial [and informational] revolution[s]. Past material comforts will be paid for by future curtailment of life on Earth. Greed, gluttony, envy, lust, and pride will have proven to

⁶¹ 2/11/2016, "Democracy in Peril: Twenty Years of Media Consolidation Under the Telecommunications Act"
<http://www.truth-out.org/news/item/34789-democracy-in-peril-twenty-years-of-media-consolidation-under-the-telecommunications-act>

⁶² 1/30/2018, "WikiLeaks Exposes How Most All Mainstream Media is Controlled by Council on Foreign Relations"
<https://freedomoutpost.com/wikileaks-exposes-mainstream-media-controlled-council-foreign-relations/>

⁶³ 11/25/2018, "Competition Is Dying, and Taking Capitalism With It"
<https://www.bloomberg.com/opinion/articles/2018-11-25/the-myth-of-capitalism-exposed>

⁶⁴ Bill McKibben, "Deep Economy," page 54.

be the five of the seven deadly sins that were deadly for planet Earth."
Paul Craig Roberts ⁶⁵

It will take a new kind of economics that includes cost/benefit analysis of non-traditional metrics to get an answer, and it will take a new kind of capitalism to embrace that answer. Fortunately, there is serious academic activity beginning to percolate in the area:

"Physical economy is concerned with principles of economic development. Putting aside conventional monetary measures of economic performance, it focuses on economic growth and development as defined in real physical terms. An economy is analyzed as a special kind of living organism evolving under the influence of scientific and technological progress, which is the chief source of increases in the productive power of society. The inseparable connection between physical-economic development and human creativity defines a deeper level of physical economy, focused on the creative process itself...

It is important to distinguish the meaning of the term 'physical economy' employed in this book, from others encountered in the literature. Nowadays 'physical economy' is most often used essentially as a synonym for 'energy economics' or 'ecological economics.' Here the object of study is not the economic development per se and how to achieve it, but rather the resource dependence and environmental impact of economies." Jonathan Tennenbaum ⁶⁶

While very encouraging, a broadly accepted consensus of non-traditional metrics – "the resource-dependence and environmental-impact of economies" – has yet to merge into mainstream economic/capitalistic thinking.

"Good Judgment Seeks Balance In Progress"

Managed with principled discipline, an economy based on fiat currency should theoretically be sustainable, as long as all involved parties endorse the means of exchange. But has our money supply been managed with principled discipline? Examples of undisciplined management are as numerous as political promises. Unfortunately, spending on promises tends to be so politically supercharged as to overshadow concerns about fiscal discipline, but perhaps one of the best examples occurred in March of 2016, when news broke:

"Over a mere two decades, the Pentagon lost track of a mind-numbing \$10 trillion — that's trillion, with a fat, taxpayer-funded "T" — and no one, not even the Department of Defense, knows where it went or on what it was spent." Claire Bernish ⁶⁷

⁶⁵ 11/2/2018, "Is The Evidence of Global Warming Too Scary For Humans To Cope With?"
<https://www.paulcraigroberts.org/2018/11/02/is-the-evidence-of-global-warming-too-scary-for-humans-to-cope-with/>

⁶⁶ "The Physical Economy of National Development," preface
<https://www.scribd.com/document/370188870/The-Physical-Economy-of-National-Development-Definitivo-Jonathan-Tennenbaum>

⁶⁷ 3/27/2017, "\$10 Trillion Missing From Pentagon And No One — Not Even the DoD — Knows Where It Is"
<http://www.activistpost.com/2017/03/10-trillion-missing-pentagon-no-one-not-even-dod-knows.html>

Ten trillion dollars (\$10,000,000,000,000.00). That's an amount roughly equal to one-half of our current national debt. Had the Pentagon misplaced ten billion dollars that would have been bad enough, but 100-times as much?! Yet the headlines came and went. There was almost no public outcry over how that much could be unaccounted-for money, let alone how it might have been spent. It's not even remotely credible to think so much money could just be misplaced. And how could the loss be so easily swept under the rug unless the collective intellect of the taxpayers was pre-programmed to dismiss it?

The Pentagon's unaccounted-for spending brings to mind a stark warning from 1961, made by President Dwight Eisenhower in his farewell address:

"In the councils of government, we must guard against the acquisition of unwarranted influence whether sought or unsought by the military industrial complex. The potential for the disastrous rise of misplaced power exists, and will persist." ⁶⁸

What else but a vast "military industrial complex" with great influence could "lose" ten trillion dollars and get off with hardly a slap on the wrist? In the same speech, President Eisenhower also noted, "Good judgment seeks balance in progress." Were it not for the imbalance made possible by an overabundance of easy money, would such a huge loss of funds have even been possible, let alone gone almost unremarked?

The Debt Launchpad - Factional Reserve Lending

Hundreds of years ago, as the banking system evolved, bankers used to hold assets like gold and silver in their vaults. Customers would bring them their precious metals, and in turn the bankers would issue receipts, or bank notes, for those "deposits." Customers could redeem their bank notes for their gold or silver at any time. Because the bank notes proved so easy and convenient to carry, however, customers began using them to trade directly for goods and services, rather than redeeming the bank notes and transporting precious metals. In this fashion, paper currency was born.

Over time, bankers realized their customers were increasingly unlikely to redeem their notes for hard currency, and certainly not all at once. As bankers accrued more experience, they concluded they could print ten, twenty, then even thirty times more paper bank notes than they had gold and silver in their vaults. Thus was born "fractional reserve lending" – holding a fraction of the hard assets needed to cover claims on all the bank notes they had issued. The bankers would loan these bank notes to other customers at interest.

"Approximately 70% of money in circulation is created by ordinary banks which are allowed to loan out more than they actually have in their accounts. The rest is created by the FED which loans [fiat] money to the government." '*Anonymous*' ⁶⁹

Fractional reserve lending artificially expands the money available for banks to loan, thus creating purchasing power - a wealth multiplier - where none existed before. It sounds logical if practiced judiciously, but from there it was just a matter of time. If the banks could print thirty times more bank notes than they had gold to back it, why not one hundred? Why peg dollars to gold at all?

⁶⁸ 5/17/2015, "Eisenhower Farewell Address - 'Military Industrial Complex' WARNING"
<https://www.youtube.com/watch?v=OyBNmecVtdU> (*Minute 7:30 in speech*)

⁶⁹ 9/10/2016, "The TRUTH about WW3"
<https://www.youtube.com/watch?v=hHMe0NfUXNg>

When fiat currency emerged, reserve requirements transformed from banks holding a fraction of the gold needed to back up their deposits, to banks holding just a fraction of the bank notes needed to back up their deposits. Then, as long as people trusted the money to provide purchasing power, banks could multiply wealth by hundreds if not thousands of times. Thus, banks adopted a very flexible notion of reserve requirements:

"Reserve requirements are the amount of funds that a depository institution must hold in reserve against specified deposit liabilities. Within limits specified by law, the Board of Governors has sole authority over changes in reserve requirements. Depository institutions must hold reserves in the form of vault cash or deposits with Federal Reserve Banks." Board of Governors of the Federal Reserve System ⁷⁰

Reserve Requirements

Liability Type	Requirement	
	% of liabilities	Effective date
Net transaction accounts ¹		
\$0 to \$15.2 million ²	0	1-21-16
More than \$15.2 million to \$110.2 million ³	3	1-21-16
More than \$110.2 million	10	1-21-16
Nonpersonal time deposits	0	12-27-90
Eurocurrency liabilities	0	12-27-90

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To give this chart some context, the average size of a personal savings account deposit was \$33,766 in 2013, and the median was \$5,200.⁷² For all practical intents and purposes, money in these quantities has no reserve requirements at all, hence the need for the Federal Deposit Insurance Corporation.

"The Federal Deposit Insurance Corporation (FDIC) is an independent agency created by the Congress to maintain stability and public confidence in the nation's financial system." Mission ⁷³

The FDIC is an agency that backs bank deposits when the banks themselves can't. Upon whom does the FDIC ultimately rely for its funding? It charge fees to the banks, which the banks pass on to their customers. That would be us.

⁷⁰ "Reserve Requirements"
<http://www.federalreserve.gov/monetarypolicy/reservereq.htm>

⁷¹ "Reserve Requirements"
<http://www.federalreserve.gov/monetarypolicy/reservereq.htm#table1>

⁷² Chris Moon, "Average U.S. Savings Account Balance 2019: A Demographic Breakdown"
<https://www.valuepenguin.com/banking/average-savings-account-balance>

⁷³ "2018-2022 Strategic Plan"
<https://www.fdic.gov/about/strategic/strategic/mission.html>

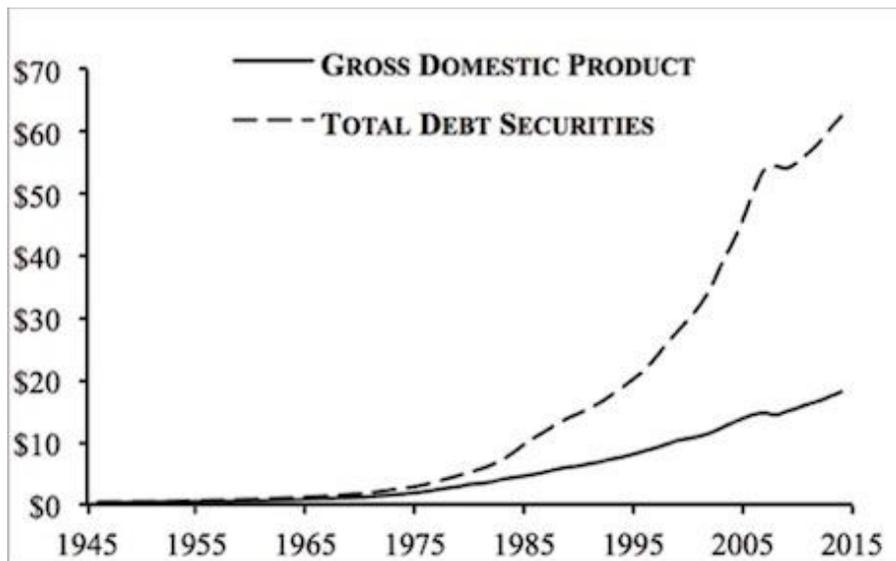
"Fortunately, the FDIC is backed by the full faith and credit of the United States government... so even if they run out of cash, we can just print some more!" Consumerist ⁷⁴

Fractional Reserve Lending on Steroids

Today, wealth creation manifests itself in all manner of financial instruments being conjured from the fiat-currency spawning ground. Whereas fractional reserve lending once maintained a connection, however tenuous, to real commodities, financial instruments called "derivatives" or "exotic investments" have broken these ties altogether. Derivatives have been used to create wealth where none existed before – out of "whole cloth." These assets are all backed by fiat dollars, or more correctly, they are backed by a fraction of the fiat dollars needed to "redeem them." There are many types of derivatives, limited only by imagination. The more common types include:

- Futures contracts (placing bets on the future prices of stocks, commodities, interest rates, foreign currencies, and much more)
- Exchange-traded funds (ETFs⁷⁵) which amongst other things provide "virtual" ownership of many commodities, including precious metals.
- Mortgage- and debt-backed securities, which bundle home mortgages and other debt instruments into traded funds.
- Credit default swaps (CDS) – "a financial swap agreement that the seller of the CDS will compensate the buyer in the event of a loan default (by the debtor) or other credit event."⁷⁶
- And derivatives that bundle other derivatives to make risks look more palatable.

The following graph illustrates the growth of these derivative/debt-backed assets against the growth of the US Gross Domestic Product (in trillions of Dollars) between 1945 to 2016:



⁷⁴ "How The FDIC is Funded"
<https://consumerist.com/2009/06/20/how-the-fdic-is-funded/>

⁷⁵ James Chen, 1/16/2019, "Exchange-Traded Fund (ETF)"
<http://www.investopedia.com/terms/e/etf.asp>

⁷⁶ "Credit default swap"
https://en.wikipedia.org/wiki/Credit_default_swap

Data adapted from Federal Reserve Bank of St. Louis (2017).⁷⁷

The derivatives market received a huge boost when Bill Clinton signed the 1999 Gramm-Leach-Bliley Act.

"Near the end of his tenure, Bill Clinton signed legislation repealing Glass-Steagall (the 1999 Gramm-Leach-Bliley Act – letting insurance, investment and commercial banking merge) and the Commodity Futures Modernization Act (permitting unregulated commodity and derivatives trading)." Stephen Lendman⁷⁸

The merits of repealing Glass-Steagall have been widely debated, but indisputable is that it opened the door to a vast proliferation of derivatives products, and by extension the dollars they represent.

"Futures exchanges trade in standardized derivative contracts. These are options contracts and futures contracts on a whole range of underlying products... The total notional amount of all the outstanding positions at the end of June 2004 stood at \$53 trillion. That figure grew to \$81 trillion by the end of March 2008...

further:

Tailor-made derivatives not traded on a "futures exchange" are traded on over-the-counter markets, also known as the OTC market...Products that are always traded over-the-counter are swaps, forward rate agreements, forward contracts, credit derivatives, accumulators etc. The total notional amount of all the outstanding positions at the end of June 2004 stood at \$220 trillion. By the end of 2007 this figure had risen to \$596 trillion, and in 2009 it stood at \$615 trillion."⁷⁹

and finally:

"The derivatives market is, in a word, gigantic, often estimated at more than \$1.2 quadrillion. Some market analysts estimate the derivatives market at more than 10 times the size of the total world gross domestic product, or GDP." J.B. Maverick⁸⁰

At the same time that various types of derivatives were proliferating, so too was our money supply. The "M2 in the United States has grown along with the economy, rising from \$4.6 trillion in January 2000 to \$12.8 trillion in June 2016."⁸¹ 2018 estimates from the Federal Reserve of St. Louis are even higher:

M2 for United States as of December 2018: \$14,387,700,000,000 (\$14.8 trillion).⁸²

⁷⁷ The Phoenix, 12/28/2017, "This Is The Single Most Important Chart For the US Financial System" <https://gainspainscapital.com/2017/12/28/single-important-chart-us-financial-system/>

⁷⁸ 8/25/2015, "Global Derivatives: \$1.5 Quadrillion Time Bomb" <http://www.globalresearch.ca/global-derivatives-1-5-quadrillion-time-bomb/5464666>

⁷⁹ "Derivatives market" https://en.wikipedia.org/wiki/Derivatives_market

⁸⁰ 6/6/2018, "How big is the derivatives market?" <http://www.investopedia.com/ask/answers/052715/how-big-derivatives-market.asp#ixzz4mRGTjzbD>

⁸¹ Nathan Reiff, 12/30/2018, "M2" <http://www.investopedia.com/terms/m/m2.asp#ixzz4mRFaEAGx>

⁸² "M2 Money Stock (M2)" - tiny.cc/8kw12y

M2 for Euro Area as of early 2017: 10,876,141,000,000 (10.9 trillion Euros).⁸³

That's roughly \$1.2 quadrillion in derivatives to roughly \$25 trillion in combined M2 dollars – a ratio of one real dollar for every forty-eight dollars in leveraged value – very close to the reserve ratio adopted by bankers in the early days of fractional reserve lending. And remember, the "real" dollars referred to are fiat dollars, with no intrinsic value beyond faith they can be exchanged for real goods and services.

Getting Something for Nothing

With such a vast proliferation of artificial wealth, one has to wonder how difficult it would be for those who create these instruments to use their inventions to siphon off real wealth? If done carefully, slowly, and under cover of official approval, who would notice? Nothing overt, just a slow and steady accumulation over the course of years and decades. As we seem to be reaching peak froth in world finances, there has never before been so much disparity between the ultra wealthy and the rest of humanity.

"For a decade, central banks have printed enormous quantities of new money. The excuse is to stimulate the economy by reviving inflation. However, the money has, for the most part, driven up the prices of financial assets instead of consumer and producer prices. The result has been a massive increase in the inequality of income, wealth, and opportunity." Paul Craig Roberts⁸⁴

By what sort of sanctioned alchemy can newly minted wealth be quietly transmuted into the accumulation of "hard" assets, assets like stocks, commodities, real estate and other goods that have physical presence? A good example can be found by examining how a common type of derivative, a commodity-based ETF, functions. These instruments are used to sell ownership of hard assets, but rather than the buyer taking physical possession of the assets, brokers sell contracts, or certificates of ownership. In theory, the buyer could covert his or her certificate into the hard asset if they chose. In practice, ETFs work more like fractional reserve lending, with brokers selling more certificates than there exists of that asset. Gold is a perfect example:

"A gold exchange traded fund is a commodity ETF that consists of only one principle asset: gold. However, the fund itself consists of gold derivative contracts that are backed by gold. You do not actually own any gold. Even when you redeem a gold ETF, you do not receive the precious metal in any form. Instead, an investor receives the cash equivalent." Mark Kennedy⁸⁵

"Backed" by gold. But how much, exactly?

"There are now 293 ounces of paper gold for every 1 ounce of Comex-registered physical gold." Tyler Durden⁸⁶

⁸³ "M2 for Euro Area" - <https://fred.stlouisfed.org/series/MYAGM2EZM196N>

⁸⁴ 1/3/2018, "Phillips Curve R.I.P." <https://www.paulcraigroberts.org/2018/01/03/phillips-curve-r-p/>

⁸⁵ 11/4/2018, "Getting Started With Gold ETFs" <https://www.thebalance.com/gold-etf-what-you-need-to-know-1214748>

⁸⁶ 11/04/2015, "There Are Now 293 Ounces Of Paper Gold For Every Ounce Of Physical As Comex Registered Gold Hits New Low" <https://www.zerohedge.com/news/2015-11-04/there-are-now-293-ounces-paper-gold-every-ounce-physical-comex-registered-gold-hits->

Some estimates range significantly higher, and much the same holds true for ETFs in general, with more shares being offered than exist of the actual stock or commodity. The ratio for silver ETF shares to actual silver is perhaps the highest of all – as much as 500 to 1.⁸⁷ With this kind of leverage, many things become possible:

"We know the original intent in the trading of commodities and commodity derivatives turned into something quite different once big banks realized they could use the assets as inflation hedges...Goldman Sachs, along with other big banks, discovered that by combining the control of physical commodities and dominating the derivatives and futures markets, they had all of the tools to manipulate every mechanism in the global financial system." Don Potochny⁸⁸

And price manipulation does occur:

"The fact that [gold] bullion prices are determined in this paper, speculative market, and not in real physical markets where people sell and acquire physical bullion, is the reason the bullion banks can drive down the price of gold and silver even though the demand for the physical metal is rising." Paul Craig Roberts and Dave Kranzler⁸⁹

While any increase in demand for a physical metal should drive up its price – called "price discovery" – this pressure can be offset with paper trades. In theory, this is illegal, and sometimes the perpetrators get caught:

"Deutsche Bank AG has agreed to pay \$38 million to settle U.S. litigation over allegations it illegally conspired with other banks to fix silver prices at the expense of investors, according to court papers filed on Monday." Reuters⁹⁰

and

"NEW YORK (Reuters) - Deutsche Bank AG has agreed to pay \$60 million to settle private U.S. antitrust litigation by traders and other investors who accused the German bank of conspiring to manipulate gold prices at their expense." Jonathan Stempel⁹¹

Deutsche Bank settled these cases, avoiding potentially devastating lawsuits, but

"Eight months after Deutsche Bank AG settled a lawsuit claiming it manipulated gold and silver prices, documents it disclosed as part of the accord provide "smoking gun" proof that UBS Group AG, HSBC Holdings Plc, Bank of Nova Scotia and other firms rigged the silver market, plaintiffs claim..."

⁸⁷ Steven St. Angelo, 5/15/2017, "PAPER vs. PHYSICAL: The Amazing Amount Of Leverage In The Silver Market"

<https://srsroccoreport.com/paper-vs-physical-the-amazing-amount-of-leverage-in-the-silver-market/>

⁸⁸ 7/27/2013, "How the Commodities Market is Manipulated"

<https://www.equedia.com/how-the-commodities-market-is-manipulated/>

⁸⁹ 7/8/2015, "Are Big Banks Using Derivatives To Suppress Bullion Prices?"

<http://www.paulcraigroberts.org/2015/07/08/big-banks-using-derivatives-suppress-bullion-prices-paul-craig-roberts-dave-kranzler/>

⁹⁰ 10/18/2016, "Deutsche Bank to pay \$38 million in US silver price-fixing case"

<https://www.cnn.com/2016/10/18/deutsche-bank-to-pay-38-million-in-us-silver-price-fixing-case.html>

⁹¹ 12/2/2016, "Deutsche Bank to pay \$60 million to settle U.S. gold price-fixing case"

<http://www.reuters.com/article/us-deutsche-bank-settlement-gold-idUSKBN13R2N1>

According to the plaintiffs, records surrendered by Deutsche Bank show traders and submitters coordinating trades in advance of a daily phone call, manipulating the spot market for silver, conspiring to fix the spread on silver offered to customers and using illegal strategies to rig prices." David Glovin and Edvard Pettersson ⁹²

While Deutsche Bank accepted a slap on the wrist to settle this issue, other banks, financial institutions and knowledgeable investors took full advantage of low paper prices to stockpile real commodities:

"The total JP Morgan silver stockpile has increased dramatically in the last four years. In 2011, JP Morgan had little or no physical silver. By 2012, they had acquired 5 million ounces of silver bullion. Incredibly, in the last 3 years their COMEX silver stockpile has increased tenfold and is now over 55 million ounces." Mark OByrne ⁹³

"The US's biggest and most important bank, JP Morgan Chase, has accumulated the largest privately owned stockpile of physical silver in world history over the past five years – 500 million ounces." Ted Butler via Dr. Paul Pharms, PhD ⁹⁴

Regarding JP Morgan's purchase activities, they claim their buying activities have been independently verified as nothing unusual, and articles have been written to this effect. This makes it difficult to parse an accurate accounting, but clearly, any entity powerful enough to manipulate commodity pricing also has the clout to commission mitigating opinions. Take for instance the research report, "Deriving the Economic Impact of Derivatives: *Growth Through Risk Management*," written by the Milken Institute:

"Our statistical analysis demonstrates that the use of derivatives by banks allows for a larger volume of commercial and industrial loans, increasing business investment. It also confirms that investors assign higher valuations to non-financial firms that use derivative products—valuations that boost their willingness and ability to expand operations." Apanard Prabha, Keith Savard, and Heather Wickramarachi ⁹⁵

"The Milken Institute is an independent economic think tank based in Santa Monica, California. It publishes research and hosts conferences that apply market-based principles and financial innovations to social issues in the US and internationally. The Institute is a 501(c)(3) nonprofit organization and is nonpartisan and non-ideological." ⁹⁶

It sounds impressive and objective, but it turns out the report was done in cooperation with the CME Group:

⁹² 12/7/2016, "Deutsche Bank Records Said to Show Silver Rigging at Other Banks" <https://www.bloomberg.com/news/articles/2016-12-08/deutsche-bank-records-alleged-to-show-banks-rigged-silver-prices>

⁹³ 5/1/2015, "JP Morgan Cornering Silver Bullion Market?"

<http://www.goldcore.com/us/gold-blog/jp-morgan-cornering-silver-bullion-market/>

⁹⁴ 12/19/2016, "JPMorgan to Send Silver Soaring As Physical Stockpiling Completed?"

<https://www.linkedin.com/pulse/jpmorgan-send-silver-soaring-physical-stockpiling-dr-paul-pharms-phd>

⁹⁵ March 2014, "Deriving the Economic Impact of Derivatives," page 8

<http://assets1c.milkeninstitute.org/assets/Publication/ResearchReport/PDF/Derivatives-Report.pdf>

⁹⁶ "Milken Institute" https://en.wikipedia.org/wiki/Milken_Institute

"This project evolved from discussions with various stakeholders of the Milken Institute who encouraged us to examine derivatives markets in the aftermath of the financial crisis and Great Recession. It was made possible through the support of the CME Group. The views expressed in the report, however, are solely those of the Milken Institute." ⁹⁷

"CME Group is the world's leading and most diverse derivatives marketplace, handling 3 billion contracts worth approximately \$1 quadrillion annually (on average). The company provides a marketplace for buyers and sellers, bringing together individuals, companies and institutions that need to manage risk or that want to profit by accepting risk." CME Group ⁹⁸

Relationships like this are ubiquitous. Money changes hands when reports are commissioned, leading to follow-up articles and opinions. Sentiments of high-minded responsibility are even echoed by academics:

"The main tools and strategies of price risk management are hedging and other derivatives such as futures contracts, swaps and options contracts. Hedging is a transaction designed to reduce or eliminate price risk. Derivatives are financial instruments, whose returns are derived from other financial instruments and they are commonly used for managing financial risks." Bold Sandagdorj ⁹⁹

"Derivatives are commonly used for managing financial risks," even so derivatives have demonstrated themselves to be amongst the riskiest investments ever conjured, as illustrated by this excerpt from the prospectus of an exotic derivative:

"ProShares Ultrashort QQQ (the "Fund") seeks daily investment results, before fees and expenses, that correspond to two times the inverse (-2x) of the return of the Nasdaq-100 Index (the "Index") for a single day, not for any other period. A "single day" is measured from the time the Fund calculates its net asset value ("NAV") to the time of the Fund's next NAV calculation. The return of the Fund for periods longer than a single day will be the result of its return for each day compounded over the period. **The Fund's returns for periods longer than a single day will very likely differ in amount, and possibly even direction, from the Fund's stated multiple (-2x) times the return of the Funds Index for the same period.** For periods longer than a single day, the Fund will lose money if the Index's performance is flat, and **it is possible that the Fund will lose money even if the level of the Index falls...Investors in the Fund should actively manage and monitor their investments, as frequently as daily. An investor in the Fund could potentially lose the full principal value of his/her investment within a single day.**" ¹⁰⁰

⁹⁷ March 2014, "Deriving the Economic Impact of Derivatives," page 3
<http://assets1c.milkeninstitute.org/assets/Publication/ResearchReport/PDF/Derivatives-Report.pdf>

⁹⁸ From 2013 "CME Group Overview"
<https://www.cmegroup.com/company/visit/files/cme-group-overview.pdf>

⁹⁹ "Price risk management in the copper market using commodity derivatives and options strategies," Michigan Technological University, Masters Thesis
<http://digitalcommons.mtu.edu/cgi/viewcontent.cgi?article=1447&context=etds>

¹⁰⁰ "Summary Prospectus," Oct. 2018, PROSHARES ULTRASHORT QQQ

"An investor in the Fund could potentially lose the full principal value of his/her investment within a single day." That's some risk management!

