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Debt is No Salvation

Peter Schiff

Thus far 2014 has been a fertile year for really stupid economic ideas. But of all the half-baked doozies that have come down the pike (the perils of "lowflation," Thomas Piketty's claims about capitalism creating poverty, and President Obama's "pay as you earn" solution to student debt), an idea hatched last week by CNBC's reliably ridiculous Steve Liesman may in fact take the cake. In diagnosing the causes of the continued malaise in the U.S. economy he explained, "the problem is that consumers are not taking on enough debt." And that "historically the U.S. economy has been built on consumer credit." His conclusion: Consumers must be encouraged to borrow more money and spend it. Given that Liesman is CNBC's senior economic reporter, I would hate to see the ideas the junior people come up with.

Before I get into the historical amnesia needed to make such a statement, we first have to confront the question of causation. Just as most economists believe that falling prices cause recession, rather than the other way around, Liesman believes that economic growth is created when people tap into society's savings in order to buy consumer goods that they could not otherwise afford. But consumption does not create growth. Increasing productive output allows for greater consumption. Something needs to be produced before it can be consumed.

But even allowing for this misunderstanding, consumer credit does little to increase consumption. All it accomplishes is to pull forward future consumption into the present (while generating a fee for the banker). This is like giving yourself a blood transfusion from your left arm to your right. Nothing is accomplished, except the possibility of spilling blood on the floor. But it's not even that benign.

If, for instance, a consumer borrows to take a vacation, the debt will have to be repaid, with interest, from future earnings. This just means that rather than saving now (under-consuming) to pay in cash (which under normal circumstances would earn interest and defray the cost) for a vacation in the future, the consumer borrows to vacation now and pays for it in the future. But shifting consumption forward can only create the illusion of growth.

Unlike business credit that can be self-liquidating (businesses borrow to invest, thereby expanding capacity, increasing revenue, and gaining a better ability to repay the loan out of increased earnings), consumer credit does nothing to help borrowers repay. Why would a consumer expect it to be easier to pay for a vacation in the future that he can't afford in the present? Especially when he is using credit to pay, which will add interest costs to the final bill. As a result, consumer loans diminish future consumption more than current consumption is increased.

In fact, borrowing to consume is the worst use of society's limited store of savings. As explained in my book, *How an Economy Grows and Why it Crashes*, savings leads to capital formation and investment, which grows productive capacity. When production grows, goods and services become more plentiful and affordable, thereby raising living standards. Consumer credit interferes with this process. Funds borrowed for consumption are not available for more productive uses. Since consumer credit reduces investment, it also reduces future production, which must also reduce future consumption.

Liesman is also mistaken that consumer credit has been the historic foundation of growth in the United States.

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Another Phantom Recovery Fails

Michael Pento

Each year since the recession officially ended in the summer of 2009, Wall Street and Washington have tried to dupe investors into believing a second half recovery was in store for the stock market and economy. However, this promise has failed to come into fruition each year, as annual GDP growth has not reached north of trend growth (3%) since 2005. But, with the hope that investors have a perennial case of amnesia, these cheerleaders are yet again trumpeting the illusion that economic growth is about to surge.

The year 2014 didn't start off so good for those who desperately want investors to be convinced the economy has healed from the Great Recession. After posting annual GDP growth of just 1.9% for all of 2013, which was much lower than the 2.8% growth experienced during 2012, this year started off with annualized GDP

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Debt is No Salvation

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It may surprise him to know that consumer credit was largely unknown until the second half of the 20th Century. Before that, people simply did not, or could not, buy things on credit. They tended to pay in cash (even for cars) or with the now quaint system of lay-a-way (which is essentially the opposite of consumer credit). Credit cards did not become ubiquitous until the 1970s. It was also much more common for Americans to save money for an uncertain future, the "rainy day," that we were always being warned about. But savings rates now are only a fraction of where they had been for most of our history. Consumers now expect to borrow their way out of any crisis. Yet the American economy enjoyed some of its best years before consumer credit ever became an option.

What Liesman is really advocating is that consumers borrow money to buy things they cannot afford. What kind of economic advice is that? Especially now that one third of Americans have less than $1,000 saved for retirement; a statistic so shocking that even CNBC recently cited it as a cause for concern. Does he really think that these savings-short Americans should take on even more consumer debt? Does creating a nation of bankrupt seniors who are too broke to retire ever create a more prosperous society?

Contrary to Liesman's asinine contention, it's not consumer credit that built the U.S. economy but its opposite - savings! Under-consumption not excess-consumption is what made America great. By saving instead of spending, consumers provided society with the means to increase investment and production that led to rising living standards for all. Unfortunately, it's consumer credit that is helping to destroy what savings once built.

Article by:
Peter Schiff
June 13, 2014
http://www.europacmetals.com/

Another Phantom Recovery Fails

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growth of only 0.1% for Q1. This means GDP growth for Q2 has to be near 5% just to produce the same 2.5% growth pace experienced back in 2010.

But the recent Retail Sales report for April showed an increase of just 0.1% from the prior month--so much for a strong rebound from the winter's weather--and not good news for those that need investors to believe in the fantasy of robust growth in order to keep them supporting stock prices at these levels.

The sad truth is that this year's GDP growth won't produce results any better than those years following the credit crisis. The reason being, our leaders don't understand where growth comes from and/or are unwilling to take the painful steps necessary to achieve it.

Unfortunately, most of those that inhabit D.C. are economic illiterates; and Wall Street enables Washington with alacrity in order to keep the party going. They fail to realize that U.S. GDP growth is stuck in neutral because an economy needs low and stable tax and interest rates; and benign inflation to generate productivity and strong growth. This is the only foundation from which sustainable and healthy growth can be built. And those conditions are virtually impossible to maintain when the U.S. economy is currently carrying a debt level equal to 330% of GDP—the exact level it was at the precipice of the Great Recession.

In order for an economy to grow it needs savings and investment to enhance productivity. The savings rate in the U.S. was well into the double digits before the abolition of the gold standard in 1971. It has now cratered down to 3.8%, which is 1.3 percentage points away from an all-time low and very close to the same level it was leading up to the credit crisis.

Indeed, many conditions are eerily reminiscent to those that led up to the collapse of the economy in 2008. Spreads between corporate bonds and Treasuries are razor thin once again and yield starved investors, backed by a Put from global central banks, are even willing to own a 10-year Greek bond that now yields just 6%. This is despite the fact that the Greek 10-year yielded near 40% just two years ago; and after the nation subjected owners of these bonds to over a 50% reduction in the principal. But history and fundamentals don't matter when investors are convinced, now more than ever, that money printers around the world stand ready to guarantee that asset prices won't be allowed to fall—at least not very far.

Of course, one thing—the really important thing—is much worse now than it was at the start of the Great Recession. Debt levels have exploded across the globe. For examples; Chinese government, corporate and household debt is now about 250% of GDP, up from around 145% in 2008; and U.S. debt has soared by $7 trillion since the Great Recession began. But what else would you expect to occur when governments have the hubris to believe they can repeal recessions by endlessly borrowing massive amounts of money from their central banks.

An economy just can't become more productive when the savings and investment dynamic is broken. And the way it breaks is when investors become aware that; tax levels must significantly increase to help service debt, interest rates face extreme upward pressure because inflation risks have soared, and when investors also understand that the currency's purchasing power will destroyed in an attempt to lower the value of the nation's debt. Under this unfriendly economic environment, investment in capital goods dries up and productivity rates fall. This is why productivity during Q1 of this year fell at a 1.7% annual rate.

Those are the genuine reasons why robust growth has been a phantom for the last six years. And the economy will continue to disappoint until governments allow a healthy deleveraging to take place in both the public and private sectors. Asset prices need to fall, bad debts need to be restructured, and central banks need to allow the market to set interest rates.

Until then, we will struggle with huge volatility in tax and regulatory policies, interest rate levels and currency valuations. This is also the main reason why April's labor force participation rate for Americans between the ages 25 to 29 hit the lowest level since 1982, when the Bureau of Labor Statistics started tracking such data. Old people can't afford to retire and young people are dropping out of productive society—that's the sorry truth behind the decline in the labor force.

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Buying Up the Planet…Out-of-control Central Banks On a Corporate Buying Spree

Ellen Brown

Finance is the new form of warfare – without the expense of a military overhead and an occupation against unwilling hosts. It is a competition in credit creation to buy foreign resources, real estate, public and privatized infrastructure, bonds and corporate stock ownership. Who needs an army when you can obtain the usual objective (monetary wealth and asset appropriation) simply by financial means?