As far back as 2003, Warren Buffet called derivatives "financial weapons of mass destruction."¹⁰¹ He and his company "view them as time bombs, both for the parties that deal in them and the economic system"¹⁰² Buffet's proclamation proved prophetic in 2008.

"While the root cause of the financial crisis is assumed to have been the residential real estate asset price bubble, the underlying systemic risk, and the primary reason for the "too big to fail" doctrine whereby governments were compelled to save financial institutions at any cost, lies in over the counter (OTC) derivatives." Ron Hera ¹⁰³

Derivatives are not the risk-mitigators some tout them to be, and they clearly create unprecedented opportunities to manipulate market valuations. With manipulation comes the ability to funnel real wealth – in the form of buying hard assets at artificially low prices – into the hands of the very people, institutions, and their surrogates who invented derivatives and fiat currency in the first place.

"Since the collapse of Lehman Brothers in 2008, central banks have bought \$10.8 trillion in assets." Tyler Durden ¹⁰⁴

"If gold and silver are not real money and they are not safe haven assets, then why did the central banks of Switzerland and Norway just print \$2 billion dollars in currency and immediately move that paper currency into gold mining companies?" Marc Slavo ¹⁰⁵

Hiding In Plain Sight

Adherents of Ludwig Von Mises and the "Austrian School of economic thought" claim that rapid expansion of the fiat money supply will lead to hyper-inflation. Bearing witness to this claim, they point to Venezuela, which has known bouts of massive inflation over the course of decades:

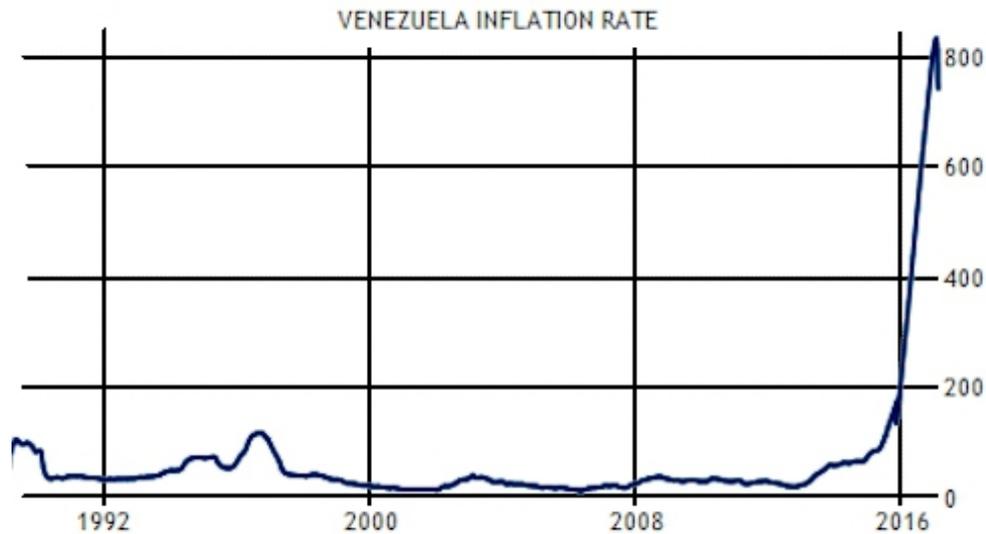
¹⁰¹ Lucinda Shen, 8/8/2016, "Warren Buffett Just Unloaded \$195 Million Worth of These 'Weapons of Mass Destruction'" - <http://fortune.com/2016/08/08/mass-destruction-buffett-derivatives/>

¹⁰² Mary Hall, 3/5/2018, "How Companies Use Derivatives to Hedge Risk" <http://www.investopedia.com/articles/stocks/04/122204.asp#ixzz4qUtGQKPp>

¹⁰³ 5/11/2010, "Forget About Housing, The The Real Cause Of The Crisis Was OTC Derivatives" <http://www.businessinsider.com/bubble-derivatives-otc-2010-5>

¹⁰⁴ 8/8/2017, "The Most Important Chart For Stocks" <http://www.zerohedge.com/news/2017-08-08/most-important-chart-stocks>

¹⁰⁵ 9/3/2016, "2 Central Banks Just Printed Billions In Fiat Currency Then Immediately Bought Gold Mining Stocks With It!" <http://freedomoutpost.com/2-central-banks-just-printed-billion-in-fiat-currency-then-immediately-bought-gold-mining-stocks-with-it/>



SOURCE: WWW.TRADINGECONOMICS.COM - BANCO CENTRAL DE VENEZUELA

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While there have been many extenuating circumstances to Venezuela's situation, loose money policy has rendered Venezuela so broke "that it may not have enough money to pay for its money."¹⁰⁷

Advocates of fiat currency disagree with this warning. Regarding the US marketplace they ask, "Where is the hyper-inflation?" They point to the years in which "Quantitative Easing" has taken place, yet inflation has not erupted. While inflationary pressures may appear tame, "appear" is the operative word. Those who shrug off hyper-inflation seem to discount some important considerations:

- Many economic factors have remained anemic – weak retail sales, weakening housing starts, and half of Americans relying on help from the government.¹⁰⁸
- Stock and bond traders have become dependent on loose money, tending to hang on every syllable uttered by the FED while ignoring more traditional signals. This has helped to drive up stock prices, in effect "inflating" valuations beyond levels suggested by more traditional metrics.

"What explains the high stock prices? The answer is the trillions of dollars the Federal Reserve has created in order to stabilize the large "banks too big to fail" and bail out their extremely poor investment decisions. All of this liquidity found its way into the financial sector where it drove up the prices of stocks and bonds, enriching equity owners." Paul Craig Roberts ¹⁰⁹

¹⁰⁶ Elena Holodny, 3/21/2017, "This chart shows the insanity of Venezuela's hyperinflation"

<https://www.businessinsider.com/venezuela-hyperinflation-chart-2017-4>

¹⁰⁷ Andrew Rosati, 4/27/2016, "Venezuela Doesn't Have Enough Money to Pay for Its Money"

<https://www.bloomberg.com/news/articles/2016-04-27/venezuela-faces-its-strangest-shortage-yet-as-inflation-explodes>

¹⁰⁸ Merrill Matthews, 7/2/2014, "We've Crossed The Tipping Point; Most Americans Now Receive Government Benefits"

<https://www.forbes.com/sites/merrillmatthews/2014/07/02/weve-crossed-the-tipping-point-most-americans-now-receive-government-benefits/#3c13cc303e6c>

¹⁰⁹ March 8, 2018, "Make-Believe America"

<https://www.paulcraigroberts.org/2018/03/08/make-believe-america/>

"The creation of money has far outpaced the growth of real output and has driven up values of financial assets beyond what can be supported by 'conditions on the ground.'" Paul Craig Roberts ¹¹⁰

- The methodology used by the government to calculate the CPI has undergone numerous revisions.¹¹¹ These revisions often seem calculated to help suit a desired outcome.
- Many items are no longer built to last as long as they once did – planned obsolescence – thus consumers buy them more frequently. While the unit cost may have declined, the capital outlay of ownership has increased.

There are also some who suggest a period of deflation must occur before inflation kicks in. Deflation results when companies lower prices to gain market share, which drives some competitors out of business and reduces competitive pressure for those who survive. For instance, brick-and-mortar retail stores have been decimated by the rise of online retailing.

"It's the age of the super-sized e-tailer (e.g., Amazon), and brick-and-mortar retailers are having trouble competing. The dominance of these mega online outlets is based on lower prices, many more options and the convenience factor - sit at home on the couch and surf. Thus, many national and chain retailers must cut-back or close-up." Barbara Farfan ¹¹²

In turn, the big online retailers are locked in their own price war.

"Walmart is now price matching Amazon on 53% of all online products, according to data from e-commerce analytics firm Profitero, reported on by Retail Dive.

Moreover, Target is matching 37% of its products to Amazon's prices, while Jet.com is matching 35%. But, even with competitors' price-matching attempts, Amazon remains a cost leader, as its prices are 10% lower than all retailers' on average.

These price wars are likely to have a ripple effect across the entire retail industry, as Amazon ramps up efforts across all segments. Amazon is already stealing apparel sales from retailers, with its pricing and discounts being a major attraction to consumers." Stephanie Pandolph ¹¹³

While this seems an advantage to the consumer at first, it ultimately leads to a lack of options to choose from as companies and corporations go out of business.

"When you have a nation of debtors, what has to happen is you go into deflation first, allowing the banks to foreclose. The public, in general, is on the losing side of the bet." Mike Maloney ¹¹⁴

¹¹⁰ 8/22/2018, "Genocide of the Greek Nation"
<https://www.lewrockwell.com/2018/08/paul-craig-roberts/genocide-of-the-greek-nation/>

¹¹¹ Fred Kaifosh, 10/12/2018, "Why The Consumer Price Index Is Controversial"
<http://www.investopedia.com/articles/07/consumerpriceindex.asp#ixzz4qaQQxNZL>

¹¹² 9/27/2018, "Why Are Retail Chain Stores Being Closed?"
<https://www.thebalancesmb.com/all-us-store-closings-2891888>

¹¹³ 4/6/2018, "The retail price wars are intensifying"
<https://www.businessinsider.com/the-retail-price-wars-are-intensifying-2018-4>

¹¹⁴ "Top 4 Reasons For Deflation BEFORE Hyperinflation," @ 1:25
<https://www.youtube.com/watch?v=8GP87dgTqF8>

Those left standing are then free to raise prices on a captive audience. Thus we have deflation and inflation, occurring simultaneously. With so much economic upheaval, one has to wonder, are traditional trip-wires being ignored and/or tampered with to create an impression of prosperity?

"In practice, over the last 40 years the deception of funny money and rapid credit creation is what kept the illusion of growth and prosperity alive." MN Gordon ¹¹⁵

"The true state of the American economy in a post-2008 Financial Crisis world is not what it is depicted and sold as being by the U.S. Government and the mainstream corporate financial press which remains mostly obedient to its dictations. Credible statistics for such vital economic indicators as the "official" rates of unemployment, inflation and the gross domestic product (GDP) growth rate are vastly different from what is routinely reported by government entities including the Bureau of Labor Statistics (BLS), Bureau of Economic Analysis (BEA), U.S. Treasury and most certainly the U.S. Federal Reserve itself, which practically runs the economy via diktat monetary and fiscal policies with little to no oversight by any formal constitutional branch of the U.S. Government." Pye Ian ¹¹⁶

"Two 'reforms' were introduced that result in the under-measurement of inflation. One is the substitution principle. When the price of an item in the basket of goods used to measure inflation goes up, that item is thrown out and a cheaper substitute is put in its place." Paul Craig Roberts ¹¹⁷

All this begs many questions, including:

- Could the rapidly expanding derivative market's dollars – estimated at 1.2 to 1.5 quadrillion, all of them virtual – be considered hyper-inflation in and of itself?
- Could this gigantic market's extremely complex workings be employed to mitigate traditional inflationary pressures? For instance, could the trading of hyper-leveraged paper – whether for stocks, commodities, or any other types of "financialized" instruments – be used to sop up the more tangible pressures of hyper-inflationary?
- For those who invent derivatives and whose computer algorithms compute and control the ebb and flow of derivative values to an nth degree, how difficult would it be to employ this market as a pump to pull "hard cash" from the financial ether and move it as needed to shore up financial lesions in the tangible world – to surreptitiously bolster select interests and "buy down" traditional exposures or to buy up the stock market where and as strategically needed?
- And lastly, what is a prolonged "Bull Market," demonstrably based more on monetary policy than traditional metrics, if not hyper-inflation?

Theoretically, the expanded wealth that is siphoned through the derivatives market is sufficient to pay for just about anything, including public perception:

¹¹⁵ 10/23/2016, "Prepare For The Unthinkable"

<http://www.zerohedge.com/news/2016-10-23/prepare-unthinkable>

¹¹⁶ 4/17/2017, "Numerical Hat Tricks & Interventions: 'Official' government statistics vs. U.S. economic reality"

<https://www.newsbud.com/2017/04/17/numerical-hat-tricks-interventions-official-government-statistics-vs-u-s-economic-reality/>

¹¹⁷ 3/8/2018, "Make-Believe America"

<https://www.paulcraigroberts.org/2018/03/08/make-believe-america/>

"The stock market is a kind of Pavlovian control mechanism, a mental trigger in the minds of the masses that dominates their perceptions of the world's financial health." Brandon Smith ¹¹⁸

"The values of financial instruments are supported by money creation, not by underlying fundamentals. Yet, the stock averages are treated as proof of economic recovery and America's first place in the world." Paul Craig Roberts ¹¹⁹

"Central bank credit that supports markets — is not just creation of the Fed, but by central banks and institutions around the world colluding together. Global markets are too deeply connected these days to consider the Fed in isolation." Nomi Prins ¹²⁰

The inflation of ethereal things that have cost but no substance – things made up out of whole cloth – works to soak up wealth and store it with increasing disproportionality in the coffers of the wealthiest.

Main Street Money Churn

Fiat currency and its cognates flow much as blood through the body economy, from the top of the financial food chain to the bottom. While Washington's appetite provides rationale for the FED's monetary policies and the "creation of wealth" by its Wall Street surrogates, all rely upon Main Street to churn money into the real economy where goods and services are traded. Churning occurs when people spend "their" money to buy the necessities and indulgences of life – from food and shelter to luxury yachts – and just about anyone can enter the Wall Street Casino by playing the stock market, where "good" companies to invest in are often identified by how many people their products will put out of work. As long as people are preoccupied with the transactions themselves and what they are getting, this churning reinforces our sense that fiat currency has a solid basis – "real" substance.

Of course, the government also encourages this churning. As money has become more plentiful, government has tended to spend increasing amounts on a variety of self-reinforcing dependency cycles. From welfare checks to corporate bailouts, the wealthy and the needy are equally enthralled by government handouts.

"Supporters of corporate welfare programs often justify them as remedying some sort of market failure. Often the market failures on which the programs are predicated are either overblown or don't exist. Yet the federal government continues to subsidize some of the biggest companies in America. Boeing, Xerox, IBM, Motorola, Dow Chemical, General Electric, and others have received millions in taxpayer-funded benefits through programs like the Advanced Technology Program and the Export-Import Bank. In addition, the federal crop subsidy programs continue to fund the wealthiest farmers." Stephen Slivinski ¹²¹

¹¹⁸ 3/6/2016, "Lost Faith In Central Banks And The Economic End Game"
<http://www.alt-market.com/articles/2851-lost-faith-in-central-banks-and-the-economic-end-game>

¹¹⁹ 3/8/2018, "Make-Believe America"
<https://www.paulcraigroberts.org/2018/03/08/make-believe-america/>

¹²⁰ 3/21/2018, "Central Bank Money Rules the World"
<https://dailyreckoning.com/central-bank-money-rules-world/>

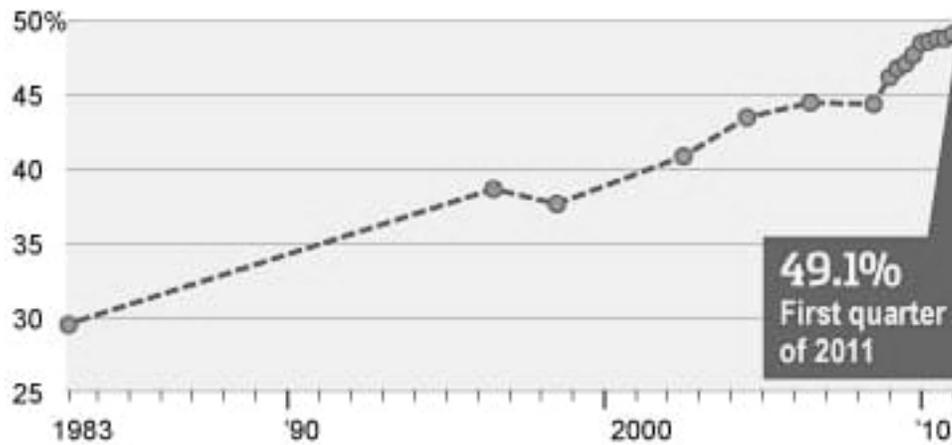
¹²¹ 5/14/2007, "The Corporate Welfare State: How the Federal Government Subsidizes U.S. Businesses"
<https://www.cato.org/publications/policy-analysis/corporate-welfare-state-how-federal-government-subsidizes-us-businesses>

"Three-quarters of all state economic development subsidies went to just 965 corporations since the beginning of the study in 1976. The Fortune 500 corporations alone accounted for more than 16,000 subsidy awards, worth \$63 billion – mostly in the form of tax breaks...Think about that. The largest, wealthiest, most powerful organizations in the world are on the public dole." David Brunori ¹²²

Why would corporations argue with a system that forgives their excesses so easily, a system from which they profit so handsomely? Likewise, why would the habitually needy risk biting the hand that feeds them? Rising steadily since the early 1970s, by 2016 the number of Americans receiving government assistance had reached roughly 50%.

Stretching the Net

Percentage of U.S. population living in a household receiving some government benefit



Source: U.S. Census Bureau

The Wall Street Journal ¹²³

And this does not account for the millions of illegal immigrants receiving benefits, estimated "to cost taxpayers [up to] \$116 billion annually."¹²⁴ In this fashion, the top- and bottom-ends of Main Street are addicted to fiat currency.

"...the chief task of the rulers is always to secure the active or resigned acceptance of the majority of the citizens... Of course, one method of securing support is through the creation of vested economic interests." Murray Rothbard ¹²⁵

Few question its fundamental nature and use of fiat currency, even though fiat-funded subsidies distort market forces and distort the economic freedom inherent in genuine capitalism.

¹²² 3/14/2014, "Where Is The Outrage Over Corporate Welfare?" <https://www.forbes.com/sites/taxanalysts/2014/03/14/where-is-the-outrage-over-corporate-welfare/#1039333927dd>

¹²³ Brad Plumer, 9/18/2012, "Who receives government benefits in six charts" https://www.washingtonpost.com/news/wonk/wp/2012/09/18/who-receives-benefits-from-the-federal-government-in-six-charts/?utm_term=.91e775ee9c01

¹²⁴ Bethany Blankley, 7/19/2018, "Analysis: Illegal immigrants cost taxpayers \$116 billion annually" tiny.cc/4ul42y

¹²⁵ Murray N. Rothbard, "Anatomy of the State," page 19 https://mises-media.s3.amazonaws.com/Anatomy%20of%20the%20State_3.pdf

"I am simply opposed to federal and state policies that mandate and subsidize the use of corn to make ethanol – clearly favoring one corn user at the expense of another. Hog production costs in 2011 were 64% higher than the average cost from 1999 to 2006 – before the 2007 energy bill charted the aggressive increase in ethanol production." Steve Meyer ¹²⁶

"The increased production of ethanol has a large impact on corn prices, not only because it's a major source of demand, but also because the demand is fixed. In a free market, if the price of corn goes up, demand will go down, moderating corn prices. But the federal mandate requires the same amount of ethanol no matter how expensive corn is." Keven Bullis ¹²⁷

Neither is the "middle class" immune to the fiat-currency spell, even as they suffer the economic distortions it causes. Instead, the middle class works and pays taxes; they take on mortgages, lease cars, buy vacation tour packages, and sign student loans. They work hard and play hard, and they try to play by the rules.

"Culturally, the U.S. is a country that celebrates the idea of working hard to get ahead." Elon Musk ¹²⁸

And the medium of reward is fiat currency, but unlike the very wealthy and the needy, middle-class Americans don't see themselves as getting ahead. No one bails them out, and they wouldn't accept government handouts regardless. They prefer to work and otherwise just be left alone. Meanwhile the government prowls in the background, ever on the lookout for ways to tap into their energy with new fees and taxes. In this fashion, the legendary work ethic of Americans in pursuing the "American Dream" – an ethic founded on the fundamental belief in the "value of a dollar" – is hitched to a machine that steadily and stealthily undermines basic freedom.

"It appears control is the result of money equaling power, as both give rise to an alternative reality which, paradoxically, is subsidized by the vanquished; by those who want to believe." Doug "Uncola" Lynn ¹²⁹

"Those few who can understand the system (check book money and credit) will either be so interested in its profits, or so dependent on its favors, that there will be little opposition from that class, while on the other hand, the great body of people mentally incapable of comprehending the tremendous advantage that capital derives from the system, will bear its burdens without complaint, and perhaps without even suspecting that the system is inimical to their interests." The Rothschild Bros. of London ¹³⁰

¹²⁶ 2/27/2012, "Understanding How Ethanol Impacts Food Prices"
<https://www.nationalhogfarmer.com/business/understanding-how-ethanol-impacts-food-prices>

¹²⁷ 3/23/2011, "Ethanol Blamed for Record Food Prices"
<https://www.technologyreview.com/s/423385/ethanol-blamed-for-record-food-prices/>

¹²⁸ 8/9/2017, "Another tech titan joins Elon Musk and Mark Zuckerberg in supporting free cash handouts for Americans"
<https://www.cnn.com/2017/08/09/silicon-valley-titans-support-free-cash-handouts-to-americans.html>

¹²⁹ "Happy New Year: Don't Be Fooled By the Orthodoxies of the Messengers"
<https://www.theburningplatform.com/2017/12/29/happy-new-year-dont-be-fooled-by-the-orthodoxies-of-the-messengers/#more-166929>

¹³⁰ "Historical Money Quotes"
<http://www.rethinkingthedollar.com/money-quotes/>

All available economic indicators point to government largess costing more than the taxpayer base can generate, so government's borrow-and-print money policy comes to the rescue, smoothing the path of politicians grown accustomed to spending. Their path is eased all the more when a major percentage of the population receives benefits, and most of the rest are either content with the status quo or too preoccupied to care. To the ears of career politicians there could hardly be sweeter words than a voter griping, "Who has time for politics? I have a job!"

For many, the point of disinterest was crossed long ago. They go to work and pay taxes, sometimes holding down two or more jobs to scrape by, but otherwise they tune out, or rather they tune into an endless variety of pop culture distractions to find surrogate meaning. This seems the point of pop culture – to distract and thus render people more compliant. The unspoken attitude of so many citizens seems to be, let the politicians run the world, just let me have fun.

What could be better for those in control? With little more fanfare than a wave of the hand they can raise the debt ceiling and fire up the printing presses, both real and virtual*, to satisfy whatever objectives they have in mind (* virtual because a great deal of new is waved into existence as numbers on electronic balance sheets).

"The U.S. Government has a technology, called a printing press (or, today, its electronic equivalent), that allows it to produce as many U.S. dollars as it wishes at essentially no cost." Ben Bernanke ¹³¹

"Essentially no cost." Except interest. Banks don't print and loan money for nothing. The ease with which money is waved into existence makes a mockery of those who take great pains to account for every penny and believe in "the value of a dollar." Hammering home the irony even further, the IRS will give a financial colonoscopy to any citizen they find wanting – fines, wages garnished, and property seized – but the Pentagon loses \$10 trillion and gets a budget increase.

Debt Does Not Matter

Keep Bernanke's sleight-of-hand in mind and consider, how can a system like this maintain the appearance of propriety, the appearance of sober minds being in charge? To this end, pundits apply their own sleight-of-hand:

"First off, there is no debt. The debt is dollars. The government spent \$20 trillion more than it took away in taxes over the last 240 years, and those dollars, held by the non-government, comprise a big portion of the non-government's wealth. Nothing is 'owed.' It's owned, by us, the people." Mike Norman ¹³²

"But as another round of anxiety-causing debt-ceiling debates is likely to return, it is worth asking whether we should even care about the government's debt. Is it a good measure of the federal government's role in the economy or even a good indicator of the fiscal burden on US taxpayers? Does the size of our nation's debt matter?" William Lastrapes ¹³³

¹³¹ Via MN Gordon, 2/27/2016, "Day of Reckoning Imminent"
<http://www.zerohedge.com/news/2016-02-27/day-reckoning-imminent>

¹³² 10/25/2016, "The National Debt: Why Fret Over Something That Doesn't Exist?"
<http://realmoney.thestreet.com/articles/10/25/2016/national-debt-why-fret-over-something-doesnt-exist>

These are just two examples of an endless supply of sophistry coming from "experts" in the field.