-- Dr. Michael Hudson, Counterpunch, October 2010

When the US Federal Reserve bought an 80% stake in American International Group (AIG) in September 2008, the unprecedented $85 billion outlay was justified as necessary to bail out the world's largest insurance company. Today, however, central banks are on a global corporate buying spree not to bail out bankrupt corporations but simply as an investment, to compensate for the loss of bond income due to record-low interest rates. Indeed, central banks have become some of the world's largest stock investors.

This is a rather alarming development. Central banks have the power to create national currencies with accounting entries, and they are traditionally very secretive. We are not allowed to peer into their books. It took a major lawsuit by Reuters and a congressional investigation to get the Fed to reveal the $16-plus trillion in loans it made to bail out giant banks and corporations after 2008.

What is to stop a foreign bank from simply printing its own currency and trading it on the currency market for dollars, to be invested in the US stock market or US real estate market? What is to stop central banks from printing up money competitively, in a mad rush to own the world's largest companies?

Apparently not much. Central banks are for the most part unregulated, even by their own governments. As the Federal Reserve observes on its website:

> [The Fed] is considered an independent central bank because its monetary policy decisions do not have to be approved by the President or anyone else in the executive or legislative branches of government, it does not receive funding appropriated by the Congress, and the terms of the members of the Board of Governors span multiple presidential and congressional terms.

As former Federal Reserve Chairman Alan Greenspan quipped, "Quite frankly it does not matter who is president as far as the Fed is concerned. There are no other agencies that can overrule the action we take."

The Central Bank Buying Spree

That is how "independent" central banks operate, but it evidently not the US central bank that is gambling in the stock market. After extensive quantitative easing, the Fed has a $4.5 trillion balance sheet; but this sum is accounted for as being invested conservatively in Treasuries and agency debt (although QE may have allowed Wall Street banks to invest the proceeds in the stock market by devious means).

Which central banks, then, are investing in stocks? The biggest player turns out to be the People's Bank of China (PBoC), the Chinese central bank.

According to a June 15th article in *USA Today*:

Evidence of equity-buying by central banks and other public sector investors has emerged from a large-scale survey compiled by Official Monetary and Financial Institutions Forum (OMFIF), a global research and advisory group. The OMFIF research publication *Global Public Investor (GPI) 2014,* launched on June 17 is the first comprehensive survey of $29.1 trillion worth of investments held by 400 public sector institutions in 162 countries. The report focuses on investments by 157 central banks, 156 public pension funds and 87 sovereign funds, underlines growing similarities among different categories of public entities owning assets equivalent to

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You're Not Sick It's Hyperinflation!

Roxanne Lewis

Americans report feeling anxious and depressed about the lives they are living today. What they are actually feeling is 'hyperinflation' defined as a large increase in the money supply not supported by gross domestic product (GDP) growth. The results are an imbalance in the supply and demand for the money and left unchecked causes prices to increase, as the currency loses its value.

When associated with wars, hyperinflation often occurs when there is a loss of confidence in a currency's ability to maintain its value in the aftermath, when this happens sellers demand a risk premium to accept the currency by raising their prices.

"This is another fine mess you've got us into*!" Oliver Hardy*

The U.S. media machine again fails to report the real news that hyperinflation is upon us and this past month we learned why. Russia has begun to CHANGE their exchange contracts from the U.S. dollar to the Chinese remnimbi and Russian ruble for settlement of accounts. Andrei Kostin the C.E.O. of VTB bank has stated that, *"Given the extent of our bilateral trade with China, developing the use of settlements in rubles and renminbi is a priority on our agenda, and so we are working on it now. Since May, we have been carrying out this work."* The Deutsche Bank of Russia stated that, *"There has been a significant interest in the market from large Russian corporations to start using various products in renminbi and other Asian currencies and to set up accounts in Asian locations."*

Did our leaders NOT THINK that sanctions against Russia would ricochet back to hurt American's and their dollar fiefdom? The Kremlin is pivoting towards Asia as it cuts ties with the Western mockery America has become.