"With little fanfare, a dangerous notion has taken hold in progressive policy circles: that the amount of money borrowed by the federal government from Americans to finance its mammoth deficits doesn't matter." Steven Rattner ¹³⁴

"In 2002, Vice President Dick Cheney and the Bush administration's economic team met to discuss a second round of tax cuts, which would follow Bush's 2001 cuts. At the meeting, then-Treasury Secretary Paul H. O'Neill pleaded that the government – already running a \$158 billion deficit – was careening toward a fiscal crisis. Allegedly, Dick Cheney replied, 'Deficits don't matter.' " Pat Garofalo ¹³⁵

Thus do politicians routinely add their "two cents" to this "discussion," with each party curiously decrying the debt spending of the other while lauding their own.

Thus the American psyche – long massaged by such news and opinions – has become anesthetized to the excess of spending enabled by fiat currency. If not quite "trust," the ambient noise of the political and chattering classes has served to confer a facsimile – status quo – which leaves the nature of fiat currency and the multi-faceted hazards of its rabid expansion in the shadows to most.

Bread and Circus

But how long can a money supply with no intrinsic value keep expanding and still hold public confidence? Even when Americans are inclined to take an interest in the tangled workings of government and finance, our Nation's "cult of celebrity" seems designed to redirect that curiosity. Celebrity distracts, in large part due to the sheer quantity of cash that gets thrown into it. Average people watch celebrities "make" astronomical sums for busting chops on TV or the radio, for playing games with a variety of balls, for singing or simply play-acting:

- The king of "shock-jocks," Howard Stern, has an annual salary of \$90 million. ¹³⁶
- When Alex Rodriguez finished his contract, the New York Yankees will have paid him more than \$317 million, or roughly \$190,000 per game. ¹³⁷

¹³³ 3/19/2015, "Why the national debt doesn't matter – or how I learned to stop worrying and love Treasuries"
<http://theconversation.com/why-the-national-debt-doesnt-matter-or-how-i-learned-to-stop-worrying-and-love-treasuries-38775>

¹³⁴ 1/20/2012, "The Dangerous Notion That Debt Doesn't Matter"
<http://www.nytimes.com/2012/01/22/opinion/sunday/the-dangerous-notion-that-debt-doesnt-matter.html?mcubz=1>

¹³⁵ 10/2/2008, "Six Years After Cheney Said 'Deficits Don't Matter,' The National Debt Hits A 50-Year High"
<https://thinkprogress.org/six-years-after-cheney-said-deficits-dont-matter-the-national-debt-hits-a-50-year-high-40193bdadd2e/>

¹³⁶ Claire Atkinson, 12/15/2015, "Howard Stern's new Sirius XM deal to pay him \$90M per year"
<https://nypost.com/2015/12/15/howard-sterns-new-sirius-xm-deal-to-pay-him-90m-per-year/>

¹³⁷ Sports Illustrated Wire, 8/11/2016, "Report: Yankees will have paid A-Rod \$317 million when deal ends in 2017"
<https://www.si.com/mlb/2016/08/11/new-york-yankees-alex-rodriguez-contract>

- In Hollywood, the \$20-million-per-movie club includes Robert Downey Jr., Leonardo DiCaprio, Sandra Bullock, Angelina Jolie, Denzel Washington, and Matt Damon.¹³⁸
- Pop bands lament exploitation and sing blue-collar ballads while raking in millions and living in debauched luxury.

And the list goes on. Celebrity distracts. It takes the average citizen's mind off the hum-drum routine. Which is not to say celebrities don't work hard, but many people just as talented work much harder for a small fraction of what celebrities earn. For instance, does an NFL quarterback work harder or concentrate better than a Navy Seal? Excess abounds, and therein resides a growing psychological disconnect. The more fiat wealth gets funneled into distraction, the less there seems any honest correlation between hard work and reward.

Corporate "gurus" fall into much the same category. "C-suite" executives – CEOs, CFOs, CIOs and etc. – often take home hundreds of times what the employees beneath them earn.

"In between 1978 and 2014, inflation-adjusted CEO pay increased by almost 1,000%, according to a report released on Sunday by the Economic Policy Institute. Meanwhile, typical workers in the U.S. saw a pay raise of just 11% during that same period." Paul Hodgson¹³⁹

"The growth of CEO and executive compensation overall was a major factor driving the doubling of the income shares of the top 1.0 percent and top 0.1 percent of U.S. households from 1979 to 2007." Alyssa Davis and Lawrence Mishel¹⁴⁰

Financial headlines report bankers and hedge fund managers — professionals whose jobs sustain the fiat currency system — rake in immense financial rewards, while equally talented individuals in positions of no strategic importance to the system earn far less.

It is not uncommon for someone with 5 to 10 years of experience to secure hedge fund salaries that are close to \$1 million per year. A top hedge fund manager can make over \$1 billion in compensation.¹⁴¹

"Many banks [paid] higher bonuses in 2009 than 2008. Goldman Sachs [paid] bonuses of \$20 billion or \$700,000 per employee and Morgan Stanley [paid] a 30% increase [above] average per employee, [from] \$262,000 to \$340,000. JP Morgan's bonus pool for the first quarter of 2009 [was] up 175% to \$3.3 billion." Egon von Greyerz¹⁴²

¹³⁸ Donald Liebenson, 3/30/2015, "There are only 6 Hollywood actors who can command \$20 million per film"
<http://www.businessinsider.com/there-are-only-6-hollywood-actors-who-can-command-20-million-per-film-2015-3>

¹³⁹ 6/22/2015, "Top CEOs make more than 300 times the average worker"
<http://fortune.com/2015/06/22/ceo-vs-worker-pay/>

¹⁴⁰ 6/12/2014, "CEO Pay Continues to Rise as Typical Workers Are Paid Less"
<http://www.epi.org/publication/ceo-pay-continues-to-rise/>

¹⁴¹ BarclayHedge, 2/2/2012, "Hedge Fund Salaries – What Is The Average Salary Of A Hedge Fund Manager?"
<https://www.barclayhedge.com/research/articles/hedge-fund-salaries.html>

¹⁴² 9/6/2018, "THE DARK YEARS ARE HERE II"
<https://goldswitzerland.com/the-dark-years-are-here-ii/>

"The average salary and bonus for employees at broker-dealer firms in New York City increased to \$422,500 in 2017 and to \$389,000 for securities-industry employees on Long Island, according to New York State Comptroller Tom DiNapoli's annual survey... The average wage for all industries in New York State is \$61,460, according to the New York State Department of Labor." Jimmy Vielkind ¹⁴³

Then there are the corporate celebrity titans, the Elon Musks and Mark Zuckerbergs of the world. They are the leaders who shape "progress," rolling out innovations that keep us enthralled. At one time, innovation was driven by need. A problem needed solving and someone invented the technology. Now technology pushes innovation and corporations produce far more than we need, while clever marketing plays on our fear of falling behind.

"It's comin, you can't stop it now. We runnin, gonna mow you down. There's a new day risin. Aint gonna be no compromisin. You 'bout to see somethin. You 'bout to see somethin. It's comin, It's comin. We're unstopable now!" ¹⁴⁴

But when marketing alone isn't enough, innovators and their corporations are also dependent on financial umbilical cords linked to government:

"Musk is, to be sure, an ideas man.... As wide-ranging as [his] various entrepreneurial ventures may be, they all have one thing in common – not a single one of them would get funding in a competitive private capital market if it weren't for massive (and I do mean massive) taxpayer-funded government subsidies." Jenny Beth Martin ¹⁴⁵

"When it comes to Facebook, Mark Zuckerberg was funded indirectly by the CIA via Peter Thiel. Thiel is a co-founder of PayPal with Elon Musk of Tesla fame." TheDailyBell ¹⁴⁶

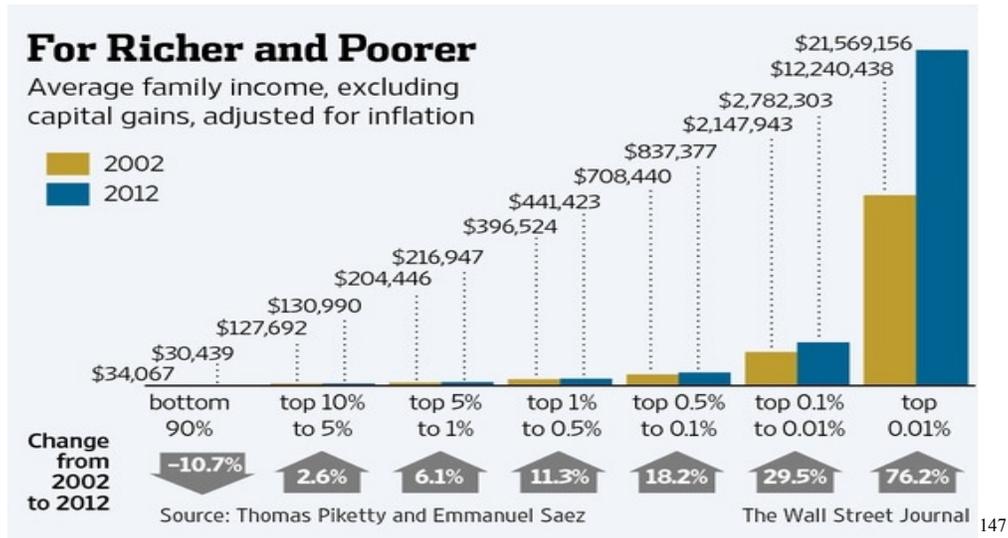
While everyone has a vested interest in the economy, most of us participate unwittingly in sustaining fiat currency and the corruption it enables. Those who distract others from discovering the true nature of the illusion are rewarded for the cover they provide, whether they understand the true nature of the illusion or not doesn't matter. The greater the distraction, the greater the reward. But those who understand the illusion and sustain it deliberately, they are rewarded most of all. Meanwhile, the rest of humanity plods along on a chain-leash of taxes, fees and regulations, often doing the hardest work for the least reward:

¹⁴³ 9/17/2018, "Wall Street Salaries Continue to Soar"
<https://www.wsj.com/articles/wall-street-salaries-continue-to-soar-1537215032>

¹⁴⁴ 2/20/2019, Samsung , "Galaxy S10: Unveiling"
<https://www.youtube.com/watch?v=Tol9KJBZt8>

¹⁴⁵ 8/7/2017, "Can we wean Elon Musk off government support already?"
<http://thehill.com/blogs/pundits-blog/economy-budget/345338-can-we-wean-elon-musk-off-government-support-already>

¹⁴⁶ 2/25/2017. "CIA Funded Google and Facebook Shouldn't Persecute Alex Jones and NaturalNews.com"
<http://www.zerohedge.com/news/2017-02-25/google-and-facebook-are-not-really-private-and-shouldnt-do-they-please-alex-jones-an>



Fiat Currency Needs Economic Growth and Breeds a Diminishing Dollar

Money is "the life's blood" of an economy, but what kind of economy has evolved around loose money policy, around fiat currency? An economy that must grow.

"Money really originates when banks make loans. And since they charge interest for those loans, part of the endless economic growth model is in place right from the beginning – without growth, you can't pay off the interest." William McKibben ¹⁴⁸

Federal Funds Rate [Interest] - 62 Year Historical Chart ¹⁴⁹



To illustrate the necessity for economic growth, let's say there is only one government-authorized dollar in all of existence, and only one bank is authorized to create it. Your business needs that dollar, so let's say the bank loans it to you at 4% simple interest. One year after your business takes receipt of that dollar, you will owe the bank that dollar plus four cents in interest. Where do you get the four cents? In the fiat-currency system, that

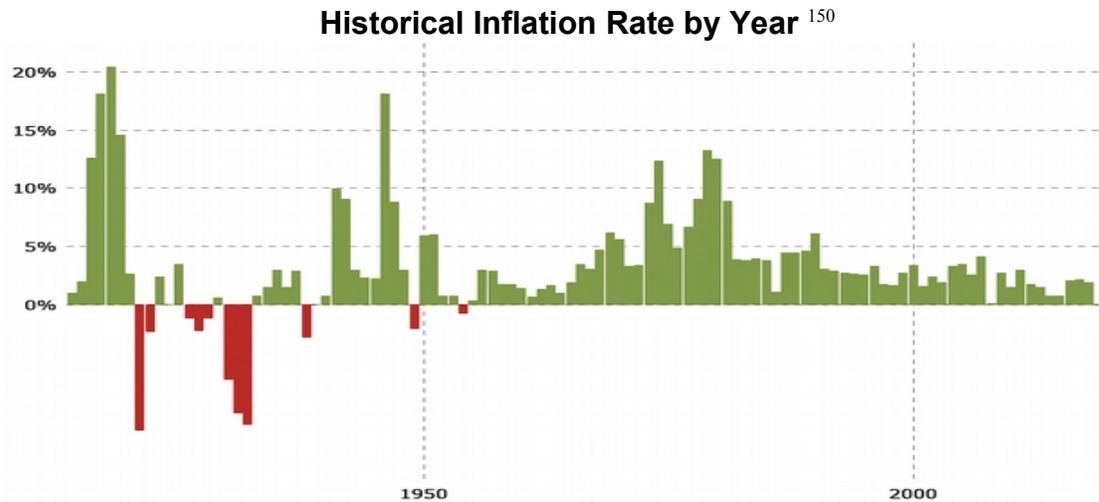
¹⁴⁷ Charles Hugh Smith, 8/31/2017, "Why We're Doomed: Stagnant Wages"
<http://charleshughsmith.blogspot.com/2017/08/why-were-doomed-stagnant-wages.html>

¹⁴⁸ "Deep Economy," page 162.

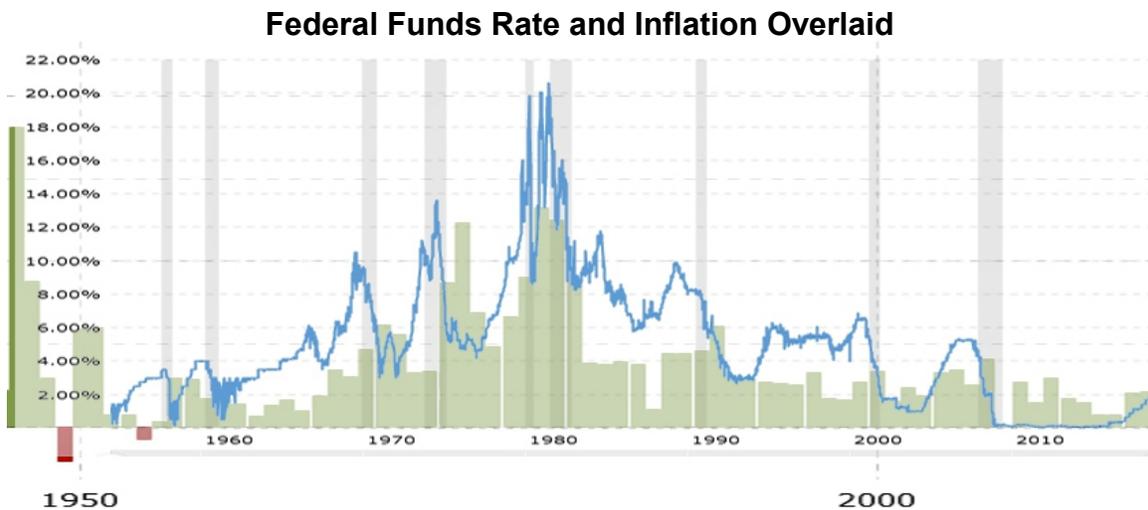
¹⁴⁹ <https://www.macrotrends.net/2015/fed-funds-rate-historical-chart>

four cents must be created and loaned out by the bank that loaned you the dollar in the first place. Then there is interest owed on that newly minted four cents, and around it goes. Now multiply this scenario by billions of times.

More money must be created to service the debt to create more money, and every increase in the dollar supply will diminish the value of every dollar printed before it. That's inflation.



In a fiat-currency system, the inflation cycle is endless, so your business must grow in step with inflation just to hold even. Ironically, we tend to think of economic growth as a natural consequence of supply and demand: Where there is more demand than supply for a product, people find a way to make more product – to grow. But inflation-mandated economic growth is more like a parasite, using supply/demand economics as a stealth-coating for the debt that attends fiat currency. That's why a little inflation – to service the debt – is pitched as "healthy," because there is no getting even, just growing at a rate sufficient to cover the interest being charged.



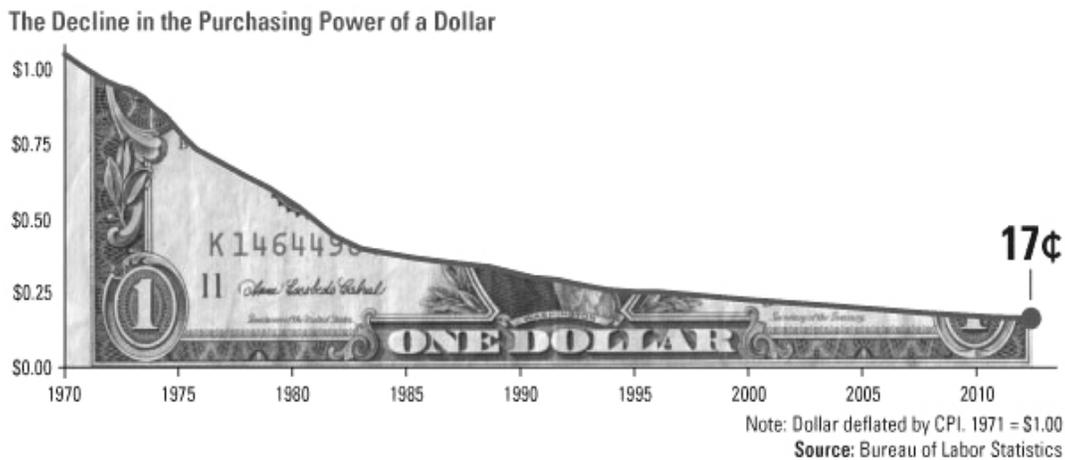
Without economic growth, our government can never hope to maintain the fig leaf of pretense it will ever generate enough tax revenue to pay off the debt it has authorized itself to borrow.

¹⁵⁰ <https://www.macrotrends.net/2497/historical-inflation-rate-by-year>

"U.S. currency is actually borrowed into existence. The federal government gives U.S. Treasury bonds (debt) to the Federal Reserve in exchange for money that the Federal Reserve creates out of thin air. The Federal Reserve then auctions off those bonds to the highest bidder.

Since the federal government must pay interest on those bonds, the amount of debt created in these transactions is actually greater than the amount of money created. But we are told that if we can just circulate the money throughout our economy fast enough and tax it at a high enough rate, then we can eventually pay off the debt. Of course that never actually happens, and so the federal government always has to go back and borrow even more money." Michael Snyder ¹⁵¹

So we have a self-reinforcing feedback loop — an ever-expanding supply of money to pay off a never-ending debt cycle — and like a constant drip of saline solution in our blood, this dilutes the dollar's purchasing power.



To be fair, the dollar's purchasing power has been mostly in decline since 1913 at least, when the Federal Reserve Bank was founded.



¹⁵¹ How The Elite Dominate The World – Part 2: 99.9% Of The Global Population Lives In A Country With A Central Bank
<http://theeconomiccollapseblog.com/archives/how-the-elite-dominate-the-world-part-2-99-9-of-the-global-population-lives-in-a-country-with-a-central-bank>

¹⁵² <https://www.merkinvestments.com/insights/merk-perspective/index.php>

In a fiat currency system, however, the vanishing dollar goes hand-in-hand with debt-service inflation, driving the requirement for constant economic growth. In turn, this requirement acts like a parasite, pressuring business to reduce the cost of goods at a rate that's at least as fast as the dollar's diminishing value. Then, if a business wants to profit, it must reduce costs even faster. Replicate this across an entire economy and it puts a massive premium on efficiency, on creating an economy that grows or "scales" as fast or faster than the dollar shrinks. Improving efficiency preserves the appearance of economic prosperity.

An economy so saddled coddles men like Jeff Bezos, Bill Gates, Mark Zuckerberg, Elon Musk and many others (though a relative few in absolute numbers). They are the titans of industry, champions of innovation and also efficiency, where efficiency is increasingly gleaned through automation — displacing humans. Men like these, adored as visionaries, accrue so much wealth and influence they can guide the world's technological progress and are indulged in so doing, as if their wealth confers wisdom and whatever Midas touches must be "gold." Sadly, the possession of wealth and power seems to correlate more often with hubris than wisdom.

Automation End-Game

Since the Industrial Revolution, economic progress has largely been driven by inventing machines that perform work faster, longer, better and more cheaply than humans. With each technological revolution, many different classes of workers have been disrupted, their livelihoods undermined or dispensed with. These workers, however, could learn other skills, so the disruption has been largely accepted if not always welcomed, justified by the idea that making more products more cheaply was of greater benefit to the economy than dislocating vocations. As we close in on 2020, however, advancing robot and artificial intelligence (AI) technologies suggest a sea change is coming, a threat not just to menial jobs, but to all jobs and careers as we know them. According to the billionaire CEO of Tesla and SpaceX:

"There certainly will be job disruption. Because what's going to happen is robots will be able to do everything better than us. ... I mean all of us... Transport will be one of the first to go fully autonomous. But when I say everything — the robots will be able to do everything better than us, bar nothing." Elon Musk ¹⁵³

Many others chime in:

"I see the advances happening in technology and it's becoming evident that computers, machines, robots, and algorithms are going to be able to do most of the routine, repetitive types of jobs. That's the essence of what machine learning is all about. What types of jobs are on some level fundamentally predictable? A lot of different skill levels fall into that category. It's not just about lower-skilled jobs either. People with college degrees, even professional degrees, people like lawyers are doing things that ultimately are predictable. A lot of those jobs are going to be susceptible over time." Martin Ford ¹⁵⁴

¹⁵³ Catherine Clifford, 7/17/2017, "Elon Musk: 'Robots will be able to do everything better than us'" <https://www.cnn.com/2017/07/17/elon-musk-robots-will-be-able-to-do-everything-better-than-us.html>

¹⁵⁴ Marguerite McNeal, "Rise of the Machines: The Future has Lots of Robots, Few Jobs for Humans"

"Boston Dynamics' new 'Atlas' robot is a game changer, not just for companies, but for society," Insider.com CEO Jason Calacanis said Wednesday. "This is really the end of manual labor..." ¹⁵⁵

"As robots and other computer-assisted technologies take over tasks previously performed by labor, there is increasing concern about the future of jobs and wages. We analyze the effect of the increase in industrial robot usage between 1990 and 2007 on US local labor markets. Using a model in which robots compete against human labor in the production of different tasks, we show that robots may reduce employment and wages, and that the local labor market effects of robots can be estimated by regressing the change in employment and wages on the exposure to robots in each local labor market—defined from the national penetration of robots into each industry and the local distribution of employment across industries. Using this approach, we estimate large and robust negative effects of robots on employment and wages across commuting zones." Daron Acemoglu and Pascual Restrepo ¹⁵⁶

"Over the next 13 years, the rising tide of automation will force as many as 70 million workers in the United States to find another way to make money, a new study from the global consultancy McKinsey predicts." Danielle Paquette ¹⁵⁷

"The concerns underlying these votes about the economic consequences of globalization and accelerating technological change are absolutely understandable. The automation of factories has already decimated jobs in traditional manufacturing, and the rise of artificial intelligence is likely to extend this job destruction deep into the middle classes, with only the most caring, creative or supervisory roles remaining.

This in turn will accelerate the already widening economic inequality around the world. The Internet and the platforms that it makes possible allow very small groups of individuals to make enormous profits while employing very few people. This is inevitable, it is progress, but it is also socially destructive.

We are living in a world of widening, not diminishing, financial inequality, in which many people can see not just their standard of living, but their ability to earn a living at all, disappearing." Stephen Hawking ¹⁵⁸

In the past when technology has challenged the status quo and people had to find different jobs, the reaction was to retool the educational system to train people for the "jobs of the future." So goes the mantra today. But this begs the question: With robots poised to become commonplace and the dawn of AI at hand, how quickly will robots

¹⁵⁵ <https://www.wired.com/brandlab/2015/04/rise-machines-future-lots-robots-jobs-humans/>
Fred Imbert, 2/24-25/2016, "Google robot is 'the end of manual labor': VC"

¹⁵⁶ <http://www.cnbc.com/2016/02/24/google-robot-is-the-end-of-manual-labor-vc.html>

"ROBOTS AND JOBS: EVIDENCE FROM US LABOR MARKETS"
NATIONAL BUREAU OF ECONOMIC RESEARCH: Working Paper 23285

¹⁵⁷ <http://www.nber.org/papers/w23285.pdf>, abstract

11/30/2017, "Robots could replace nearly a third of the U.S. workforce by 2030"

¹⁵⁸ <https://www.washingtonpost.com/news/wonk/wp/2017/11/30/robots-could-soon-replace-nearly-a-third-of-the-u-s-workforce/>

12/1/2016, "This is the most dangerous time for our planet"

<https://www.theguardian.com/commentisfree/2016/dec/01/stephen-hawking-dangerous-time-planet-inequality>

learn the "new skills" people must learn to find the jobs robots aren't doing? History telegraphs the answer.