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Another Phantom Recovery Fails

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However, another phantom recovery this year will be especially troubling for U.S. equities. Stock prices didn't care so much that GDP was anemic when the Fed was expanding credit at a trillion dollar annual pace. But, in just a few months the Fed's QE program will hopefully be finished. And asset prices may finally start to undergo a painfully-necessary correction.

For instance, perhaps by allowing free markets forces to work, first-time home buyers may once again be able to afford a new house, rather than being constantly outbid by hedge funds. Case in point, a study was recently done by real estate researcher Trulia that showed only 25% of homes for sale in the New York area are affordable to middle class buyers.

Shockingly enough, the recent response from government to this second bubble in real estate in the last six years is to force Fannie Mae and Freddie Mac to further expand the amount of lending in the housing market! It seems all we have learned since the 2008 economic crisis is how to make the same mistakes as before, but to a much greater extent.

Nevertheless, investors need to take advantage of this brief moment of sanity from the Fed, because it should not last very long. The Fed's tapering of bond purchases should provide an excellent opportunity to acquire assets at a significant discount to the bubble-like valuations seen today.

Unfortunately, the economy is now completely addicted to zero percent interest rates and the endless expansion of Fed credit. Once Ms. Yellen realizes the Fed's number one enemy (deflation) will be the result of ending QE, get ready for an inflation quest the likes of which America has never endured before.

Article by:
Michael Pento
May 19, 2014
www.pentoport.com

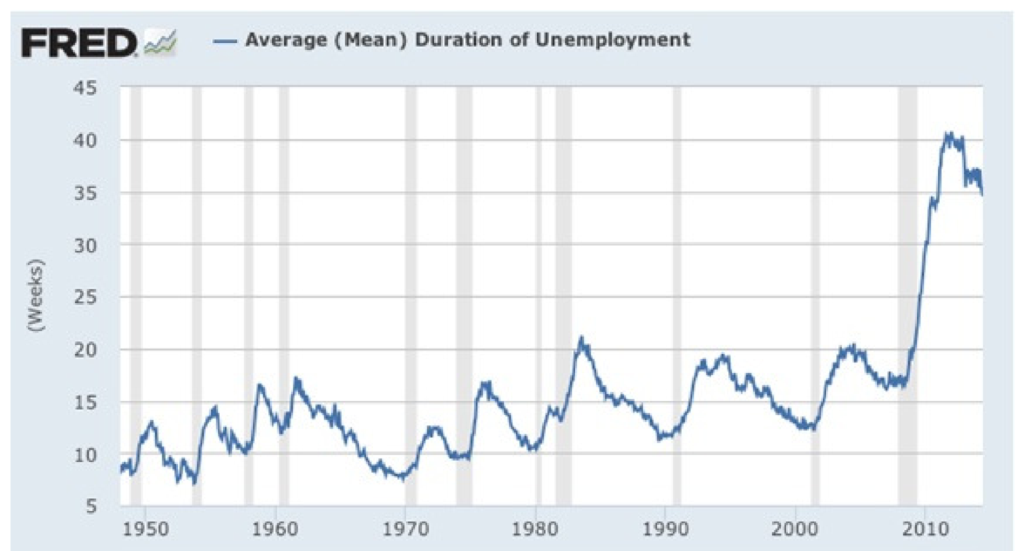
THREE Charts That Prove We're In A Depression And That The Federal Reserve And Washington Are Wasting Money

Graham Summers

Wall Street and mainstream economists are abuzz that we're seeing a recovery in the US due to the latest jobs data. These folks are not only missing the big picture, but they're not even reading the fine print (more on this in a moment).

The reality is that what's happening in the US today is not a cyclical recession, but a one in 100 year, secular economic shift.

See for yourself. Here's duration of unemployment. Official recessions are marked with gray columns. The Fed has spent over $4 trillion…. and this has barely dropped by a month or two .



Here's the labor participation rate with recessions again market by gray columns:

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Buying Up the Planet…Out-of-control Central Banks On a Corporate Buying Spree

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> 40% of world output.
>
> The assets of these 400 Global Public Investors comprise $13.2 trillion (including gold) at central banks, $9.4 trillion at public pension funds and $6.5 trillion at sovereign wealth funds.