Up until recently, automation and consolidation have been synonymous with "progress" — bought and paid for with ample supplies of fiat money — but the old definition of "progress" fails completely to account for the trade-offs between progress and the availability of fulfilling work. Ironically, regardless of the looming threat that most if not all jobs/careers will be supplanted by intelligent robots, mainstream America is still encouraged to think a college education is the way to get ahead.

"There may be a range of perspectives on the best way to move our economy forward, but one element essential to any answer is education. It may seem intuitive that more educated people earn more, yet the extent to which this is true is striking." Michael Greenstone and Adam Looney ¹⁵⁹

Sadly, the high-earning "jobs of the future" tend to require educations that develop technologies to displace more human workers. Until AI does a better job at that too.

"Artificial intelligence experts thought it would be at least 20 years before a computer could beat a human playing 'Go,' a strategy game that is more complex than chess. Last year, 'AlphaGo,' a division of Google-subsidiary Deep Mind, 'absolutely crushed the world's best player. And now it can play the top 50 [human players] simultaneously and crush them all. The pace of progress is remarkable... Yeah, I am not sure exactly what to do about this. This is really the scariest problem to me, I will tell you.'" Elon Musk ¹⁶⁰

"And in the big picture, robots taking over jobs can be a good thing,' says Microsoft co-founder Bill Gates, speaking alongside his billionaire buddy Warren Buffett at Columbia. 'The macro picture that it enables is an opportunity.'" ¹⁶¹

"This is one of the biggest wealth opportunities we have in history, one of the biggest opportunities to alleviate us from burdensome work. The opportunity will only unfold if we pave the way for it today." Johannes Moenius, Professor of Economics at the University of Redlands. ¹⁶²

A opportunity to create wealth, but for whom, exactly? At what point does the single-minded pursuit of wealth-generating progress like this cross the line between benefit and hazard? When do diminishing returns become negative? Or have they already?

"I believe society needs to confront this question before it is upon us: If machines are capable of doing almost any work humans can do, what will

¹⁵⁹ 9/17/2012, "Education Is the Key to Better Jobs"

<https://www.brookings.edu/blog/up-front/2012/09/17/education-is-the-key-to-better-jobs/>

¹⁶⁰ Catherine Clifford, 7/17/2017, "Robots will be able to do everything better than us"

<https://www.cnbc.com/2017/07/17/elon-musk-robots-will-be-able-to-do-everything-better-than-us.html>

¹⁶¹ Catherine Clifford, 7/17/2017, "Robots will be able to do everything better than us"

<https://www.cnbc.com/2017/07/17/elon-musk-robots-will-be-able-to-do-everything-better-than-us.html>

¹⁶² Melanie Mason, LA Times, 10/23/2018, "Rise of the machines: Automation reshapes job market"

<https://www.dailyrepublic.com/all-dr-news/wires/business/rise-of-the-machines-automation-reshapes-job-market/comment-page-1/>

humans do? A typical answer is that if machines will do all our work, we will be free to pursue leisure activities." Professor Moshe Vardi ¹⁶³

Helicopter Money

Many people would welcome the prospect of not having to work, of sleeping in and doing whatever hobbies and leisure activities they might fancy. In response to this tempting prospect, a new concept has emerged from the money-and-politics crowd: "Helicopter money," a euphemism for a new kind of government handout, "Universal Basic Income," or UBI. Every citizen would receive UBI from the government, an allotment upon which to live – within the confines of that "allowance" is sufficient to buy and whatever strings might (would) be attached.

"Billionaire entrepreneur Richard Branson is the latest in a string of iconic businessmen to talk about cash handouts, or universal basic income, as a solution to jobs being replaced by technology." Catherine Clifford ¹⁶⁴

"I'm fairly confident that at some point in the future, as technology continues to eliminate traditional jobs and massive new wealth gets created, we're going to see some version of Universal Basic Income at a national scale." Sam Altman ¹⁶⁵

"There is a pretty good chance we end up with a universal basic income, or something like that, due to automation... I am not sure what else one would do. I think that is what would happen." Elon Musk ¹⁶⁶

"The prospect of radical changes to work — a new robot-driven industrial revolution — has led to equally broad solutions being bandied about. Among the boldest is universal basic income. The concept, a fixed income for every adult with no strings attached, has been pitched as an answer to an automated future." Melanie Mason ¹⁶⁷

"Finland announced an unprecedented socio-economic experiment. Two thousand residents would receive €560 a month (about \$670) for two years, with no strings attached, and the government would study how the money affected their lives." Claire Suddath ¹⁶⁸

¹⁶³ Clive Cookson, 2/14/2016, "AI and robots threaten to unleash mass unemployment, scientists warn"
<https://www.ft.com/content/063c1176-d29a-11e5-969e-9d801cf5e15b>

¹⁶⁴ 8/16/2017, "Billionaire Richard Branson weighs in on free cash handouts—there's a 'real danger' tech will replace jobs"
<https://www.cnbc.com/2017/08/16/billionaire-richard-branson-weighs-in-on-free-cash-handouts.html>

¹⁶⁵ 1/27/2016, "Basic Income"
<https://blog.ycombinator.com/basic-income/>

¹⁶⁶ Catherine Clifford, 7/17/2017, "Robots will be able to do everything better than us"
<https://www.cnbc.com/2017/07/17/elon-musk-robots-will-be-able-to-do-everything-better-than-us.html>

¹⁶⁷ 10/23/2018, LA Times, "Rise of the machines: Automation reshapes job market"
<https://www.dailyrepublic.com/all-dr-news/wires/business/rise-of-the-machines-automation-reshapes-job-market/comment-page-1/>

¹⁶⁸ 1/11/2018, "What If Everyone Got a Monthly Check From the Government?"
<https://www.bloomberg.com/news/features/2018-01-11/what-if-everyone-got-a-monthly-check-from-the-government>

With the ability to wave money into existence comes the prospect of promising everyone the same basic income. However, some believe that without work to provide us direction and purpose, there would be widespread depression:

"I do not find the prospect of leisure-only life appealing. I believe that work is essential to human wellbeing. Humanity is about to face perhaps its greatest challenge ever, which is finding meaning in life after the end of 'in the sweat of thy face shalt thou eat bread.' We need to rise to the occasion and meet this challenge." Professor Moshe Vardi ¹⁶⁹

"There will be massive unemployment. People want to be useful and work provides meaning, and so the world will sink into despair... Policy makers have begun to speak of a minimum guaranteed income with everyone provided food, shelter, and a smart phone, and that will not address the heart of the problem." Dr. Subhash Kak¹⁷⁰

Notes of caution in a sea of praise, but in a world where all work is automated, wouldn't UBI level humanity by establishing economic parity amongst men? Some might call this a true Utopia, but what of those in charge of the money spigot?

War on Cash

By coincidence or design, at the same time the idea of "Helicopter Money" has arisen, there has been a concerted push to eliminate physical money — hard cash — altogether, and convert to all digital currency.

Speaking at a meeting for Apple shareholders in Cupertino, California, [Apple CEO Tim] Cook made it clear that he is firmly on the side of the war-on-cash establishment. "I'm hoping that I'm still going to be alive to see the elimination of money." ¹⁷¹

According to some policy makers, running the world's economy on digital currency would be more efficient and secure. No transaction could go unrecorded. Such would be the ideal economy for those "in charge of the spigot." It would tighten their control.

"The introduction of a cashless society empowers central banks greatly. A cashless society, after all, not only makes things like negative interest rates possible, it transfers absolute control of the money supply to the central bank... All digital deposits become base money." Izabella Kaminska ¹⁷²

For bankers and politicians to build a cashless society, however, people must first be convinced paper money is best left in the past. The best way to do that is convince us that paper money is a threat to our safety.

¹⁶⁹ Andrew Gregory, 2/13/2016, "Robots 'to take 50% of our jobs by 2050 and outperform humans at almost anything'"

<http://www.mirror.co.uk/news/technology-science/robots-to-take-50-jobs-7363442>

¹⁷⁰ David Rivers, 1/13/2018, "Robots TAKING OVER: AI to 'sink world into unemployed despair in hellish dystopia'"

<https://www.dailystar.co.uk/news/world-news/671978/artificial-intelligence-robots-jobs-takeover-unemployment-depression-subhash-kak>

¹⁷¹ Tyler Durden, 2/28/2018, "Silicon Valley Joins War On Cash: Tim Cook Seeks "Elimination Of Money"

<https://www.lewrockwell.com/2018/02/tyler-durden/silicon-valley-joins-war-on-cash-tim-cook-seeks-elimination-of-money/>

¹⁷² 1/22/2014, "The time for official e-money is NOW!"

<https://ftalphaville.ft.com/2014/01/22/1748152/the-time-for-official-e-money-is-now/>

"Politicians and central bankers are now waging a war on cash. That's right, policy makers in Europe and the U.S. want to make it harder for the hoi polloi to hold actual currency... The enemies of cash claim that only crooks and cranks need large-denomination bills. They want large transactions to be made electronically so government can follow them."
Tyler Durden ¹⁷³

"In certain circles the 500-euro note is known as the "Bin Laden," [which] confirms the arguments against it [its existence]. Sands' extensive analysis is totally convincing on the linkage between high denomination notes and crime. He is surely right that illicit activities are facilitated when a million dollars weighs 2.2 pounds as with the 500-euro note rather than more than 50 pounds as would be the case if the \$20 bill was the high denomination note. And he is equally correct in arguing that technology is obviating whatever need there may ever have been for high denomination notes in legal commerce. What should happen next? I'd guess the idea of removing existing notes is a step too far. But a moratorium on printing new high denomination notes would make the world a better place."
Lawrence H. Summers ¹⁷⁴

"Our proposal is to eliminate high denomination, high value currency notes, such as the €500 note, the \$100 bill, the CHF1,000 note and the £50 note. Such notes are the preferred payment mechanism of those pursuing illicit activities, given the anonymity and lack of transaction record they offer, and the relative ease with which they can be transported and moved." Peter Sands et al ¹⁷⁵

Removing high denomination notes is the first step, but once the "camel's nose is under the tent," the rest of the plan seems well telegraphed.

"The central banks are ... planning drastic restrictions on cash itself. They see moving to electronic money will first eliminate the underground economy, but secondly, they believe it will even prevent a banking crisis."
Martin Armstrong ¹⁷⁶

"Prevent a banking crisis," as in forestalling a run on the banks in the event they want to try something like implementing negative interest rates. These have already been experimented with in various local economies around the world, amongst them Switzerland.

"The Swiss National Bank (SNB) is charging a 0.75 percent fee on large deposits at the central bank, a cornerstone of its monetary policy since

¹⁷³ 2/18/2016, "This Is The Real Reason For The War On Cash"
<https://www.zerohedge.com/news/2016-02-18/end-economic-liberty-war-cash-wont-end-well>

¹⁷⁴ 2/16/2016, "It's time to kill the \$100 bill"
https://www.washingtonpost.com/news/wonk/wp/2016/02/16/its-time-to-kill-the-100-bill/?utm_term=.d60600aa11ba

¹⁷⁵ Assisted by Ben Weisman, Maja Sostaric, Alex Smith, Joel Smoot, Ofir Zigelman and Joel Mathur, 2016, "Making it Harder for the Bad Guys: The Case for Eliminating High Denomination Notes"
<https://www.hks.harvard.edu/centers/mrcbg/publications/awp/awp52>

¹⁷⁶ 5/4/2015, "Why The Powers That Be Are Pushing A Cashless Society"
<http://www.washingtonsblog.com/2015/05/why-the-powers-that-be-are-pushing-a-cashless-society.html>

January 2015 which is aimed at weakening Switzerland's currency."
Joshua Franklin ¹⁷⁷

"In my view, the Swiss experience with negative rates leads to the conclusion that neither of these options is democratically feasible today or is likely to be in the near future: negative nominal rates are so unpopular that a democratic majority in favor of any legal measure permitting the direct exposure of the person in the street to negative interest rates is unreachable. Today the public is not directly affected since negative rates have not been passed on to retail depositors. Yet, the population is very concerned because of their indirect involvement through their retirement accounts." Jean-Pierre Danthine ¹⁷⁸

If money is physical, charging interest to hold it would start a stampede of withdrawals, but if money is digital and the central banks control it, our options become very limited.

" 'Cold hard cash'. Paper currencies and coinage have been around for centuries. So why is there a 'war' against cash, all of a sudden? Sure, governments and the central banks which control them can claim that this war is meant to prevent crimes and illicit activities, but are there deeper, longer-term reasons involved? Especially considering what "money" is and how it has the capacity to so uniquely dictate human energy? Could the aim toward complete digitization of cash involve the wanting of complete control over each individual's economic affairs, and thereby, every person's ultimate existence?" Pye Ian ¹⁷⁹

Unless something changes, it seems only a matter of time before paper money is phased out:

"Sweden, where about 2 percent of value of transactions are done in cash, may eliminate physical money within five years. Most central banks are working on technologies to power a future digital currency." Campbell R. Harvey ¹⁸⁰

Bring On the Crypt-oh

"Coincidentally," by 2010 the public's imagination was captured by the concept of "crypto-currency," all-digital cash.

"Those who value privacy are turning to alternatives like cash, crypto-currencies, and precious metals, but these directly threaten central bank dominance. This ongoing tug-of-war in financial innovation will determine whether we enter an age of individual empowerment or centralized enslavement." Shaun Bradley ¹⁸¹

¹⁷⁷ 7/31/2017, "Swiss banks paid \$1 billion in negative interest rates in first half"
<https://www.reuters.com/article/us-snb-results-banks/swiss-banks-paid-1-billion-in-negative-interest-rates-in-first-half-idUSKBN1AG0P9>

¹⁷⁸ 2017, "Negative interest rates in Switzerland: what have we learned?" page 10
<https://halshs.archives-ouvertes.fr/halshs-01571635/document>

¹⁷⁹ 11/30/2017, "Global War on Cash and The Blockchain: A One-Two Punch for Complete Control"
<https://www.newsbud.com/2017/11/30/global-war-on-cash-and-the-blockchain-a-one-two-punch-for-complete-control/>

¹⁸⁰ 12/18/2017, "Bitcoin is big. But fedcoin is bigger."
https://www.washingtonpost.com/opinions/bitcoin-is-big-but-fedcoin-is-bigger/2017/12/18/53e2e79a-e1b8-11e7-89e8-edec16379010_story.html?utm_term=.8d95c8bf789d

Lured by the promise of decentralized management and limited quantities – what would effectively mean freedom from fiat currency – the success of early crypto-currency entrepreneurs paved the way for "crypto-currency" to become a household word. In the process, crypto-currency became wed to the very fiat system some proposed it should augment or replace:

"Bitcoin, the original crypto-currency, was valued at \$.08 in July 2010; \$8100 on November 20, 2017, and \$17,900 on Dec.15, 2017. The sky is apparently the limit." Roy Morrison ¹⁸²

Shortly after this was written, Bitcoin's volatility saw its price drop precipitously.

"The world's largest crypto-currency sank below \$12,000 as this week's sell-off entered a fourth day with increasing momentum. Other crypto-currencies also tumbled, with bitcoin cash crashing 35 percent and ethereum losing 23 percent over the past 24 hours, according to coinmarketcap.com." Dave Liedtka and Erik Schatzker ¹⁸³

The wedding consummated, volatility was associated with the commencement of trading Bitcoin on the futures market:

"The Chicago Mercantile Exchange (CME) became the second exchange to offer bitcoin derivatives trading last night." Graeme Wearden ¹⁸⁴

Those derivatives again:

"Crypto-currency has now entered the leveraged futures market. Speculators now can leverage futures purchases 15 to one... Derivative instruments of more complexity and undefined risks are almost certain to swiftly appear as they did in 2007... I suppose the original sin of crypto-currency was to allow its purchase in dollars, and not, for example, in services provided by one to another based on labor time and materials. But the crypto-currency model is based on a limited quantity that makes it resistant to inflation, but enshrines scarcity and therefore value and the siren calls of greed and desire as it does for scarce commodities like cocaine or diamonds or gold." Roy Morrison ¹⁸⁵

At \$18,000 per coin, the total market value of Bitcoin would rival that of Wal-Mart – roughly \$287 billion. What better way to capture the public's attention? What better way to glamorize a concept? Of course, being denominated in fiat dollars brands Bitcoin for what it really is, but what's important to policy makers is solidifying in the minds of the public the notion that crypto-currency is an idea whose time has come, a progressive and high-valued innovation that will offer greater security.

¹⁸¹ 9/6/2016, "Why You Should Be Paying Attention to America's Quiet War on Cash"
<https://theantimedia.com/americas-cash-war/>

¹⁸² 12/20/2017, "The Bitcoin Bubble"
<https://www.globalresearch.ca/the-bitcoin-bubble/5623349>

¹⁸³ 12/21/2017, "Bitcoin Lost Almost 20% of Its Value This Week"
<https://www.bloomberg.com/news/articles/2017-12-22/bitcoin-plummets-toward-13-000-down-more-than-30-from-record>

¹⁸⁴ 12/18/2017, "Bitcoin bubble warnings grow louder as futures trading begins on CME – as it happened"
<https://www.theguardian.com/business/live/2017/dec/18/bitcoin-bubble-ubs-futures-trading-20000-cme-stock-markets-tax-business-live>

¹⁸⁵ 12/20/2017, "The Bitcoin Bubble"
<https://www.globalresearch.ca/the-bitcoin-bubble/5623349>

"Of all the manifestations of crypto, it's the most seemingly mundane applications of block-chain that could lead to the most concrete changes in our lives.

[Block-chain] is essentially a secure database, or ledger, spread across multiple computers. Everybody has the same record of all transactions, so tampering with one instance of it is pointless. "Crypto" describes the cryptography that underlies it, which allows agents to securely interact." Christopher Mims ¹⁸⁶

As with many innovations that appear to threaten the status quo, the FED is poised to co-opt the technology:

"The exploding value of bitcoin has many observers predicting the launch of a U.S.-backed digital crypto-currency, colloquially known as Fedcoin. And there are many reasons beyond fighting counterfeiting to switch to a digital dollar." Campbell R. Harvey ¹⁸⁷

With the FED's involvement – thus by inference our tag-along government – Fedcoin would be pitched as far safer and less volatile than Bitcoin or its alternatives.

"A national crypto-currency would make it far more difficult for criminals to hoard money because all transactions would be recorded in the government ledger. If a transaction was deemed illegal, the parties to the transaction could be identified." Campbell R. Harvey ¹⁸⁸

"The ability to track, record, and mediate transactions of all individuals is a power dictators throughout history could have only dreamed of." Shaun Bradley ¹⁸⁹

Adopting a cashless economy would seem well-suited to the idea of implementing UBI as well. It's not likely the government would expand the Social Security system and send checks to everyone. No, the cheapest and most efficient way to distribute "income" would be to credit everyone's bank account electronically. Digital cash.

"This new global monetary system where [crypto-currency] will act as the rails of the financial system is magnitudes more efficient than all current fiat systems. This will create a lower general transaction cost when compared to any fiat money today, and will be the foothold that digital currencies will take to win out economically over fiat money in the long run." BTCTheory ¹⁹⁰

¹⁸⁶ 3/15/2018, Wall Street Journal, "Why Blockchain Will Survive, Even If Bitcoin Doesn't" <https://www.supplychainbrain.com/articles/27824-why-blockchain-will-survive-even-if-bitcoin-doesnt>

¹⁸⁷ 12/18/2017, "Bitcoin is big. But fedcoin is bigger." https://www.washingtonpost.com/opinions/bitcoin-is-big-but-fedcoin-is-bigger/2017/12/18/53e2e79a-e1b8-11e7-89e8-edec16379010_story.html?utm_term=.8d95c8bf789d

¹⁸⁸ 12/18/2017, "Bitcoin is big. But fedcoin is bigger." https://www.washingtonpost.com/opinions/bitcoin-is-big-but-fedcoin-is-bigger/2017/12/18/53e2e79a-e1b8-11e7-89e8-edec16379010_story.html?utm_term=.8d95c8bf789d

¹⁸⁹ 9/6/2016, "Why You Should Be Paying Attention to America's Quiet War on Cash" <https://theantimedia.com/americas-cash-war/>

¹⁹⁰ 12/13/2016, "Trojan Horse Blockchain" <https://btctheory.com/2016/12/13/trojan-horse-bitcoin-blockchain/>

To the casual observer, these developments might seem beneficial, but given the liberties taken with fractional reserve lending and the derivatives market, it takes little imagination to envision what could happen next. If decoupling the dollar from gold opened Pandora's box, decoupling money from paper would likely throw the box out the window.

"All of the World's Money and Markets in One Visualization:

Interestingly, what is considered "money" depends on who you are asking...Are the abstractions created by Central Banks really money? What about gold, bitcoins, or other hard assets?" Jeff Desjardins ¹⁹¹

Please follow the link for this footnote! The illustration is too large to include, but it's a picture that needs to be seen!

"The amount of wealth conjured from thin air is already staggering!"¹⁹² How much more "wealth" will be created if the pretense of hard cash is dispensed with completely? If all money becomes digital and exists on computers alone, how vulnerable will this system be to manipulation or hacking? What happens if a disaster, natural or man-made, shuts down the power grid? Who will ensure that those who dissent from the government aren't punished by having their digital wealth erased if they step out of line?

"More than \$300m of crypto-currency has been lost after a series of bugs in a popular digital wallet service led one curious developer to accidentally take control of and then lock up the funds." Alex Hern ¹⁹³

"Accidentally." Imagine what happens with deliberate intent.

The Consolidation of Power

How easy is it to hide a needle in a haystack? What if that haystack keeps getting larger and replicates without end, how many more needles could be hidden? As people awaken to the imbalance of wealth in the world, much has been written about the top 1% vs. all the rest. Doing an Internet search for "the top 1%" leads to endless articles – jaw-dropping lifestyle titillations on one hand, wealth-disparity exposés on the other.

"There's an element, yeah, where people are going to have to start paying their fair share," Ocasio-Cortez told Anderson Cooper on 60 Minutes on Jan 6. "Once you get to the tippy tops, on your 10 millionth dollar, sometimes you see tax rates as high as 60 or 70 percent." ¹⁹⁴

Politicians are quick to stir class envy when it suits their ambitions, but people with 10 million dollars are not the problem. They are useful as political fodder, but they have almost no global influence. Most millionaires can't even afford the cover charge to get into the club for the world's wealthiest people. According to mainstream sources, Forbes maintains the definitive list of the world's wealthiest people. It's reserved for

¹⁹¹ 10/26/2017, "All of the World's Money and Markets in One Visualization"
<http://www.visualcapitalist.com/worlds-money-markets-one-visualization-2017/>

¹⁹² 10/26/2017, Jeff Desjardins, "All of the World's Money and Markets in One Visualization"
<http://www.visualcapitalist.com/worlds-money-markets-one-visualization-2017/>

¹⁹³ 11/8/2017, "\$300m in cryptocurrency' accidentally lost forever due to bug"
<https://www.theguardian.com/technology/2017/nov/08/cryptocurrency-300m-dollars-stolen-bug-ether>

¹⁹⁴ John Fraher, 1/22/2019, "Ray Dalio Says Alexandria Ocasio-Cortez's Ideas Are Taking Root"
<https://www.bloombergquint.com/politics/ocasio-cortez-buzz-hits-davos-as-dalio-says-70-tax-talk-to-rise>

billionaires¹⁹⁵, of which there are over 2200 worldwide.¹⁹⁶ Even most billionaires exert relatively little global influence, but are like "haystacks" that attract our attention.

(In)Conspicuously missing from Forbes' glamorous list is a lesser-known group with vastly more wealth – people who prefer to stay out of the limelight and camouflaged. They are the "needles." Members of this uber-elite represent the top .00000001%. Descended from royalty and the bankers who financed them, some are believed to command empires worth many trillions of dollars.¹⁹⁷ They live at the very tip of the money pyramid founded by the likes of Mayer Amschel Rothschild, John D. Rockefeller, and JP Morgan. Sometimes referred to as the "Money Masters,"¹⁹⁸ these uber-elite financiers are the spiritual heirs of fractional reserve lending; the authors of fiat currency; the putative Kings and Queens who lounge at the receiving end of the tribute line known as interest.

"We are talking about a cartel of international bankers, industrialists, insurance companies, media people, it's people who basically control your finances, control you panic mode, create the panic, and control your understanding of situations. They are based mostly in western Europe and North America. The names of certain families persist over long periods of time. Very few families control so much of this world." Amir Tsarfati¹⁹⁹

The inequality crisis is worsening, according to a new study by global charity Oxfam, which found that the world's richest 42 people own the same amount of wealth as the poorest 50 percent worldwide.²⁰⁰
(Oxfam defers to the Forbes list as well)

"The minority, the ruling class at present, has the schools and press, usually the Church as well, under its thumb. This enables it to organize and sway the emotions of the masses, and make its tool of them." Albert Einstein²⁰¹

They are the people pulling the financial strings that set major events in motion, swelling their egos with a sense of all-knowing privilege – a belief in their manifest destiny. They are the people for whom men like George Soros work sewing chaos – like destabilizing national currencies²⁰² to nudge nations towards a more centrally knit global economy and

¹⁹⁵ "The World's Billionaires"
<https://www.forbes.com/billionaires/list/#version:static>

¹⁹⁶ "The World's Billionaires"
https://en.wikipedia.org/wiki/The_World%27s_Billionaires

¹⁹⁷ True Activist, 9/19/2015, "Secrets Of The Elite: Why Forbes' Rich List Doesn't Include The Wealthiest Families On The Planet"
<http://www.trueactivist.com/secrets-of-the-elite-why-forbess-rich-list-doesnt-include-the-wealthiest-families-on-the-planet/>

¹⁹⁸ "The Money Masters 1996 FULL DOCUMENTARY"
<https://www.youtube.com/watch?v=WVxWPkMXOmw>

¹⁹⁹ 12/18/2017, "Europe: Closer to the Anti Christ"
<https://www.youtube.com/watch?v=osFi5ckkgWo> (*Minute 2:45*)

²⁰⁰ 1/22/2018, "World's richest 1% bagged 82% of global wealth in 2017, while poorest half got nothing – Oxfam"
<https://www.rt.com/business/416644-worlds-richest-wealth-oxfam/>

²⁰¹ "Why war? A letter from Albert Einstein to Sigmund Freud"
<https://en.unesco.org/courier/mai-1985/why-war-letter-albert-einstein-sigmund-freud>

²⁰² "Who is George Soros? Is it true that he destabilizes nations and installs leaders?"
<https://www.quora.com/Who-is-George-Soros-Is-it-true-that-he-destabilizes-nations-and-installs-leaders>

a global government to go with it – the so-called "New World Order" (NWO), with themselves at the helm.

"The powers of financial capitalism had a far-reaching aim, nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole. This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent meetings and conferences. The apex of the systems was to be the Bank for International Settlements [BIS] in Basel, Switzerland; a private bank owned and controlled by the world's central banks which were themselves private corporations. Each central bank... sought to dominate its government by its ability to control Treasury loans, to manipulate foreign exchanges, to influence the level of economic activity in the country, and to influence cooperative politicians by subsequent economic rewards in the business world." Carroll Quigley ²⁰³

"In time [the "Order"] brought into their financial network the provincial banking centers, organized as commercial banks and savings banks, as well as insurance companies, to form all of these into a single financial system on an international scale which manipulated the quantity and flow of money so that they were able to influence, if not control, governments on one side and industries on the other." Carroll Quigley ²⁰⁴

Many scoff at the idea of a "New World Order" or the "Deep State*" fomenting it, claiming it's all just "conspiracy theory."

*The "Deep State" is a form of clandestine government made up of hidden or covert networks of power operating independently of a nation's political leadership, in pursuit of their own agenda and goals. ²⁰⁵

Labeling something a "conspiracy theory" is the go-to means for marginalizing any argument that conflicts with official narratives. It matters little how well-documented the NWO is, or how far down the path the world has gotten:

"Some even believe we [Rockefeller family] are part of a secret cabal working against the best interests of the United States, characterizing my family and me as 'internationalists' and of conspiring with others around the world to build a more integrated global and economic structure – 'One World,' if you will. If that's the charge, I stand guilty, and I am proud of it." David Rockefeller ²⁰⁶

"Conspiracy theory" and "fake news" are routinely employed by the media to condemn those who step out of line. They assert the idea is ridiculous. "It would take millions of people to pull it off. How could so many people possibly keep such a scheme secret!" The short answer to this objection is as true a cliché as ever there was: "Just follow the money," and when the trail just drops off a cliff, as in the case of the Pentagon's spending, ask yourself, "Why?"

²⁰³ "Tragedy and Hope," page 324

²⁰⁴ "Tragedy and Hope," page 51

²⁰⁵ "Deep state"

https://en.wikipedia.org/wiki/Deep_state

²⁰⁶ "Memoirs," page 405

- It doesn't have to be kept secret, not if the participants don't see the whole picture or don't care, just as long as they're paid.

"Some people in the mainstream media work for the deep state and don't even know they work for the deep state, but the people at the higher levels sure do." Liz Cronkin²⁰⁷
- And recall the Pentagon's 10 trillion lost dollars. How many complicit "friends" would that money buy? How about a quadrillion dollars?

The New World Order isn't about millions of people consciously deciding a global government would be great – at least it wasn't at first. It has taken long-term conditioning in surreptitious increments to get us to the point where globalism is viewed by many as the only way to guarantee economic stability, security, social justice, and preservation of the planet. This is largely how the European Union and efforts to maintain it have been justified, and it is much as President Bush Sr. once opined:

"We are Americans, part of something larger than ourselves. For two centuries we've done the hard work of freedom, and tonight we lead the world in facing down a threat to decency and humanity. What is at stake is more than one small country. It is a big idea, a 'New World Order,' where diverse nations are drawn together in common cause to achieve the universal aspirations of mankind. Peace and security, freedom and the rule of law. Such is a world worthy of our struggle and worthy of our children's future." George Bush Sr. ²⁰⁸

It sounds wonderful, Utopian. Who wouldn't wish to see such a beautiful vision fulfilled?

*"Imagine there's no countries
It isn't hard to do...
Imagine no possessions...
A brotherhood of man..." John Lennon*

It sounds Utopian until you examine the means whereby we are being manipulated – money and the multi-faceted ways it has been used to manipulate markets, politicians, technology, people, and world events. Once again, President Bush offers enlightenment:

"We have before us the opportunity to forge for ourselves and for future generations a New World Order, a world where the rule of law, not the law of the jungle, governs the conduct of Nations. When we are successful, and we will be, we have a real chance at this New World Order, an order in which a credible United Nations can use its peacekeeping role to fulfill the promise and vision of the UN's founders." George Bush Sr. ²⁰⁹

That's a serving President of the United States metaphorically raising the United Nations flag above his own country's. Where exactly does this sentiment lead?

"Nation states must - should today, I say - be ready to give up sovereignty." Angela Merkel ²¹⁰

²⁰⁷ "MAGABOMBER?"
<https://www.youtube.com/watch?v=X2aBOyP38W0>

²⁰⁸ 9/11/1991, "New World Order Live Speech"
https://www.youtube.com/watch?v=byxeOG_pZ1o

²⁰⁹ 9/11/1991, "Bush Sr. New World Order Speech (rare)"
<https://www.youtube.com/watch?v=VtIO39wIRWs>

The web site "Hoax Alert" was quick to point out that Merkel never mentioned the "New World Order," per se, but she did indeed make the reported statement, and they could only quibble about its interpretation.²¹¹ Faint condemnation. Regardless, by the end of 2018 the world had moved far enough down the New World Order path that a leader of a G7* country, Germany – arguably the most powerful country in the European Union – would advocate for nations to surrender aspects of their sovereignty.

*The Group of Seven (G7) is an informal bloc of industrialized democracies—Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States—that meets annually to discuss issues such as global economic governance, international security, and energy policy.²¹²

Surrender or be "persuaded" to do so. Why are waves of migration occurring throughout Europe, threatening destabilization? Why are so many migrants trying to enter the US illegally? A few seek legitimate asylum, but many are lured by the promise of benefits if they get in.

"There are approximately 3.7 million unlawful immigrant households in the U.S. These households impose a net fiscal burden of around \$54.5 billion per year." Jason Richwine, Ph.D. and Robert Rector²¹³

Then there is the endless political theater over border security – partisan bickering that has become a pernicious form of "distraction" – suggesting many politicians are persuaded by agendas more in keeping with global initiatives than keeping faith with the document they swore an oath to uphold.

"We must empower migrants to become full members of our societies, highlight their positive contributions, and promote inclusion and social cohesion. We must generate greater predictability and certainty for States, communities, and migrants alike. To achieve this, we commit to facilitate and ensure safe, orderly, and regular migration for the benefit of all.

Migration contributes to positive development outcomes and to realizing the goals of the 2030 Agenda for Sustainable Development."²¹⁴

"The USMCA Treaty ('Treaty') was negotiated by U.S. Trade Representative Robert Lighthizer. He is a member of the Council on Foreign Relations, which works to move the United States into the North American Union (NAU). The Treaty advances the economic and

²¹⁰ 11/25/2018, Laura Cat, 'Merkel: "Nation states must today be prepared to give up their sovereignty"'
<https://voiceofeurope.com/2018/11/merkel-nation-states-must-today-be-prepared-to-give-up-their-sovereignty/>

²¹¹ 12/30/2018, Maarten Schenk, "Fake News: Angela Merkel Did NOT Say Nation States Must Give Up Sovereignty To New World Order"
<https://hoax-alert.leadstories.com/3470035-fake-news-angela-merkel-nation-states-must-give-up-sovereignty-to-new-world-order.html>

²¹² "The G7 and the Future of Multilateralism"
<https://www.cfr.org/background/group-seven-g7>

²¹³ 5/6/2013, "The Fiscal Cost of Unlawful Immigrants and Amnesty to the U.S. Taxpayer"
<https://www.heritage.org/immigration/report/the-fiscal-cost-unlawful-immigrants-and-amnesty-the-us-taxpayer>

²¹⁴ 12/10/2018, "Intergovernmental Conference to Adopt the Global Compact for Safe, Orderly and Regular Migration"
<https://undocs.org/A/CONF.231/3> pages 14 and 5, respectively

regulatory integration of the three Parties. It is the precursor to the political integration the globalists seek with the NAU." Publius Huldah ²¹⁵

These and other plans and treaties are the hallmarks of globalism – the New World Order. The strategy, envisioned long ago by the dynastic uber-elite, has taken decades to unfurl: Foster political and economic turmoil at every level to encourage dependency on increasingly centralized authority, then sit back and make minor adjustments as results roll in.

"...what I found by accessing the archives of each president is that through many events and periods, particular bankers were in constant communication — not just about financial and economic policy, and by extension trade policy, but also about aspects of World War I, or World War II, or the Cold War, in terms of the expansion that America was undergoing as a superpower in the world, politically, buoyed by the financial expansion of the banking community." Nomi Prins, former Goldman Sachs Managing Director ²¹⁶

"In almost every act of our daily lives, whether in the sphere of politics or business, in our social conduct or our ethical thinking, we are dominated by the relatively small number of persons...who understand the mental processes and social patterns of the masses. It is they who pull the wires which control the public mind.

The conscious and intelligent manipulation of the organized habits and opinions of the masses is an important element in democratic society. Those who manipulate this unseen mechanism of society constitute an invisible government which is the true ruling power of our country. We are governed, our minds are molded, our tastes formed, our ideas suggested, largely by men we have never heard of.

The invisible government tends to be concentrated in the hands of the few because of the expense of manipulating the social machinery which controls the opinions and habits of the masses. To advertise on a scale which will reach fifty million persons is expensive. To reach and persuade the group leaders who dictate the public's thoughts and actions is likewise expensive." Edward Bernays ²¹⁷

The plan has been so successful and the results so pervasive that many people who dedicate themselves to causes like "social justice" and "saving the planet" are – through a convoluted nesting of corporations, institutions, and think tanks – actually working for the global elite as unwitting minions orchestrating a vision of centralized global control in which they will ultimately be obviated.

²¹⁵ 1/11/2019, "The USMCA "Trade Agreement" violates our Constitution and sets up Global Government"
<https://freedomoutpost.com/the-usmca-trade-agreement-violates-our-constitution-and-sets-up-global-government/>

²¹⁶ Josh Eidelson, 4/15/2014, "We are in great danger": Ex-banker details how mega-banks destroyed America"
https://www.salon.com/2014/04/15/we_are_in_great_danger_ex_banker_details_how_mega_banks_destroyed_america/

²¹⁷ "Propaganda"
<http://whale.to/b/bernays.pdf> (Pages 9, 10 and 37 respectively)

"The greatest resource for any human being to control is not natural resources or tools or animals or land, but other human beings."
Stefan Molyneux²¹⁸

This is a small snippet of the Bilderberg Group's* Org Chart. ²¹⁹



**The Bilderberg Group is one of a handful of organizations for uber-elites (and more so their top acolytes) to gather, compare notes, and adjust plans to suit their ambitions for the world. Their meetings, usually held at exclusive resorts in exotic places all over the world, have come under increasing public scrutiny in recent years.*

"Whatever happens in the meeting stays within the group as participants are banned from revealing what was discussed and details are rarely made public." Amani Huges²²⁰

By the uber-elites' careful application of their virtually endless supply of money – by strategic investments in corporations, governments, the media, education, technology and etc – they have slowly cultivated a populace so completely habituated to the financial landscape as to be nearly oblivious to how it is used to manipulate attitudes and events. Trillions of dollars buys a lot of unwitting accomplices, if not friends. This is evidenced by the increasing impunity with which financial, political, technological, and social manipulations are so often conducted. Take, for instance, the long running battle wealthy politicians in New York have had with the National Rifle Association (NRA), a battle where banks and insurance companies are being threatened with government audits and investigations if they continue to do business with the NRA.

"[Governor] Cuomo has sent a clear and chilling message to every bank and insurance company in the United States [saying] that they'd better think twice before doing business with the NRA... And he is backing up his words with a clear threat to every major financial institution in America: That those who refuse to sever ties with the NRA will find themselves in the cross-hairs of New York government agents - to be harassed and persecuted into submission." Wayne LaPierre ²²¹

²¹⁸ 4/17/2010, "This is the Story of Your Enslavement"
<https://www.youtube.com/watch?v=Xbp6umQT58A>

²¹⁹ 6/12/2012, Ashley Lutz, "This Chart Shows The Bilderberg Group's Connection To Everything In The World"
<https://www.businessinsider.com/this-chart-shows-the-bilderberg-groups-connection-to-everything-in-the-world-2012-6>

²²⁰ 6/6/2018, "Bilderberg 2018: Who is in the secretive group? Are members plotting New World Order?"
<https://www.express.co.uk/news/world/970432/Bilderberg-2018-who-is-in-secretive-Bilderberg-group-are-group-members-plotting-new-world>

²²¹ 3/4/2019, "Notice of Shutdown" letter to NRA members from Wayne LaPierre, Executive Vice President

Regardless of how one feels about the NRA, this sort of intimidation is nothing short of attempted blackmail – in broad daylight.

"Impunity means that the rich and powerful escape from punishment even when their malfeasance is in full view. Impunity is epidemic in America. The rich and powerful get away with their heists in broad daylight."
Jeffrey Sachs ²²²

Now, at the beginning of 2019, wealth is no longer an issue for the masters of money. They have used their fiat currency to amass so much tangible wealth – in the form of land, precious items, and controlling-ownership in the means of producing almost everything – they will dominate the world regardless of what happens.

"Here is what has happened to the American people [and pretty much the rest of the world]: The money creators, the Federal Reserve and the U.S. Treasury as symbiotic partners, are creating non-substance (fiat money) and "buying" (stealing) substance with it." Brandon Smith ²²³

"Never before have central banks conjured trillions of dollars, yuan, yen and euros out of thin air and used this new currency to buy bonds, stocks and debt instruments in vast quantities for eight years running."
Charles Hugh Smith ²²⁴

Fiat currency is merely a tool to consolidate power – a tool they expect to wear out and which is wearing threadbare even now.

"Globalists stage fiscal bubbles many years in advance, and use economic crisis as a catalyst for social change on a grand scale. Usually this results in ever-increasing centralization of wealth and power. However, the shift of financial dominance is subtle to those who do not pay particular attention to the details. A market bubble might take a decade to develop before it is deliberately popped. In the meantime all the fundamentals are screaming that something is very wrong, but the majority of the public remains oblivious until it is too late." Brandon Smith ²²⁵

"You never want a serious crisis to go to waste. And what I mean by that is an opportunity to do things that you think you could not do before."
Rahm Emanuel ²²⁶

"When you don't feel safe; when you admit that there is a big problem; and when you don't trust your own government; this is the fertile ground the elite needs to push forward its own agenda." Amir Tsarfati ²²⁷

²²² Marc Faber, 5/31/2016, "The Age of Impunity"
<http://www.zerohedge.com/news/2016-05-31/marc-faber-warns-moral-degeneration-americas-consensual-hallucination>

²²³ "The American System is Not Capitalism"
<http://alt-market.com/articles/3352-the-american-system-is-not-capitalism>

²²⁴ 12/11/2017, "Three Bubbles/Strikes And You're Out"
<http://charleshughsmith.blogspot.com/2017/12/three-bubblesstrikes-and-youre-out.html>

²²⁵ "Understanding the Tactics of Subversive Globalism"
<http://www.alt-market.com/articles/3521-understanding-the-tactics-of-subversive-globalism>

²²⁶ 11/19/2008, "Interview to the Wall Street Journal"

https://en.wikiquote.org/wiki/Rahm_Emanuel

²²⁷ 12/18/2017, "Europe: Closer to the Anti Christ"
<https://www.youtube.com/watch?v=osFi5ckkgWo> (*Minute 44:00*)

When the dollar becomes so watered down it tapers off to oblivion and leaves the global economy in a shambles and people desperate for help, that's when the central banks will likely move to the next phase of power-consolidation.

"What will fill the void when the petrodollar inevitably dies? When that happens—and it may be imminent—something has to replace it... Naturally, the global elite want to centralize more power into global institutions. In this case, that means the International Monetary Fund (IMF)." Nick Giamb Bruno ²²⁸

They will promote a new global currency as the means of salvation. Called the "SDR," which stands for "special drawing rights," it has been ready and waiting in the wings since Nixon's day.

"The SDR was created as a supplementary international reserve asset in the context of the Bretton Woods fixed exchange rate system...The SDR was initially defined as equivalent to 0.888671 grams of fine gold — which at the time was also equivalent to one U.S. dollar. After the collapse of the Bretton Woods system and the shift of major currencies to floating exchange rate regimes, the SDR was redefined as a basket of currencies." International Money Fund ²²⁹

"The original impetus for the SDR included concerns about a national currency's ability to reconcile the need for global liquidity provision with confidence in its role as the world's reserve currency – what economists call the 'Triffin dilemma.' By creating an international currency that would be managed by the IMF, member countries sought to underpin and enhance the international monetary system with a non-national official reserve asset." Mohamed El-Erian ²³⁰

Tacit within this last statement is acknowledgment of the world's waning confidence in the fiat money system the central bankers have milked for so long.

"The Bank for International Settlements (BIS) and the International Monetary Fund (IMF) will work even more closely together to help strengthen the expertise and skills of financial regulators and supervisors, particularly in the context of implementing the post-crisis financial reforms and dealing with emerging issues such as financial technology." Press Release ²³¹

It sounds very high-minded with buzzwords like "underpin," as in "backed by a basket of currencies." But when you stop to consider what's in that basket – the dollar, euro, yuan, yen and the pound, fiat currencies all – it becomes clear that while the SDR may have the veneer of asset-backed credibility, in fact it's just another variation of fiat currency – like an exotic derivative composed of other derivatives.

²²⁸ 1/19/2017, "Trump and a New Gold-Backed Dollar"

<https://internationalman.com/articles/trump-and-a-new-gold-backed-dollar/>

²²⁹ 4/19/2018, "Special Drawing Right (SDR)"

<https://www.imf.org/en/About/Factsheets/Sheets/2016/08/01/14/51/Special-Drawing-Right-SDR>

²³⁰ 4/24/2017, "Could the IMF's 'world currency' help encourage global unity?"

<https://www.theguardian.com/business/2017/apr/24/imf-populism-nationalism-sdr-reserve-currency>

²³¹ 2/9/2018, "BIS and IMF to work more closely together to help strengthen financial supervisory skills around the world"

<https://www.bis.org/press/p180209a.htm>

What could possibly induce countries to accept an "international currency" like the SDR or something akin, or its crypto-equivalent?

"As the IMF has been saying on their own web site, their future vision is for a global crypto-currency. They've even referenced crypto-currency as the evolutionary future of the global monetary system... If we see a collapse of the dollar, then I think we will start to see multiple countries calling for the IMF to take control of the global monetary system, and I believe you will see the call for crypto-currency to be issued as the new world reserve." Brandon Smith ²³²

Ace Up Their Sleeve

And then there's the BIS/IMF's trump card: This central bank of the world and the national central banks it controls are owed more money than many economists believe can ever possibly be repaid. Given this dawning reality, what would happen if the BIS/IMF Central Bank offered to forgive nations of their sovereign debt, or at least some of it? Just write it off, but with a catch: Debt forgiveness would be linked to the nations represented by central banks – all but a few nations on Earth²³³ – adopting an overarching structure of global governance to "ensure global stability." Steps in this direction have already been taken, of which the following is one:

"When the leaders of Canada, Mexico, and the United States met in Texas recently, they underscored the deep ties and shared principles of the three countries.

The Council-sponsored Task Force applauds the announced "Security and Prosperity Partnership of North America," but proposes a more ambitious vision of a new community...and specific recommendations on how to achieve it." Council on Foreign Relations, "Building a North American Community" ²³⁴

Other steps include UN Agendas 21 and 2030,²³⁵ "non-binding" resolutions to encourage "sustainability." Sustainability sounds good, and perhaps the UN would be tapped for the role of world governing body, as it has postured for decades to that ambition. Or perhaps a new global government would be formed along the lines of the European Union – whatever can be made to seem palatable. It's difficult to imagine how so many countries overburdened by debt could refuse such a magnanimous offer.

What is "Progress?"

The flood of debt-backed currency in all its forms has pushed our world "forward" much faster than it otherwise would have gone. "Progress" has become an economic engine unto itself. We are urged to climb aboard or be left behind, even so we have little or no concept of where it will take us. Mankind's inclination to excess has been hyper-inflated. Some call this progress. Is it really?

²³² 8/5/2018, "WE ARE THE LAST DEFENSE AGAINST GLOBAL GOVERNMENT"
<https://www.sgtreport.com/2018/08/we-are-the-last-defense-against-global-government-brandon-smith/>

²³³ 3/1/2018, "Only Three Countries Left Without a ROTHSCHILD Central Bank"
<https://roserambles.org/2018/03/01/only-three-countries-left-without-a-rothschild-central-bank-thursday-march1-2018/>

²³⁴ 5/2005, "Building a North American Community" (Web-site Abstract)
<https://www.cfr.org/report/building-north-american-community>

²³⁵ 10/4/2015, Tom DeWeese, "Agenda 21/Agenda 2030 There is No Difference"
<https://americanpolicy.org/2017/10/04/agenda-21-agenda-2030-there-is-no-difference/>

- Is it progress to subordinate learning and thinking to smartphones?
- Is it progress to chain the labor of unborn children to the debts of our excess?
- Is it progress to create a monetary system that depends on electricity and the Internet when both are vulnerable to outages and disruption?
- Is it progress to genetically modify crops without knowing the consequences?
- Is it progress to use chemicals that threaten pollinator species with extinction?
- Is it progress to fill the world's oceans with plastics that permeate the food chain?
- Is it progress to suppress the truth about *anything*, like the slow irradiation of the Pacific Ocean from an ongoing nuclear meltdown, or the full record of John F. Kennedy's assassination?
- Is it progress to mandate a healthcare system with runaway costs that are bankrupting families?
- Is it progress when one in three people get cancer from environmental toxicity?
- Is it progress to create a "virtual" reality into which our minds are "transported" to escape the real world?
- Is it progress to incarcerate people for victimless crimes?
- Is it progress to support a political system with one set of rules for the governed and another for the governors?
- Is it progress to approve pharmaceuticals that cause as much harm as the illnesses they purport to treat?
- Is it progress to proliferate "smart" devices and networks that bathe us and nature in demonstrably harmful microwave radiation?
- Is it progress for 90% of America's media to be owned by 6 corporations?
- Is it progress to focus on making products as cheaply as possible at the expense of all else?
- Is it progress to render mankind obsolete?

Is any of this really progress, or is humanity and our precious world being strip-mined? What can't be bought and paid for when the supply of money is effectively endless? What (and who) hasn't been bought and paid for already?

The Poisoned Promise of Prosperity

The more that money just gets waved into existence, the more tenuous our lives have become. The evidence suggests fiat currency is the fuel by which this transformation has been powered, like feeding sugar to cancer – a cancer we are conditioned to think of as progress – while the joy of living and the virtue of working are diluted away because the capital of our commerce is corrupt. If power corrupts, and absolute power corrupts absolutely, what is the ability to conjure money from thin air? Ancient alchemists sought to transform lead into gold, but today's Money Masters have put them to shame, turning paper into an instrument with which to buy anything – including gold – and they stand at the threshold of turning nothing at all into control over everything.

"Are these the men that Thomas Jefferson supposedly once warned about? Indeed. They are the ones who control the issue of currency; the ones who first by inflation, then by deflation, caused the banks and corporations to grow up around the people, thus depriving them of all property until the people's children wake up homeless on the continent their fathers conquered." Doug "Uncola" Lynn ²³⁶

²³⁶

"Happy New Year: Don't Be Fooled By the Orthodoxies of the Messengers"
<https://www.theburningplatform.com/2017/12/29/happy-new-year-dont-be-fooled-by-the->

Like children brought up in a world full of candy, our worst inclinations have been overindulged by fiat currency and its derivative forms. Not that mankind hasn't done some remarkably beautiful things, but without fiat currency, "man-made global change" would be happening at such a much slower pace, allowing wisdom a better chance to catch up. Waving money into existence out of thin air begs the question, "Just because we can do a thing does that mean we should?" Wisdom is not about what we can do. Wisdom is more like having a moral compass – the cardinal points perhaps being knowledge, intuition, logic, and compassion, with its gimbaled-pivot being the immutable principles of Natural Law – to guide us in recognizing when, if, and why a thing should be done, or if a thing should even be done at all.

If there is a connection between wealth and wisdom, it is likely inverse. The wisest men to walk the earth all disavowed earthly riches. Jesus Christ, Mahatma Gandhi and the Buddha come to mind. If wealth confers anything, it is hubris. The powers that control the world's money could have slowed things down by restraining its supply, thus allowing humanity some time to breathe and take stock. Instead, they have stepped on the accelerator at every opportunity in their quest to build a globe-girding empire.

"Today, less than 0.1% of the population of the world lives in a country that does not have a central bank." Michael Snyder ²³⁷

The idea of a global economy grew out of seeking more profits through economies-of-scale – out of greed. The resulting accumulation of wealth and power in the hands of a few is threatening the right of self-determination for the greater mass of humanity, and it is poisoning our environment. Call it "dysfunction of scale." Some are so discouraged and outraged by their economic condition that they blame capitalism because they see corporations wielding more political clout than most small nations. Indeed, many large nations are so heavily influenced the same could be said about them.

"Corporate capitalism is establishing a neofeudal serfdom in numerous occupations, a condition in which there are no labor laws, no minimum wage, no benefits, no job security and no regulations. Desperate and impoverished workers, forced to endure 16-hour days, are viciously pitted against each other. Uber drivers make about \$13.25 an hour. In cities like Detroit this falls to \$8.77. Travis Kalanick, the former CEO of Uber and one of the founders, has a net worth of \$4.8 billion. Logan Green, the CEO of Lyft, has a net worth of \$300 million." Chris Hedges ²³⁸

"Today, rather than governments controlling corporations, corporations control governments." Paul Craig Roberts ²³⁹

When Money Alone is Sufficient to Crush Competition, is that Capitalism?

In a slow and insidious fashion, market-driven capitalism has been transformed into "corporatism," driven by the movement of money.

²³⁷ orthodoxies-of-the-messengers/#more-166929
"How The Elite Dominate The World – Part 2: 99.9% Of The Global Population Lives In A Country With A Central Bank"
<http://theeconomiccollapseblog.com/archives/how-the-elite-dominate-the-world-part-2-99-9-of-the-global-population-lives-in-a-country-with-a-central-bank>

²³⁸ 3/26/2018, "'The Gig Economy' Is the New Term for Serfdom"
<http://www.informationclearinghouse.info/49082.htm>

²³⁹ 4/16/2016, "Greed & Power, Inc."
<https://www.paulcraigroberts.org/2016/04/16/greed-power-inc/>

"When the [political] left and right speak of capitalism today, they are telling stories about an imaginary state. The unbridled, competitive free markets that the right cherishes don't exist today. The left attacks the grotesque capitalism we see today, as if that were the true manifestation of the essence of capitalism rather than the distorted version it has become." Jonathan Tepper ²⁴⁰

"We've been persuaded that the state-cartel Plantation Economy is 'capitalist,' but it isn't. It's a Rentier skimming machine.

In the Plantation Economy, the [Corporation] has access to nearly unlimited credit. Small businesses serving the employees and the employees [themselves] have [just] enough credit to live on but not enough to buy productive assets. As a result, the Corporation can always buy up any productive assets, expanding its monopoly.

The state also has an essentially unlimited line of credit which it can use to fund its favored cartels and state fiefdoms." Charles Hugh Smith ²⁴¹

Capitalism is blamed, and many clamor for socialism or even communism, as if those experiments have never been tried, have not led to oppression if not violent tyranny.

"During the last 100 years, approximately 110 million people have died under the forces of socialist regimes...The record of socialism's failure is 100 percent and remains unbroken. The result is 100 predictable – poverty, hunger, and a tyrannical government that rules by force instead of law." Virginia Fidler ²⁴²

Meanwhile the globalists seek to assure us that their vision for a centralized socialist government is more enlightened, that it's "kinder and gentler." Kumbaya. What humanity needs isn't more of the same from the people who maneuvered us to this point.

"Central banks will issue crypto-currencies to divert the attention from, let's say, the dollar that is worthless or will be worthless, so they come up with a new currency and that will be a temporary diversion, but it's not going to solve any problem because it will be the same fiat money, just in a different electronic form." Egon von Greyerz ²⁴³

"By our calculations – backed by studies, hunches, and deep research – the typical American man (it is less true for women) earns less in real, disposable income per hour today than he did 30 years ago... What kind of economic quackery do you need to stop capitalism from increasing the value of workers' time? What kind of policies and circumstances are required to stiffen its joints... clog up its innards... and rot its brain? Globalization? Financialization? Bad trade deals? Too much red tape? Too many cronies? Too many zombies? All of those things played a role. But our answer is simpler: poison money." Bill Bonner ²⁴⁴

²⁴⁰ 11/25/2018, "Competition Is Dying, and Taking Capitalism With It"
<https://www.bloomberg.com/opinion/articles/2018-11-25/the-myth-of-capitalism-exposed>

²⁴¹ 4/21/2017, "Our State-Corporate Plantation Economy"
<http://charleshughsmith.blogspot.com/2017/04/our-state-corporate-plantation-economy.html>

²⁴² 3/11/2019, "Why Socialism Fails Every Time"
<http://www.goldtelegraph.com/why-socialism-fails-every-time/>

²⁴³ 11/27/2018, "Keiser Report: Shell-Shocked Investors in Market Carnage"
<https://www.youtube.com/watch?v=Q55xdelcUfo&feature=youtu.be&t=768>

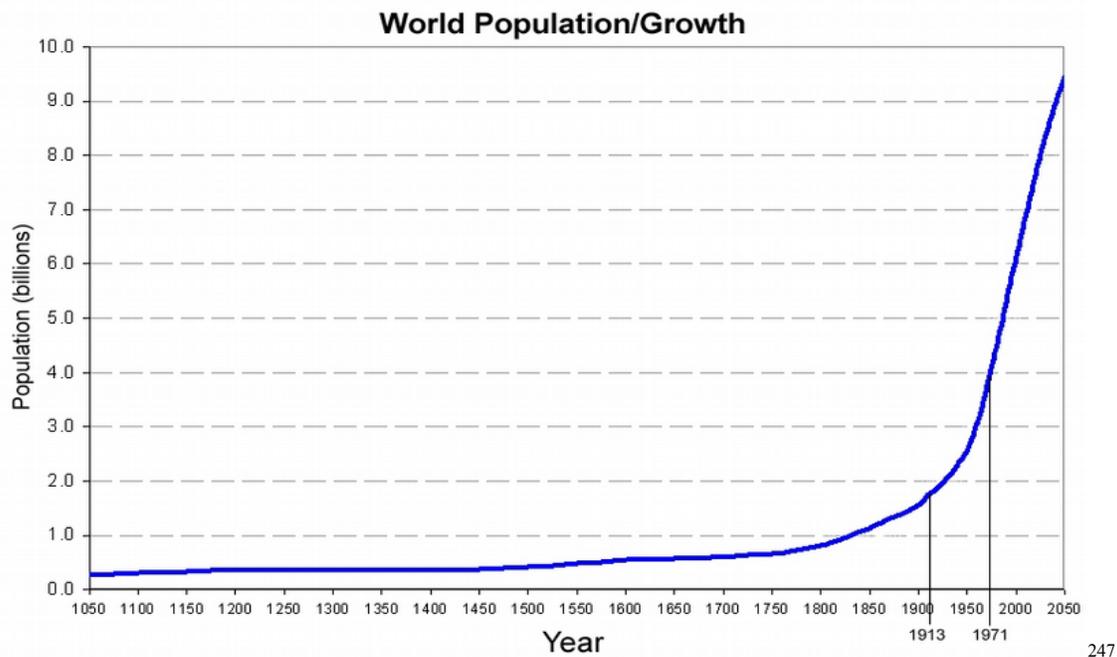
²⁴⁴ 4/8/2016, "Rotten To The Core"
<https://www.lewrockwell.com/2016/04/bill-bonner/us-poison-money-regime/>

"As more people come to fear the tower of debt atop which the U.S. Dollar is precariously balanced, the attractiveness of a fall-back plan grows. Perhaps it's the current scheme, with its requirement of endless growth in a finite world, that seems Utopian and far-fetched." William McKibben ²⁴⁵

Freedom is in mankind's DNA, our ideal state of being, and capitalism is the purest expression of economic freedom, but the "too big to fail" mentality has destroyed it.

" 'The Wealth of Nations' and the 'Declaration of Independence' were bold statements against the abuses of monopoly power. Americans wanted entrepreneurial freedom to build businesses in a free market. Today, we need a new revolution to cast off monopolies and restore free trade." Jonathan Tepper ²⁴⁶

The bankers did not invent capitalism, but they seized upon it as the perfect scaffold from which to erect their Pyramid-Ponzi scheme and finance their Byzantine power grab. Beginning in the late 1800s with the Industrial Revolution, and accelerating thereafter, capitalism has increasingly been commandeered, with more and more money being created to sustain it, thus funneling more and more money back into politics to buy more influence. 1913 was a watershed year, when the Federal Reserve used its influence to take control of the Nation's money supply. 1971 was another, when the idea of waving money into existence took root in modern capitalism, further propelling humanity on a path which common sense dictates cannot be sustained.



Everything unsustainable about our culture has been made vastly more so by flooding the world with fiat currency. Around and around faster the wheel turns until it strains to fly apart. The wheel must be slowed before it does so. Capitalism for humans must be

²⁴⁵ "Deep Economy" (Page 164)

²⁴⁶ 11/25/2018, "Competition Is Dying, and Taking Capitalism With It"
<https://www.bloomberg.com/opinion/articles/2018-11-25/the-myth-of-capitalism-exposed>

²⁴⁷ 8/19/2015, "It's getting crowded here" (with 1913 and 1971 highlighted)
<https://www.zmescience.com/science/unsustainable-human-population-growth-0534/>

restored — capitalism rooted in freedom and guided by all the costs associated with economic activity. Humanity needs economic Freedom, and the world needs economic Fairness – Freedom to behave according to the dictates of conscience without harming others, Fairness of balance between work and reward, and Fairness for the good Earth and all her inhabitants too. Freedom requires Truth, and Fairness requires Trust to build a thriving community of individuals all sharing one planet. To find Truth and build Trust, we need the following:

- An aware populace where each of us thinks more about our role in the direction mankind is taking. Do we like the efforts we're involved in; do we approve of where our government is leading us, or how our tax monies are spent?

"It will be necessary that the people learn, or relearn, that debt is not wealth, paper is not money, free stuff is not justice, war is not peace, and government coercion is not liberty." Ron Paul ²⁴⁸

"How is psychological manipulation implemented? Through lies, of course. Adolf Hitler's Reich Minister of Propaganda, Joseph Goebbels, once asserted that: 'A lie told once remains a lie but a lie told a thousand times becomes the truth.' [And] it is those who question the lies today that are labeled conspiracy theorists. What irony." Doug "Uncola" Lynn ²⁴⁹

"The fact that carefully presented [9/11] evidence is NEVER ENGAGED [by the press or authorities] EXCEPT WITH NAME-CALLING is a strong indication that the evidence is true and cannot be refuted." Paul Craig Roberts ²⁵⁰

"Few themes arise in our environment organically. Follow the money. I think 'media literacy' is a new name promoted by some of the same people who want to tell you what to believe. People with their own agendas using terms designed to fool you into thinking they are a neutral authority. What you need to remember is when interests are working this hard to shape your opinion, their true goal might just be to add another layer between you and the truth." Sharyl Attkisson ²⁵¹

We need to rekindle our innate ability to think critically. Many Americans accept without question the information they receive from "authoritative" sources – the "MSM" and elected officials – even when available facts suggest completely different explanations.

- Government restrained by fiscal limits

"It's not sufficient that the people tell government officials what they should be doing. It is equally important, if not more important, to dictate how much money the government will have to achieve those ends." Jörg Guido Hülsmann ²⁵²

²⁴⁸ 1/8/2018, "What Has QE Wrought?"

<https://www.lewrockwell.com/2018/01/ron-paul/what-has-qe-wrought-2/>

²⁴⁹ "Happy New Year: Don't Be Fooled By the Orthodoxies of the Messengers"

<https://www.theburningplatform.com/2017/12/29/happy-new-year-dont-be-fooled-by-the-orthodoxies-of-the-messengers/#more-166929>

²⁵⁰ 1/8/2019, "A Majority of Americans Do Not Believe the Official 9/11 Story"

<https://www.paulcraigroberts.org/2019/01/08/a-majority-of-americans-do-not-believe-the-official-9-11-story/>

²⁵¹ TEDx Talks, 2/13/2018, "How Real Is Fake News?"

https://www.youtube.com/watch?time_continue=570&v=UQcCIzjz9_s

²⁵² 11/20/2014, "The Cultural and Political Consequences of Fiat Money"

<https://mises.org/library/cultural-and-political-consequences-fiat-money-0>

- Government bound to the fixed and immutable truths of natural rights/law.

"Natural rights are those which appertain to man in right of his existence. Of this kind are all the intellectual rights, or rights of the mind, and also all those rights of acting as an individual for his own comfort and happiness, which are not injurious to the natural rights of others." Thomas Paine ²⁵³
- Sovereign peoples and nations to maintain a distribution of power that is inimical to globalized tyranny.
- Economics based in human capitalism where enlightened self-interest replaces greed by integrating sociological and environmental "costs" into the equation of progress

"You can't get richer, at least not for long, by impoverishing the world around you. This insight is so clear that, sooner or later, all economists will almost certainly embrace it in their work." William McKibben ²⁵⁴

"As the thinking goes, growth of gross domestic product (GDP), which measures the goods and services produced in an economy every year is essential to a country's stability and prosperity. It is growth that is responsible for each generation being better off than its parents' generation, economists say. 'More growth is better, period,' Robert Gordon, a Northwestern economist, told me. But some economists are now challenging that view, arguing that it makes more sense to focus on measures of well-being other than growth." Alana Semuels ²⁵⁵
- Tangible money with leverage limits that abide by the will of the people, and with transparent control mechanisms to ensure compliance.

"Audit the privately-run FED and its credit-based money system and return monetary policy and control to transparent, sovereign and Constitutional authority." Nathaniel Haraden ²⁵⁶

"In the era of the gold coin standard, when citizens could bring in paper money and demand gold coins from a local bank, this transferred tremendous authority into the hands of the general public. The public could participate in a run on a local bank's gold. If this took place nationally, this would cause a run on the central bank's gold. This would force the central bank to stop inflating through fiat money." Gary North ²⁵⁷

"Of course, modern politicians and their Keynesian enablers despise the gold or silver standard. This is because linking a currency to a precious metal limits the ability of central banks to finance the growth of the welfare-warfare state via the inflation tax. This forces politicians to finance big government much more with direct means of taxation." Ron Paul²⁵⁸

²⁵³ 1791, "Rights of Man"

<http://www.let.rug.nl/usa/documents/1786-1800/thomas-paine-the-rights-of-man/text.php>

²⁵⁴ "Deep Economy" (Page 29)

²⁵⁵ 11/4/2016, "Does the Economy Really Need to Keep Growing Quite So Much?"

<https://www.theatlantic.com/business/archive/2016/11/economic-growth/506423/>

²⁵⁶ 2008, "Pledge of Renewal"

<http://netscribe.com/2016/pledge.pdf>

²⁵⁷ 10/20/2017, "The Case Against Gold as a Central Bank Asset"

<https://www.lewrockwell.com/2017/10/gary-north/the-case-against-gold-as-a-central-bank-asset/>

²⁵⁸ 3/6/2017, "Arizona Challenges the Fed's Money Monopoly"

<https://www.lewrockwell.com/2017/03/ron-paul/states-right-honest-money/>

Mankind stands at the dawn of the intelligent machine age. Will we rush headlong into a world of self-replicating automatons that will make humans redundant? Will we rely on the benevolence of a handful of people left holding the reins of power to sustain us as their wards? Will they feed us, clothe us, house us, and entertain us? These are the same people who were "trading with the enemy"²⁵⁹ during major world wars (funding both sides); the same people who have exploited fiat currency to amass globe-girding power and the largest personal holdings of physical property on the planet; the same people who are building the supranational corporations that ignore national boundaries in pursuit of economies-of-scale with accelerating zeal; the same people who embrace automation to reduce exposure to human labor squabbles, costs, and mistakes; the same people who laud the marriage of AI and robots as the dawn of a new golden age; and the same people who have erected a surveillance-state – on the pretense of security – to protect themselves from the wrath of the rest of us. The economic fate of Greece provides advanced clues:

"The political and media cover-up of the genocide of the Greek Nation began with European Union and other political statements announcing that the Greek Crisis is over. What they mean is that Greece is over, dead, and done with. It has been exploited to the limit, and the carcass has been thrown to the dogs.

350,000 Greeks, mainly the young and professionals, have fled dead Greece. The birth rate is far below the rate necessary to sustain the remaining population. The austerity imposed on the Greek people by the EU, the IMF, and the Greek government has resulted in the contraction of the Greek economy by 25%." Paul Craig Roberts ²⁶⁰

Does this record of "progress" suggest benevolence towards the rest of humanity?

"The most powerful and dangerous weapon on earth is the control of the printing presses and the national currencies. And who controls them? The central banks all over the planet." SGT report ²⁶¹

Collective Dream

Wealth creation is extolled as a virtue on the premise that a "rising tide raises all boats," yet we are witnessing the greatest wealth-disparity of all time, accompanied by the prospect it will only get worse, and fiat currency lies insidiously at its root.

"The psychology remains subliminally subtle as the optics unfurl like a massage onto the brain of millions of people in real time. The cadre of elite multinational power-brokers is continuously spinning electronic and digital visions of globalism, like dream-weavers casting a cabled web of anima mundi over the earth. They psychogenically purport the orthodoxies of human secularism and political correctness in ways that would make any perverted hypnotherapist blush in admiration." Doug "Uncola" Lynn ²⁶²

²⁵⁹ 12/13/2006, Red Marriot, "How the Allied multinationals supplied Nazi Germany throughout World War II"

<http://libcom.org/library/allied-multinationals-supply-nazi-germany-world-war-2>

²⁶⁰ 8/22/2018, "Genocide of the Greek Nation"

<https://www.lewrockwell.com/2018/08/paul-craig-roberts/genocide-of-the-greek-nation/>

²⁶¹ 10/18/2018, "THE SYSTEM DIED. THE RESET IS COMING."

https://www.youtube.com/watch?time_continue=656&v=XhJc0II9OXc (*Minute 25:20*)

²⁶² "Happy New Year: Don't Be Fooled By the Orthodoxies of the Messengers"

<https://www.theburningplatform.com/2017/12/29/happy-new-year-dont-be-fooled-by-the->

Fiat currency is unhealthy to a balance of wealth distribution, culture, sovereignty, technology, growth, environment, and well-being. It is unhealthy to genuine "sustainability." The unchecked proliferation of fiat currency in its endless incarnations has created more buying power than there are things to buy. It has nourished greed into a cancer labeled "progress," progress in which money conjures the illusion of prosperity, and the illusion sustains the money.

"Prosperity, built on debt, inflation, and false government promises is illusionary and can disappear quickly... The wealth available for bribing the masses is quickly dwindling as the demands and expectations grow."
Ron Paul ²⁶³

It has been said, "Money is the root of all evil." But is money inherently evil? The concept itself seems neutral. It's not that money is evil, it's that we've been hypnotized into letting our money be transformed into something it's not. Literally. And in so doing we have allowed far too much of it to be waved into existence. How many times has more debt been raised against the pledge of our labor to pay for programs that would never survive a democratic process for approval, let alone pass Constitutional muster? Yet we citizens and our progeny are the ones who must ultimately pay. What is that if not involuntary servitude?

"Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction." **The 13th Amendment to the US Constitution**

We have dreamed a collective dream – as if money really does "grow on trees." Will historians record that we ever woke up?

²⁶³ orthodoxies-of-the-messengers/#more-166929
1/8/2018, "What Has QE Wrought?"
<https://www.lewrockwell.com/2018/01/ron-paul/what-has-qe-wrought-2/>

Postscript

Dear Globalists:

You have tried to mold us to accommodate the way you think the world ought to be – your Utopia. It matters not how beneficent your vision might be, the noblest of ends are corrupted by evil means, and your coercion has been monumental.

We do not care to be homogenized into a global economy, a global government, or a global culture. It defies human nature and affords too great a chance for global tyranny. Separate governments – sovereign and independent – are essential. The distribution of power makes it difficult for any small group to run roughshod over the rest of humanity.

Yes, we live on one fragile little world, but we are many distinct peoples. Happily, we have grown and learned enough to celebrate our differences and share cultures, not subjugate them. We also recognize there are some things we must act upon in concert. To that degree we are a loose-knit global community. Let these trends freely flourish and Utopia has a chance to evolve. The operative word is "evolve:" Utopia cannot be coerced, as should be self-evident.

We have no interest in your further meddling with our lives. Dismantle your web of subversion, and write off your paper debts. Live and let live, and nothing more needs be said. But continue to meddle, and the consequences will be unpredictable.

*Notice served,
We the People*

Appendix of Additional Way Points

"The Grand Illusion" includes many references – way points – to trace an indelible line of reasoning through time. When published, all the references had active links. Whether this remains true is uncertain. It should. In a world that prizes freedom it would, but the world is changing, hence this book.... Throughout the course of putting this information together in as condensed a package as possible, additional way points have presented themselves constantly. The following excerpts from articles are included as further evidence to consider. And if you watch the news, new way points will jump out almost daily. Keep a lookout for them and make them topics of conversation. Open as many eyes as you can, because it should be painfully clear that our course through history needs correction. That only happens when enough people participate.

Market Fundamentalism:

"Modern classical and neo-classical economics and investment theories in the west, rely upon a core mass behavioral assumption first put forward by Scottish philosopher Adam Smith in 1759: That is, that an invisible hand guides market forces suitably, or specifically, that there is an unobservable market force that helps the demand and supply of goods in a free market to reach equilibrium automatically. Such is the core religion, essentially, within market fundamentalism."

https://www.youtube.com/watch?time_continue=8&v=nkOs3MriuP0

Robots:

"Robots 'to take 50% of our jobs by 2050 and outperform humans at almost anything'"

<http://www.mirror.co.uk/news/technology-science/robots-to-take-50-jobs-7363442>

Bad Debt:

"Beneath the surface of the global financial system lurks a multitrillion-dollar problem that could sap the strength of large economies for years to come. The problem is the giant, stagnant pool of loans that companies and people around the world are struggling to pay back. Bad debts have been a drag on economic activity ever since the financial crisis of 2008, but in recent months, the threat posed by an overhang of bad loans appears to be rising."

http://www.nytimes.com/2016/02/04/business/dealbook/toxic-loans-in-china-weigh-on-global-growth.html?_r=0

Just Can't Get Ahead:

"Most Americans work extremely hard, but they can never seem to get ahead."

http://www.thedailysheep.com/78-percent-of-u-s-workers-are-living-paycheck-to-paycheck-and-71-percent-of-them-are-in-debt_112017

Moving Pieces on the Global Chess Board:

"Signaling a potential disaster in the making in the United States financial markets, Rothschild reduced the investments RIT Capital Partners has in the U.S. dollar by nearly fifty percent."

http://www.thedailysheep.com/rothschild-just-dumped-massive-amounts-of-us-assets-sending-an-ominous-signal_082017

Market Manipulation Massaging Investor Sentiment

"...investors were anxious about North Korea's most provocative yet missile launch, the terrible flooding disaster in Texas, and the looming debt ceiling debacle. But all of that was instantly forgotten as the machines took control and lifted stocks higher practically all day on a sea of USDJPY-ignited momentum."

<http://www.alt-market.com/articles/3266-death-of-the-us-dollar-reserve-currency-picking-up-speed>

Blowing Bubbles

"Once Nixon closed the gold window, there was no turning back. The monetary base grew, all of the various "M"s grew, prices rose, bubbles grew and blew, and the Federal debt rose to today's gigantic, unsustainable level."

<https://dailyreckoning.com/milton-friedmans-money-machine/>

Inevitable Collapse

"EVERY fiat currency since the Romans first began the practice in the first century has ended in devaluation and eventual collapse, of not only the currency, but of the economy that housed the fiat currency as well."

<http://dailyreckoning.com/fiat-currency/>

Said the Grand Master With a Cheshire Grin:

"Low interest rates, negative yields on government debt and quantitative easing are part of the biggest financial experiment in world history, and the consequences are yet unknown." RIT Capital Partners Chairman, Lord Rothschild.

<https://www.rt.com/business/356148-rothschild-experiment-world-economy/>

1971 Was a Watershed Year

"Since the U.S. completely abandoned the gold standard in 1971, trade deficits have exploded, government spending has grown out of control, and the national debt has skyrocketed. Even more troubling than the size of the debt officially on the books (\$19.2 trillion and counting) is the much larger problem of total unfunded commitments, which some estimates put at more than \$200 trillion."

<https://www.soundmoneydefense.org/news/2016/04/07/how-fiat-money-spending-is-destroying-our-nation-000029>

Accepting the Unacceptable

"The fact that central banks provide welfare for the wealthy is now entering the mainstream (consciousness). The fact that all central bank policies since 2008 have dramatically increased wealth and income inequality is now grudgingly being accepted as reality by mainstream economists and the financial media."

<http://www.zerohedge.com/news/2016-08-30/centrals-banks-welfare-wealthy>

Robots and Algorithms Do It Better

"Don't expect income inequality to lessen... Much of the growth in GDP will skew heavily toward the upper end of the income scale, just as it does now. In fact, labor-saving technologies could widen the gap, as low-skill workers struggle to compete with a growing number of robots and algorithms that can do their jobs better."

[The Kiplinger Letter, Vol. 94, No. 51](#)

Double Down!

"The surest road to a healthy economic recovery is to increase the rate of monetary growth, to shift from tight money to easier money, to a rate of monetary growth closer to that which prevailed in the golden 1980s but without again overdoing it. That would make much-needed financial and economic reforms far easier to achieve...There is no limit to the extent to which the Bank of Japan can increase the money supply if it wishes to do so. Higher monetary growth will have the same effect as always. After a year or so, the economy will expand more rapidly; output will grow, and after another delay, inflation will increase moderately." Milton Friedman, "Reviving Japan," Wall Street Journal article, 1997.

<https://midwestprogress.tumblr.com/post/10667481165/milton-friedman-increase-the-money-supply>

A Milestone for Derivatives

"Losing 40% or more in a day was always possible using futures and options, but before June 2006 it was nearly impossible to do so using an exchange-traded fund (ETF). What happened in June 2006? The first leveraged ETFs were introduced."

<http://www.zerohedge.com/news/2017-05-20/trade-century-or-how-lose-50-day-etfs>

From Gold to "Texas Tea"

"Prior to 1971 the US dollar was bound to the gold standard. According to the IMF, by 1966 foreign central banks held \$14 billion US dollars; however, the US had only \$3.2 billion in gold allocated to cover foreign holdings. Translation, the FED was printing more money than it could actually back.

[By creating the petro-dollar] the FED was now free to increase the money supply at will. The ever-increasing demand for oil would prevent a flight from the dollar while distributing the inflationary consequences across the entire planet. The dollar went from being a gold-backed currency to an oil-backed currency. It also became America's primary export."

<https://www.youtube.com/watch?v=hHMe0NfUXNg>

Help! Zombies on Wall Street!

"If there is a reason why traders walk into their offices every day in a state of zombified daze, no longer able to trade various asset classes based on fundamental data or incremental news flow, the reason is simple: global central bank liquidity injections have never been greater, and as of this moment [they] have surpassed all previous post-financial crisis central bank intervention."

<http://www.zerohedge.com/news/2016-09-01/stunning-chart-shows-central-bank-liquidity-now-driving-all-asset-prices>

And More Zombies on Wall Street!

"Hard data ceased to be a driver for markets. Valuation metrics for bonds and equities which held valid for over a century are now deemed secondary. Narratives and money flows trump hard data, overwhelmingly...

'Fake Markets' are defined as markets where the magnitude and duration of artificial flows from global Central Banks or passive investment vehicles have managed to overwhelm and narcotize data-dependency and macro factors. A stuporous state of durable, un-volatile over-valuation, arrested activity, unconsciousness produced by the influence of artificial money flows."

<http://www.zerohedge.com/news/2017-05-04/fasanara-capital-fake-markets-how-artificial-money-flows-kills-data-dependency>

Gross Domestic Product Since 1929

See the nation's gross domestic product for each year since 1929 compared to major economic events:

<https://www.thebalance.com/us-gdp-by-year-3305543>

Underestimating AI

"Let's pretend you are the world's leading Forensic Accountant. You find stuff in accounting that nobody else is able to. As any expert, you are guided just as much by instinct honed from years of experience as by rational thought and explicit knowledge. You can smell something is wrong long before you can point out what..."

As the world's leading Forensic Accountant, you'll be the last person to be rendered obsolete by AI. AI might take over a lot of your tasks, but the instinct honed from decades of experience is pretty hard to replicate. It might eventually be taken over, but there are a lot of other tasks and skills that will go before that..."

At one point, 70% of accounting tasks might be taken over by AI. You are still the world's foremost forensic accountant. But, who will be the world's best after you?.. With 70% taken over by AI, all the routine tasks gone, nobody is getting the experience – nobody is honing their instincts on the routine tasks. You are the last great forensic accountant because nobody behind you needs to do the routine tasks anymore – thus they will never reach your level, because there is a huge gap from the bottom to nearly the top of the skill ladder..

You may create the need for more jobs at the top of the skill ladder. But with AIs filling the ladder and not climbing – there is no way for humans to climb to the top where they are needed..

This is the flaw. Ultimately, it might make society dumber as all our experts die before AI can fully replace them."

<http://blogs.gartner.com/magnus-revang/2017/09/25/will-artificial-intelligence-make-society-dumber/>

Authorized Arbitrage Ensures Fair Pricing – So Reassuring!

"A redemption mechanism (also called a creation/redemption mechanism) is deployed by market makers to ensure the price of an ETF does not fluctuate too far away from its NAV (Net Asset Value). The process of creation and redemption involves a few large specialized investors, known as authorized participants (APs). The APs are financial institutions which can only trade directly with the ETF issuer. This is why they are able to arbitrage the difference between the ETF shares' market price and its NAV. When the AP notices that the ETF shares are overpriced (above the fund's NAV), it purchases gold bullion and sells ETF shares in the open market. Conversely, if the ETF shares are undervalued (below the fund's NAV), the AP buys the ETF shares, redeems them for gold bullion which can be resold. In both scenarios, the AP's actions drive the ETF's share price toward the fair value (fund's NAV). Although the arbitrage process is not perfect, it works reasonably well. As the chart GLD vs. NAV below shows, the GLD share price is trading at fair value most of the time."

<https://www.sunshineprofits.com/gold-silver/dictionary/gold-etf-redemption-mechanism/>

What Goes Around Comes Around

"WHEN A POLITICAL SYSTEM AUTHORIZES PLUNDER AND WHEN A MORAL CODE ENCOURAGES IT, MORAL DEGENERATION FOLLOWS SWIFTLY AFTER."

Montesquieu opined already in the 18th century that, 'There is no greater tyranny than that which is perpetrated under the shield of the law and in the name of justice.'

The flood of money that central banks are creating pollutes the Western capitalistic system and free markets, as well as democracy. The consequences are anemic economic growth, deep social discontent, a culture of cheating, and moral degeneration. At the same time, 'the bureaucracy is expanding to meet the needs of an expanding bureaucracy' (Oscar Wilde). Hardly a recipe for sustainable economic growth and rising standards of living."

<http://www.zerohedge.com/news/2016-05-31/marc-faber-warns-moral-degeneration-americas-consensual-hallucination>

Coaxing Acceptance to Let Big Brother Watch

"The idea for J-Coin is that it would sit alongside the Japanese yen, exchanged at a one-to-one rate, and be offered as a free service. In return, the banks that operate it would get detailed data on how people use it, making people easier to track. Currently, about 70 percent of all transactions in Japan are done with cash. That is a higher than average amount for developed countries where cash has been on the decline for some time now, according to Technology Review. But governments don't like cash transactions because they are much easier to hide."

<https://freedomoutpost.com/japanese-banks-plan-launch-digital-currency-meant-kill-off-cash/>

Deep Massage

"This week they reported year over year inflation of 1.9%. Just right to keep [the FED] from raising rates and keeping the stock market on track for new record highs. According to our beloved bureaucrats, after they have sliced, diced, massaged and manipulated the data, you've experienced annual inflation of 2.1% since 2000. If you believe that, I've got a great real estate deal for you in North Korea on the border with South Korea."

<https://www.theburningplatform.com/2017/09/17/lies-lies-omg-more-lies/#more-159283>

Stop the Clock and No One Will Notice

"April 10, 2015: The statutory ceiling on borrowing was reached more than three weeks ago. The Treasury Department just stopped the [debt] clock on March 15. The total debt of the U.S. government remains at \$18,112,975,000,000, which is \$25 million below the statutory limit [even so the government has gone right on spending]."

<http://www.theblaze.com/contributions/what-debt-ceiling-just-stop-the-clock>

Will They Opt for War or Do Something More Clever?

"It is clear they have reached the peak of financial manipulation, money printing, and artificial interest rate suppression. The narrative is faltering. Their last and final option to retain power is war. As their 'everything bubble' (stocks, bonds, real estate) inevitably implodes, civil and/or global military conflict will be utilized to distract the populace from their Deep State domestic disasters."

<https://www.lewrockwell.com/2017/11/jim-quinn/the-unbearable-slowness-of-fourth-turnings-part-two/>

Formative Minds Speak of the Dollar:

See this website for thoughts and opinions from many great minds (that played an invaluable role in the construction of the United States of America) concerning their philosophy and beliefs about monetary and fiscal policy during their era:

<http://www.rethinkingthedollar.com/money-quotes/>

"M-" Money Supplies Defined:

<http://www.forex4you.com/en/forex/economic-indicators/money-supply/>

Notional Value:

<http://www.investopedia.com/terms/n/notionalvalue.asp>

The Difference Between Notional Value and Market Value:

<http://www.investopedia.com/ask/answers/050615/what-difference-between-notional-value-and-market-value.asp>

Coincidence by Design

"Even though the nations of the world are very deeply divided on almost everything else, somehow virtually all of them have been convinced that central banking is the way to go. Do you think there is any possible way this is a coincidence? And it is not a coincidence that we are now facing the greatest debt bubble in the history of the world.

This is called a debt spiral, and at this point we will never be able to escape it until we do away with this horrible system."

<http://theeconomiccollapseblog.com/archives/how-the-elite-dominate-the-world-part-2-99-9-of-the-global-population-lives-in-a-country-with-a-central-bank>

False Prosperity Keeps Investors Enthralled

"Now has come the greatest central-bank-fueled bubble ever. During nine years of radical monetary experimentation under ZIRP and QE, the value of equities owned by US households exploded still higher - this time by \$12.5 trillion. Yet this eruption, like the prior two, was not a reflection of Main Street growth and prosperity, but Wall Street speculation fostered by massive central bank liquidity and price-keeping operations."

<https://www.zerohedge.com/news/2017-12-29/greatest-bubble-ever-why-you-better-believe-it-part-1>

Crypto Klepto

"Hackers have carried out a heist on a leading digital currency platform, making off with bitcoins worth more than \$70 million."

<http://money.cnn.com/2017/12/07/technology/nicehash-bitcoin-theft-hacking/index.html>

The Brits Say "No" and Get Slapped

"The British pound fell more than 10 percent on Thursday night, reaching \$1.34 per pound, after midnight Eastern time, a stunning decline for a rich country's currency in a single day. The plunge came as the United Kingdom voted to leave the European Union, a historic event that shatters 40 years of efforts to foster economic integration on the continent."

<https://www.washingtonpost.com/news/wonk/wp/2016/06/24/the-british-pound-has-suffered-a-stunning-collapse/>

Achilles' Heel

"An almost hysterical antagonism toward the gold standard is one issue which unites statist of all persuasions. They seem to sense - perhaps more clearly and subtly than many consistent defenders of laissez-faire - that gold and economic freedom are inseparable, that the gold standard is an instrument of laissez-faire and that each implies and requires the other... In the absence of the gold standard, there is no way to protect savings from confiscation through inflation. There is no safe store of value. If there were, the government would have to make its holding illegal." Alan Greenspan

<https://seekingalpha.com/article/4047470-3-lives-alan-greenspan-third-redeem-second>

Totalitarian Tip-Toe

"The shadow forces behind the New World Order (NWO) are following a slow-paced agenda of total control over mankind and our planet's resources. David Icke coined it the 'Totalitarian Tip-Toe,' because "they" are making very small steps towards our complete and definitive enslavement."

<https://www.intellihub.com/these-13-families-rule-the-world-the-shadow-forces-behind-the-nwo/>

Unsound Money Has Destroyed The Middle Class

"We've already connected most of the dots. Today, we draw a new line from this new dollar to the impoverishment of the middle class. It explains why even Donald J. Trump – a man with none of the qualities you would normally look for in a chief executive – is the Republican presidential nominee."

<http://www.acting-man.com/?p=45971>

Tipping Point

"We Are at a Point Where the Encroachment of Government Power Has Historically Resulted in Rebellion."

http://www.thedailysheep.com/we-are-at-a-point-where-the-encroachment-of-government-power-has-historically-resulted-in-rebellion_082016

Priming the Pump

"...without Wall Street's help, war financing would have been impossible. The war [WWI] could not be fully funded publicly; it needed the support of private bankers."

[Nomi Prins, "All the Presidents' Bankers," page 46.](#)

Long and Durable Tentacles

"The name Rothschild is literally associated with wealth. This is because for over 200 years, the family has remained the most powerful and wealthy family in the world. Most of the Rothschild fortune has been made in the world of banking, but investments in other industries, such as coal, estates, and construction, have helped secure the family's wealth and immense power."

<http://www.activistpost.com/2016/09/hungary-becomes-first-european-nation-ban-rothschild-banks.html>

The Crescendo is Building

"Losing the World Reserve Currency status is a process, just like the world losing faith in the U.S. was a process. Both are processes that have been well underway for the better part of the last two decades, especially this past decade. Roughly ten years ago, 75% of global trade was denominated in U.S. Dollars, and that makes sense. After all, we've

been the Reserve Currency. Over the last ten years, that figure has dropped to roughly 35% of all global trade."

<http://freedomoutpost.com/the-u-s-will-lose-global-reserve-status-expect-80-90-devaluation-of-the-u-s-dollar/>

The Biggest Worst

"Success in creating effective AI could be the biggest event in the history of our civilization. Or the worst. We just don't know. So we cannot know if we will be infinitely helped by AI, or ignored by it and side-lined, or conceivably destroyed by it." Stephen Hawking

<http://www.newsweek.com/stephen-hawking-artificial-intelligence-warning-destroy-civilization-703630>

Putting it Nicely

"The end of credit-based consumption will be a very positive development, as will the devolution of the Savior State. The Savior State is like oil – both are at their peaks and are starting their inevitable slide down the S-curve. The world they created was not as positive for human fulfillment and happiness as we have been told.

Indeed, study after study has found that people with the basics for life, a higher purpose that requires sacrifice and a tight-knit community are far and away happier than isolated, atomized, insecure consumers, regardless of their wealth and consumption."

http://www.thedailysheep.com/why-im-hopeful_122016

The Symptom du Jour

"This unease is widespread, and has raised new calls for breaking up Jeff Bezos's impending monopoly by force. Surely the company, which now generates 30% of all online and offline retail sales growth in the United States, and already controls 40% of internet cloud services, has reached too far."

<https://www.fastcompany.com/40432885/its-time-to-break-up-amazon>

Bug Out

"A former Facebook executive has quit his job and now lives as a recluse in the wilderness - because he is convinced that machines will take over the world.

Antonio Garcia Martinez worked as a project manager for the social media giant in Silicon Valley but became terrified by the relentless march of technology."

<https://www.thesun.co.uk/tech/4170364/former-facebook-executive-says-society-will-collapse-within-30-years-as-robots-put-half-of-humans-out-of-work/>

Pffft!

"The nation is on a fiscal collision course. Absent presidential and congressional leadership through the regular budget process, the debt limit is a key action-forcing tool that drives attention toward the nation's precarious fiscal state, and enables lawmakers to leverage a crisis scenario for necessary and urgent policy reforms that might not otherwise come about."

<http://www.heritage.org/testimony/the-debt-limit-key-action-forcing-tool-control-spending-and-the-debt>

Cash is Bad!

"U.S. banks are going to new lengths to ward off a surprising threat to their financial health: big cash deposits."

<https://www.wsj.com/articles/big-banks-to-americas-companies-we-dont-want-your-cash-1445161083>

Mis-underestimation

"Even when you account for all federal assets (like national parks and aircraft carriers), the government's "net financial position" according to its own accounting is negative \$17.7 trillion...And that number doesn't include unfunded Social Security entitlements, which the government estimates is another \$42 trillion...The US national debt has increased by roughly \$1 trillion annually over the past several years."

<https://www.sovereignman.com/trends/heres-why-and-how-the-government-will-borrow-your-retirement-savings-18679/>

Watch Carefully While the Pea is Placed Under One of These Shells

"A Ponzi scheme is an investment fraud that pays existing investors with funds collected from new investors. Ponzi scheme organizers often promise to invest your money and generate high returns with little or no risk. But in many Ponzi schemes, the fraudsters do not invest the money. Instead, they use it to pay those who invested earlier and may keep some for themselves... *With little or no legitimate earnings, Ponzi schemes require a constant flow of new money to survive.* When it becomes hard to recruit new investors, or when large numbers of existing investors cash out, these schemes tend to collapse."

<https://www.investor.gov/protect-your-investments/fraud/types-fraud/ponzi-scheme>

Ron Paul, On the Case for Decades

"The destructive nature of the monetary event of Aug. 15, 1971 was a consequence of our government refusing to maintain the dollar's relationship to something tangible..."

<https://www.lewrockwell.com/2018/01/ron-paul/what-has-qe-wrought-2/>

Hence This Book

"The greatest threat to the pursuit of genuine happiness and well-being is our current debt-money system. In the face of an international debt crisis, it is remarkable that there is no serious discussion about the nature of money, or about how, and who, creates our money."

<https://philosophersforchange.org/2012/09/25/redesigning-money-for-well-being-and-happiness/>

"Crashing by Design"

"A decade ago, smart devices promised to change the way we think and interact, and they have – but not by making us smarter. Eric Andrew-Gee explores the growing body of scientific evidence that digital distraction is damaging our minds."

<https://www.the globeandmail.com/technology/your-smartphone-is-making-you-stupid/article37511900/>

Robots Will Do Everything Better Than Us

"Yeah, I am not sure exactly what to do about this. This is really the scariest problem to me, I will tell you." Elon Musk

<https://www.cnbc.com/2017/07/17/elon-musk-robots-will-be-able-to-do-everything-better-than-us.html>

Not all progress is good

"...even if these oligarchs all do fine, and their ranks swell by one or two, the country and the world will have to ask if they have too much power — and, if so, how to curb it without killing progress."

<https://www.theverge.com/2017/5/25/15686870/walt-mossberg-final-column-the-disappearing-computer>

Pandering

"President Trump: Replace The Dollar With Gold As The Global Currency To 'Make America Great Again.'"

<https://www.forbes.com/sites/ralphbenko/2017/02/25/president-trump-replace-the-dollar-with-gold-as-the-global-currency-to-make-america-great-again/#1e27849f4d54>

Lost?

"Blockchain analysis company Chainalysis has estimated that 2.78 million to 3.79 million bitcoins worth up to \$50 billion at current prices have already been lost forever.

Critics say that stockpiles of inactive coins exist, which belong to the mysterious person or group who founded bitcoin – Satoshi Nakamoto. It is possible that these inactive bitcoins will be used to “regulate” the market like fiat money, with Satoshi Nakamoto acting like a central bank."

<https://www.rt.com/business/415957-bitcoin-cryptocurrencies-mining-fiat-centralized/>

Short and to the Point

"Thanks to almost a decade of unprecedented market interventions by global central banks (which have collectively acquired assets totaling over \$20 trillion), everywhere you look there is repression of yields, repression of market volatility, and their side effects of exploding asset valuations (to heights not seen since shortly before past historic crashes), financial-engineered debt, leverage, stock buybacks, crypto-currency insanity, “short volatility” and all manner of reckless yield-chasing investment schemes.

Such powerful interventions hurt the weakest and benefit the strongest (the holders of assets) as they create unsustainable, destructive distortions that ultimately lead to catastrophe."

<https://www.zerohedge.com/news/2018-01-17/mark-spitznagel-warns-reckoning-always-follows>

The Emperor Wears No Clothes

"The fate bitcoin faces is a grim one, according to Nobel prize-winning economist Robert Shiller, who predicts the crypto-currency will either implode or drag on, comparing it with the tulip craze of the 17th century. 'It has no value at all unless there is some common consensus that it has value.'"

<https://www.rt.com/news/416507-robert-shiller-bitcoin-collapse/>

Self-Driving Cars to the Rescue!

"Self-driving cars will leave 'THIRD of population JOBLESS' as AI sparks MASS UNEMPLOYMENT. A THIRD of the population faces sickening unemployment because of self-driving cars, a damning prediction reveals."

<https://www.dailystar.co.uk/news/latest-news/675693/artificial-intelligence-self-driving-cars-unemployment-jobs-subhash-kak>

Mismanagement or Villainy?

"By printing unlimited amounts of money and thus doubling global debt, there is a general belief that the world has passed the dangers. But sadly that is not the case. We are still in very dangerous waters.

One thing is certain, global debt at \$240 trillion plus unfunded liabilities of \$250 trillion and derivatives of \$1.5 quadrillion which is risk totaling \$2 quadrillion can never be repaid. However it happens and however long it takes, the debt must be eliminated. And once it is, all the assets linked to this debt will also implode. But before the implosion, we are likely to have hyperinflation as desperate governments hopelessly attempt to inflate the debt away.

The world can never start a new growth phase without first having got rid of the debt. That will inevitably lead to poverty, famine, social unrest, war, and misery. But unfortunately that is the consequence of the disastrous mismanagement of the world economy in the last 100 years."

<https://goldswitzerland.com/gold-will-surge-as-the-world-hits-a-rock-or-a-hard-place/>

Unintended Consequences?

"White has repeatedly argued that the economic models in use today for trading such financial instruments as derivatives, swaps, etc., are terribly flawed, and that they would lead to 'unintended consequences,' including possibly a chain-reaction debt collapse."

<http://republicbroadcasting.org/news/neocon-crazies-push-war-provocations-undermine-president-trump-they-must-be-defeated/>

Yup

"There are too many exotic, leveraged products and one day these securities are going to blow up the market." Carl Icahn

<https://www.cnbc.com/2018/02/06/billionaire-investor-carl-icahn-there-are-too-many-derivatives-and-the-current-market-is-a-rumbling-warning.html>

Magnanimous Government

"Most digital currencies are unlikely to survive in their current form, and investors should prepare for them to lose all their value as they are replaced by a small set of future competitors, said Goldman's Steve Strongin in a note.

According to the expert, crypto-currencies aren't likely to be winner-takes-all but some level of consolidation is extremely likely. When that happens, the coins which lose popularity will diminish in value to zero, leaving investors with nothing, Strongin explained.

"This is actually an important distinction between crypto-currencies and fiat currencies; if a government decides to phase out a currency, it will typically determine a residual value for that currency and exchange that currency for a replacement one," he said."

<https://www.rt.com/business/418102-most-cryptocurrencies-hit-zero/>

The Panic Protection Team

"The Plunge Protection Team, as they have done on previous equity market drops, or the Federal Reserve operating for the Working Group on Financial Markets, sent a purchase order for S&P futures to the trading floor. The hedge funds, seeing the incoming bid, front-ran the bid by stepping in and buying S&P futures. This pushed the market back up, ended the correction, and prevented financial panic."

<https://www.paulcraigroberts.org/2018/02/06/another-arrested-equity-correction-paul-craig-roberts/>

Staying On Topic

"For many decades the Federal Reserve has rigged the bond market by its purchases. And for about a century, central banks have set interest rates (mainly to stabilize their currency's exchange rate) with collateral effects on securities prices. It appears that in May 2010, August 2015, January/February 2016, and currently in February 2018 the Fed is rigging the stock market by purchasing S&P equity index futures in order to arrest stock market declines driven by fundamentals, and to push prices back up in keeping with a decade of money creation."

<https://www.paulcraigroberts.org/2018/02/12/financial-markets-still-exist/>

Prepping for the End Game

"To read The Sovereign Individual was to see this ideology laid bare: these people, the self-appointed 'cognitive elite,' were content to see the unraveling of the world as long as they could carry on creating wealth in the end times."

<https://www.theguardian.com/news/2018/feb/15/why-silicon-valley-billionaires-are-prepping-for-the-apocalypse-in-new-zealand>

What Goes Around Comes Around

"Since Roman times, fiat money has failed spectacularly due to the same pattern of rapid devaluation and then total collapse. With history being the best indicator of the future, America is primed for another currency collapse."

<https://www.zerohedge.com/news/2018-02-28/failure-fiat-currencies>

"Minority Report"

"Despite an ongoing debate about potential errors in current [predicative/pre-crime] systems, and even the legitimacy of predictive algorithms altogether, police departments across the nation are rolling out various versions of this technology. However, even worse than citizens apparently having little to no say about what their tax dollars are building, it is increasingly coming to light that these programs are being used without informing citizens at all."

http://www.thedailysheep.com/new-orleans-residents-used-as-secret-test-subjects-for-pre-crime-police-technology_032018

Propaganda = Fake News

"...there's a great willingness on the part of U.S.-and-allied 'news'-media to hire and publish propagandists who write extremely one-sided accounts that support the U.S. Government's regime-change story-line..."

<https://www.strategic-culture.org/news/2018/03/06/how-liars-us-news-media-build-prior-lies-us-news.html>

Only Those in the Know Really Know

"We're not saying that every single reporter is controlled and aware of it [being controlled]. But you have these key people in key positions that are directing the news in a specific way." Ole Dammegard, March 21, 2019

https://www.youtube.com/watch?time_continue=10&v=2iC5h8wDBDM, minute 3:30

What "Limitless" Money Can Buy

"For a long time, the senior operators at the top of the CIA must have felt that they are the masters of the human race. Regimes came and went at the CIA's behest, but the CIA carried on regardless. To maintain this power, at a time when China and Russia are emerging as the powerhouses of Asia, requires more money, and lots of it. Money to bribe and subsidize foreign states."

<https://www.goldmoney.com/research/goldmoney-insights/the-death-of-democracy>

"There's Gold in Them Thar (Paper) Hills"

"We all know that the paper markets (for gold) have leverage of 500 to 1. We actually think it is much closer to 1,000 to 1 when you account for all the derivatives."

<https://freedomoutpost.com/gold-expert-jig-dollar/>

Unintended Crash? Not likely.

"The Powers That Be can't afford to let any asset crash, as a crash will bring down the entire system. Why is this so? The resiliency of the system has been eroded by permanent central bank/central state intervention/stimulus. Withdrawing the stimulus means markets have to go cold turkey, and they've lost the ability to do so.

Permanent stimulus creates dependencies and distortions, and both the distortions and the dependencies introduce a host of unintended consequences. What's the "market price" of assets? You must be joking: the "market" prices assets based on policies of permanent stimulus and asset purchases by central banks."

<http://charleshughsmith.blogspot.mx/2018/04/playing-for-all-marbles.html>

One Can Hope

"The big opening for us is the fact that this system is coming apart. We're on the verge of something like what happened in '89 when the Soviet system just collapsed," Paul said.

"I'm just hoping our system comes apart as gracefully as the Soviet system."

<http://thefreethoughtproject.com/eisenhower-military-industrial-complex/>

Vise-like Control Sparks Awareness

"Central banks have engineered a "recovery" that looks real enough on the surface, but what are its foundations? Gamed statistics and manipulated markets—in other words, controlling not just the narrative but the information available to market participants. To achieve the desired outcome—rising equity markets, near-zero bond yields and incentivizing the purchase of risk-on assets—central banks have distorted market information and mechanisms.

Much of the political resistance troubling the status quo can be traced directly to central bank policies that have exacerbated the New Gilded Age inequalities and excesses."

<https://www.peakprosperity.com/blog/113900/turning-point>

Peace Time Presidents

"America, 242 years it's been around, of those 242 years, give or take, it's been at war for 225 of them. In other words, America has been at war 93% of the time it's been in existence... I grew up hearing the term, 'peace time president.' It's a lie. There is not one single US President who truly qualifies as a 'peace time president.' They're all war presidents."

<https://www.youtube.com/watch?v=ZAyeayfKnFE>

Peak Debt

" 'Gold is the currency of kings, silver is the money of gentlemen, barter is the money of peasants, but debt is the money of slaves.' Norm Franz, Money and Wealth in the New Millennium

We're now living in the era of the greatest level of debt mankind has ever created."

<https://internationalman.com/articles/the-end-of-the-debt-as-currency-era/>

Tamping Down Silver

"Over the past 12 months, speculators sold over 600 million ounces of silver in the futures market. This exceeds the previous record three times since the data began in 1990. In order to maintain this downward pressure on silver, speculators would have to continue to sell over 500 million ounces of paper silver per year." Stefan Wieler

<http://www.kitco.com/news/2018-04-18/Undervalued-Silver-Could-Rally-More-Than-30-Goldmoney.html>

More Paper Leverage

"By the Central Banks propping up the STOCK, BOND and REAL ESTATE markets, the value of silver (or gold) is being severely depressed. And of course, to keep investors from finding out about SILVER'S HIGH QUALITY STORE OF VALUE, the price continues to be capped by the massive amount of paper trading leverage."

<https://www.moneymetals.com/news/2017/05/16/paper-vs-physical-silver-market-001075>

Too Generous by Half

"Our financialized economy — like everything else we do — operates at levels of complexity so baffling that even its supposed managers at the central banks are flying blind through fogs of debt, deception, and moral hazard."

<https://www.lewrockwell.com/2018/05/james-howard-kunstler/far-worse-than-the-fall-of-rome/>

Fractional Reserve Lending in Action

"The government gave the banks the ability to loan out money that doesn't exist. When a bank gives you a mortgage, which literally means a "death pledge," they don't actually give you money. They click a key on a computer and generate the fake money out of thin air. They don't actually have it in their bank vaults." Victoria Grant, age 12.

https://www.youtube.com/watch?time_continue=60&v=Bx5Sc3vWefE

Uncomfortable Facts Disappear

"Mark Skidmore, a professor of economics at Michigan State University, began looking into the OIG report and the trillions in unaccounted-for money spent by the Pentagon. Not long after Skidmore began inquiring about OIG-reported unsubstantiated adjustments, the OIG's webpage, which documented, albeit in a highly incomplete manner, these unsupported "accounting adjustments," was mysteriously taken down.

For the fiscal year of 2015 alone, the Army failed to provide adequate support for \$6.5 trillion in journal voucher adjustments, according to Forbes Magazine.

Given that the entire Army budget in the fiscal year 2015 was \$120 billion, unsupported adjustments were 54 times the level of spending authorized by Congress. And people are constantly wondering why they are forced to pay such a high tax rate and live paycheck to paycheck while the military industrial complex continues to grow."

http://www.thedailysheep.com/government-bookkeeping-the-pentagon-cannot-account-for-21-trillion_052018

Keeping Investors Glued to the Market

"...central banks have bought \$1 trillion of financial assets just in the first four months of 2017, which amounts to \$3.6 trillion annualized, 'the largest central-bank buying on record.'" ..."The Liquidity Supernova is the best explanation why global stocks & bonds are both annualizing double-digit gains..."

<https://www.zerohedge.com/news/2017-04-21/why-nothing-matters-central-banks-have-bought-record-1-trillion-assets-2017>

Crypto-currency Tampering

"The record growth in bitcoin last year was actually a coordinated market manipulation, according to recent research by University of Texas Finance Professor John Griffin."

<https://www.rt.com/business/429646-bitcoin-growth-fraud-manipulation/>

Massaging Statistics to Maintain the Illusion

"Without a [healthy] consumer market there is no economic growth, other than the false orchestrated figures produced by the US government by under-counting the inflation rate and the unemployment rate."

<https://www.paulcraigroberts.org/2018/06/26/long-can-federal-reserve-stave-off-inevitable-paul-craig-roberts/>

Earth Economics

"Earth Overshoot Day falls on 1 August this year - marking the point at which consumption exceeds the capacity of nature to regenerate. The overshoot began in the 1970s, when rising populations and increasing average demands pushed consumption beyond a sustainable level. Since then, the day at which humanity has busted its annual planetary budget has moved forward."

<https://www.theguardian.com/environment/2018/jul/23/earths-resources-consumed-in-ever-greater-destructive-volumes>

"Nothing Up My Sleeve"

"In 9/11 and in the 2008 financial crisis, the powers of the world worked together with a common approach. Co-operation today is proving much more difficult. This puts at risk the post-war economic and security order." Lord Rothschild

<https://www.zerohedge.com/news/2018-08-09/lord-rothschild-new-world-order-risk>

The Greatest Debt Binge in History

"America, you officially have a debt problem, and I am not just talking about the national debt. Consumer bankruptcies are surging, corporate debt has doubled since the last financial crisis, state and local government debt loads have never been higher, and the federal government has been adding more than a trillion dollars a year to the federal debt.

We have been on the greatest debt binge in human history, and it has enabled us to enjoy our ridiculously high standard of living for far longer than we deserved."

<http://theeconomiccollapseblog.com/archives/bankrupt-america-bankruptcy-soars-as-the-country-grapples-with-an-unprecedented-debt-problem>

NeoLiberalism on Steroids and the Politics of Mass Distraction

"The greed which fueled the financial crash in the first place was encouraged still further. The super rich got even richer from privatization, state handouts, and tax cuts.

It's a majoritarian, economically viable, and much more efficient system we should have returned to in 2008. Instead, we got something much worse than even Thatcherism and Blairism: NeoLiberalism on Steroids and the Politics of Mass Distraction."

<https://www.rt.com/op-ed/435665-2008-crisis-rich-austerity/>

All is Well on the Western Front - Not

"Fake money, fake news and manipulated data have greatly contributed to misleading the world that 'All is well on the Western front.'"

<https://goldswitzerland.com/the-dark-years-are-here-ii/>

Economic Gravity

"This is when the era of the rich getting richer started in earnest with wealth concentration benefiting an ever decreasing part of the population. At the same time, ordinary workers have experienced a massive 55% decline in real wages since 1974."

<https://goldswitzerland.com/deficits-rates-gold-to-reach-vertiginous-heights/>

That's the ticket!

"Robots are taking over, but not the evil kind. These robots can get you a mixed drink or do your bidding for you.

The Culinary Union hopes to take steps to make sure their members have job security. They want employers to retrain and replace any person whose job is eliminated by technology or automation."

<https://abc13.com/employees-fear-robots-will-take-their-jobs/4463037/>

Just What We Need, More Regulations!

"Looking at a map of California on a projector screen, the colored dots signified how susceptible an area would be to job losses caused by automation. Roughly 63 percent of tasks performed by workers in the Riverside, San Bernardino and Ontario areas could be automated in the future. The rise of automation has sparked considerable angst among American workers. A 2017 Pew poll found that 72 percent of adults said they were worried about a future where robots and computers can perform human jobs.

The universal basic income debate is indicative of the big-picture deliberations over the future of work that await the next governor. Should government undertake a safety net program to guard against job displacement? What about using regulation to ensure humans stay relevant in light of new technology?"

<https://www.dailyrepublic.com/all-dr-news/wires/business/rise-of-the-machines-automation-reshapes-job-market/comment-page-1/>

Let History Be Your Guide

"There is no means of avoiding the final collapse of a boom brought about by credit expansion. The alternative is only whether the crisis should come sooner as the result of voluntary abandonment of further credit expansion, or later as a final and total catastrophe of the currency system involved." Ludwig von Mises, 1949

<https://goldswitzerland.com/eastern-and-western-central-banks-support-gold-price/>

Trust Us

"Google CEO Sundar Pichai, head of one of the world's leading artificial intelligence companies, said in an interview this week that concerns about harmful applications of the technology are 'very legitimate' - but the tech industry should be trusted to responsibly regulate its use."

<https://www.sfgate.com/news/article/Fears-about-artificial-intelligence-are-very-13461942.php>

"Trickle Down" Economics

"Another far-removed cost of increased corn production for ethanol is the long-term environmental effect of the crop itself. The increase of corn production at the cost of other crops has limited crop rotation which results in soil erosion. This is not only bad for future crop yields but also results in greater run-off. Corn fertilizers and pesticides result in an excess of nitrogen that leaks into the ground water or runs off into streams and rivers and eventually joins up with the Mississippi River that drains into the Gulf of Mexico. The nitrogen from the corn production in the Corn Belt has now resulted in oxygen deprivation in the waters off of Louisiana and Texas (USGS). This condition is known as hypoxia and has resulted in decreasing fish populations and loss of plant life in this area (USGS). This condition is very serious for affected ecosystems and will continue to worsen as corn yields and production increase. While these costs seem far-removed from the actual cost of ethanol production, they are in fact a direct result of increased corn production for ethanol. Costs such as these are often not factored into cost-benefit analyses on ethanol production but are typically used by critics as proof that corn ethanol does not necessarily have a positive effect on the environment."

<https://publicpolicy.pepperdine.edu/academics/research/policy-review/2008v1/ethanol-production.htm>

Pawns to be Sacrificed

"The corporate architects of the new economy have no intention of halting the assault. They intend to turn everyone into temp workers trapped in demeaning, low-paying, part-time, service-sector jobs without job security or benefits, a reality they plaster over by inventing hip terms like 'the gig economy.'"

<http://www.informationclearinghouse.info/49082.htm>

The Sacking of Greece

"With the country's economy in tatters after the 2008 financial crisis, German-led austerity measures saw the country's GDP shrink by a third, left one in three Greeks in danger of living in poverty, and saw unemployment rise to 18.6 percent – the highest in the Eurozone.

Meanwhile, German banks made €2.9 billion in profit from purchasing Greek government bonds through the European Central Bank."

<https://www.rt.com/news/448478-merkel-greece-visit-varoufakis/>

Fox Guarding the Hen House

"Another day, another effort to combat 'fake news' online. This time it's NewsGuard, a new app claiming to help defend against 'disinformation' by adding 'trust rankings' to news websites. But can the app itself be trusted?"

Partnering with Microsoft, NewsGuard is trying to have its rankings installed by default in US public school and university libraries, as well as on smartphones and computers.

Does it make sense to trust a US government-linked news rating app?"

<https://www.rt.com/usa/448555-newsguard-app-fake-news/>

Opportunity Calls

"From their five European bases, the Rothschilds became masters of the political universe. They lent money to Kings, including England's George IV, dined with Prime Ministers like Disraeli and Gladstone, funded the creation of a pan-European rail network and financed wars, including both sides in the Napoleonic Wars." David Smith, 6-1-2011

<https://www.businessinsider.com/the-rothschild-gang-shadow-conspiracy-or-rumor-2011-6>

The "RISE"

"The rise of 'self-aware' robots has come a major step closer following the invention of a machine capable of thinking for itself from scratch, scientists have said."

<https://finance.yahoo.com/news/robot-thinks-itself-scratch-brings-190000563.html>

A Global Golden-Shell Game

"Annual gold mine production is \$120 billion or \$329 million per day. So why is daily gold trading at \$280 billion, 850x daily mine production of gold? Who shuffles paper gold back and forth to the extent of over 1/4 of \$1 trillion on a daily basis. It can't be the investment market which is very small. It could be speculators but not at that magnitude. Most likely is that the bullion banks are trading massive amounts of gold to cover up for the major shortage of physical gold and especially central bank gold. We know that bullion banks and futures exchanges only have a fraction of physical gold to cover the outstanding paper gold commitments.

Virtually no central bank in the world publishes a full physical audit of their physical gold or any derivatives positions."

<https://goldswitzerland.com/de-gaulle-convinced-no-us-gold-left/>

Blaming the Messenger

"Certain radical critiques of capitalism posit that it must necessarily monetize everything in time. The basic argument is that capitalism inherently requires infinite economic growth to function properly, but we are in a world of finite resources. As traditional resources used to feed the furnace are exhausted, more aspects of life that were previously outside of the money economy must be drawn into it – including abstract things like behavior, relationships and even thoughts." Scott Ikeda, *Brave New World of Surveillance Capitalism*, Dec. 2018

<https://www.cpomagazine.com/2018/12/21/the-brave-new-world-of-surveillance-capitalism/>

50 Years? More Likely 15!

"'Superhuman' robots will outstrip mankind within 50 years, warns AI expert. ROBOTS will be in a position to outstrip the abilities of mankind within half a century, an expert in artificial intelligence has warned, stressing it was vital to introduce safeguards to prevent mankind being 'replaced.'"

<https://www.express.co.uk/news/science/1080843/robot-news-latest-artificial-intelligence-ai-superhuman>

Depression On Hold

"If we went back and removed the 11 trillion dollars that the federal government borrowed and spent over the last decade, we would be in the worst economic depression in American history right now. But by stealing from the future, the federal government has been able to stabilize things." Michael Snyder, 2/9/2019, *US National Debt To Pass \$22 Trillion*

<https://freedomoutpost.com/us-national-debt-to-pass-22-trillion/>

Gobble Gobble Gobble

"The 400 richest Americans – the top 0.00025 percent of the population – have tripled their share of the nation's wealth since the early 1980s." Christopher Ingraham, 2/8/2019, "Wealth concentration near 'levels last seen during the Roaring Twenties,' study finds"

<https://www.seattletimes.com/business/wealth-concentration-near-levels-last-seen-during-the-roaring-twenties-study-finds/>

Don't Be Left Behind!

"It's takin over; there's no escape. You better get movin, ready or not!

Spike the goal down, here it comes now.

Get ready. whoa-oh-oh-oh. Get ready.

Move it, ready or not, get ready. whoa-oh-oh-oh!"

Galaxy S10 Official TVC: The Next Generation Galaxy

<https://www.youtube.com/watch?v=nPf4WW8ovMU>

"Controlled and Observed"

"Steve Worthington, adjunct professor at Swinburne University of Technology has argued that the world is moving towards a less-cash society. 'We will never get to a cashless society in my lifetime because cash has its own triple 'A'. It is accepted nearly everywhere, it is anonymous and it is authentic,' he said.

Talking about the downsides of a cash-free push, Worthington said that 'we will then live in an even more 'controlled' and 'observed' society.'"

<https://www.rt.com/business/453399-cashless-economy-scandinavia-experts/>

Modern definition of "Progress"

"More and more people doing less and less until everyone does nothing."

Anonymous (not the group)

"And the beat goes on..."

"All the strength of liberty resides in the individual and individual critical thought." Gary D. Bennett, 9,2,19

<https://www.lewrockwell.com/2019/08/gary-d-barnett/the-technocratic-state-is-the-mortal-enemy-of-the-individual/>

There is a thing as too much personal wealth

There is no human being on this Earth who can justify getting (not making, mind, getting) \$4 million an hour, and there is no justification for paying any worker a wage as low as \$11 an hour. Only the most psychologically dysfunctional or morally empty could conceivably consider such a scenario and wealth gap compatible with progress.

<https://www.rt.com/op-ed/466338-wealth-richest-poverty-humanity-waltons/>

Paper trades keep price discovery at bay

"We just entered platinum again. It's a trade that I posted to you many times. It's just a rinse and repeat trade. They're just bouncing everything in ranges. You just have to buy low and sell high. That's an axiom, but it's true. They can't move the market up too far, and Trump forbids it from moving down too far, so you just keep playing these edges in the channel. Has been almost this way for two years. The market has really gone nowhere since 2017. So you just have to play it as it gets too low, and as it gets to high they sell it off. That's all we do..."

"Everything works in these ranges. Standard deviation to a range. And so we look for things pushed out too far, the algorithms bring it back in. It doesn't really matter what the stock is, if it's 4X, if it's cryptos, if it's ETFs, if it's futures, when things get too far away from the channel direction they bring it back in."

"It's no surprise to anyone who's been watching that central banks have been buying gold for the last ten years. We've been suppressing gold I think to let China buy more gold "

Bob Kudla interview with X22Report. October 17, 2019

<https://www.youtube.com/watch?v=UWpQq5YwymE>

More of the same from the people who brought us here:

The World Bank's former chief economist wants to replace the US dollar with a single global super-currency, saying it will create a more stable global financial system.

"The dominance of the greenback is the root cause of global financial and economic crises," Justin Yifu Lin told Bruegel, a Brussels-based policy-research think tank. "The solution to this is to replace the national currency with a global currency."

"Vladimir Putin Sums Up The New World Order In 5 Words,"

Tyler Durden, November 17, 2017,

<https://www.zerohedge.com/geopolitical/vladimir-putin-sums-new-world-order-5-words>

Money is the cheese

Money is the cheese in the maze that keeps us all distracted, while the maze-designers and makers take notes and design new challenges (new packaging of old tricks - nothing new under the sun) to keep the mice fully distracted.

The stock market is as much a control leash, if not more so, than welfare or any other form of largess.

<https://www.globalresearch.ca/how-21-trillion-in-u-s-tax-money-disappeared-full-scope-audit-of-the-pentagon/5638534>

"Farewell to Paper Money?"

In a nutshell, today, in most of the world's most prominent countries, the people who control banking are the same people who pull the strings in government. A cashless system therefore seemed to me to be a natural, as it dramatically increased both profit and power for both banking and government – an opportunity that can't be passed up.

"Farewell to Paper Money?" By Jeff Thomas, International Man, December 26, 2019

https://www.lewrockwell.com/2019/12/no_author/farewell-to-paper-money/

Should any one person really have this much power?

FACEBOOK boss Mark Zuckerberg's personal wealth rose by a mind-boggling \$27.3 BILLION in 2019, says a report. The giant leap comes despite hostility from both users and lawmakers over the social media firm's integrity, and handling of user data.

Microsoft Corp co-founder Bill Gates was also a money-spinner in 2019, raking in \$22.7billion, reports Fortune.

<https://www.thesun.co.uk/news/10631458/facebook-chief-mark-zuckerbergs-personal-wealth-rose-27-3-billion-2019/>

The citizens of the US are unwitting participants in being maneuvered out of their heritage, their inheritance.

"Pentagon racks up \$35 trillion in accounting changes in a year," Tony Capaccio Although it gets scant public attention compared with airstrikes, troop deployments, sexual assault statistics or major weapons programs, the reliability of the Pentagon's financial statement is an indication of how effectively the military manages its resources considering that it receives over half of discretionary domestic spending.

<https://www.msn.com/en-us/money/markets/pentagon-racks-up-dollar35-trillion-in-accounting-changes-in-a-year/ar-BBZcVdy>

In The Past 30 Years, The "Top 1%" Has Bought \$1.2 Trillion In Stocks; The "Bottom 99%" Has Sold \$1 Trillion, by Tyler Durden, Thu, 01/30/2020

"There is, of course, a simple solution: the Fed turns activist, and in taking a page from the BOJ and SNB playbook, bypasses households entirely and starts buying stocks and ETFs in the open market. In fact, considering the tremendous success central banks have had in the past decade, this "final solution" to fair and efficient markets is only matter of when not if."

<https://www.zerohedge.com/markets/past-30-years-top-1-has-bought-12-trillion-stocks-bottom-99-has-sold-1-trillion>

No One Gets Out of Here Alive

By Jim Quinn @ The Burning Platform, February 18, 2020

"Central bankers and their Wall Street puppet masters have been making billions as they blow bubbles, then use their power and control over politicians to shift their losses to the ignorant masses when their bubbles burst. When it happens over and over again, it clearly isn't due to mistakes or misunderstandings. The pillaging of your wealth, rigged markets, fraud, and buying off the regulatory system is now the standard operating procedure in our outlaw surveillance state."

<https://www.lewrockwell.com/2020/02/jim-quinn/no-one-gets-out-of-here-alive/>

Thanks for the Currency:

<https://www.youtube.com/watch?v=IT5jRjpdIuc&feature=youtu.be>

"Redesigning money for well-being and happiness," by Mark Anielski

"In the midst of the current slow-motion demolition of the global debt-based, economic-growth-myopic system, rarely do you hear economists or politicians locate the problem with our system of debt-money. This reflects, in part, our collective ignorance of the nature of money, the role of debt-money in financing economic growth, and the reason why charging of interest on the creation of money (called usury) is an economic misdemeanor (Keynes) that ultimately leads to the collapse of civilizations. Most people do not understand that the growing mountain of public and private debts can never be repaid through more consumption, production and GDP growth; that the ultimate outcome of this debt-money scenario is systemic collapse and bankruptcy."

<https://philosophersforchange.org/2012/09/25/redesigning-money-for-well-being-and-happiness/>

"The Fed Has Sufficient Tools — To Wreck the Economy,"

Joseph T. Salerno, March 18, 2020

"...it is imperative during a contraction of the economy caused by war, natural disaster, or epidemic that the price system is left free and unhampered to reveal the most valuable uses of productive resources whose quantities have been substantially reduced...By inundating the economy with money the Fed will not succeed in miraculously expanding these supplies but instead distorting the price structure and promoting misallocation, malinvestment, and waste of productive factors thereby deepening and lengthening the recession."

<https://www.lewrockwell.com/2020/03/joseph-salerno/the-fed-has-sufficient-tools-to-wreck-the-economy/>

Acknowledgments

Thank you Matt G. for your review and comments. You fielded our request from out of the blue, which was a real leap of faith. Your insights and experience have added several key points to help paint a more concise, complete, and we hope compelling, picture.

Thank you Wendy F., Chris N., Claudia S. and Tim M. for your encouragement, support, and comments.

If You've Made it This Far:

This document is freely available for download. It's PUBLIC information. The insights derived from the cited facts and informed opinions are as uncomfortable to know as they are difficult to deny.

If you want to help wake more people up, please download and share this document as widely as possible, as an email attachment, hosted on your own web-site if possible, and through social media. Please post and share links, and ask your friends to comment and share too. The more social media activity we generate, the more distribution the social-media algorithms will give it, until they realize what it is. The more places it goes, the tougher it will be to make it disappear. Mass awareness is the best way to fend off a system bloated with corruption.

Thank you, good luck and God Bless!

The Grand Illusion, First Edition, revised
www.grandillusion.info