Public pension funds and sovereign wealth funds are well known to be large holders of shares on international stock markets. But it seems they now have rivals from unexpected sources:

> One is China's State Administration of Foreign Exchange (SAFE), part of the People's Bank of China, the biggest overall public sector investor, with $3.9 trillion under management, well ahead of the Bank of Japan and Japan's Government Pension Investment Fund (GPIF), each with $1.3 trillion.
>
> SAFE's investments include significant holdings in Europe. The PBoC itself has been directly buying minority equity stakes in important European companies.
>
> Another large public sector equity owner is Swiss National Bank, with $480 billion under management. The Swiss central bank had 15% of its foreign exchange assets – or $72 billion – in equities at the end of 2013.

Public pension funds and sovereign wealth funds invest their pension contributions and exchange reserves earned in foreign trade, which is fair enough. The justification for central banks to be playing the stock market is less obvious. Their stock purchases are justified as compensating for lost revenue caused by sharp drops in interest rates. But those drops were driven by central banks themselves; and the broad powers delegated to central banks were supposed to be for conducting "monetary policy," not for generating investment returns. According to the OMFIF, central banks collectively now have $13.2 trillion in assets (including gold). That is nearly 20% of the value of all of the stock markets in the world, which comes to $62 trillion.

From Monetary Policy to Asset Grabs

Central banks are allowed to create money out of nothing in order to conduct the monetary policies necessary to "regulate the value of the currency" and "maintain price stability." Traditionally, this has been done with "open market operations," in which money was either created by the central bank and used to buy federal securities (thereby adding money to the money supply) or federal securities were sold in exchange for currency (shrinking the money supply).

"Quantitative easing" is open market operations on steroids, to the tune of trillions of dollars. But the purpose is allegedly the same—to augment a money supply that shrank by trillions of dollars when the shadow banking system collapsed after 2008. The purpose is not supposed to be to earn an income for the central bank itself. Indeed, the U.S. central bank is required to return the interest earned on federal securities to the federal government, which paid the interest in the first place.

Further, as noted earlier, it is not the US Federal Reserve that has been massively investing in the stock market. It is the PBoC, which arguably is in a different position than the US Fed. It cannot print dollars or Euros. Rather, it acquires them from local merchants who have earned them legitimately in foreign trade.

However, the PBoC has done nothing to earn these dollars or Euros beyond printing yuan. It trades the yuan for the dollars earned by Chinese sellers, who need local currency to pay their workers and suppliers. The money involved in these transactions has thus doubled. The merchants have been paid in yuan and the central bank has an equivalent sum in dollars or Euros. That means the Chinese central bank's holdings are created out of thin air no less than the Federal Reserve's dollars are.

Battle of the Central Banks?

Western central banks have generally worked this scheme discreetly. Not so much the Chinese, whose blatant gaming of the system points up its flaws for all to see.

Georgetown University historian Professor Carroll Quigley styled himself the librarian of the international bankers. In his 1966 book *Tragedy and Hope*, he wrote that their aim was "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*," central banks that "were themselves private corporations."

It may be the Chinese, *not* acting in concert, who break up this cartel. The PBoC is no more transparent than the US Fed, but it is not an "independent" central bank. It is a government agency accountable to the Chinese government and acting on its behalf.

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How can ETF Sell-Offs Equal Higher Gold Prices?

The gold spot price has risen nearly 10% since December, and at the time of this writing gold has climbed 5.13% in the last 30 days. These figures don't seem spectacular until you look at the frighteningly large amount of ETF outflows during the last few months, and then gold's recent gains really stand out.

From January 1 to June 27 investors withdrew $562 million from precious metal ETFs. According to Bloomberg, a noticeable increase in ETF withdrawals began in the first quarter of 2013, and have been the norm ever since.

Last month investors removed $143 million from gold funds, yet the live gold spot price went up substantially. How could this be? U.S. Mint gold coin sales are down dramatically from this time a year ago, so how is the gold spot price 5% higher in the last month and 8% higher in the last 365 days? Isn't the gold bull market supposed to be over?

Hardly. Inflation flew under the radar the last two years and we've all been eyeing the Federal Reserve's next move. Now that the Fed's monthly asset purchases, known as "Operation Twist", are shrinking, so is consumer confidence in our government's ability to manage what's next: higher interest rates, a dead economy, and trillions of new dollars hitting the streets.

Physical gold purchases by U.S. investors are up 14% from 2013, as investors prepare for what could be the worst bout of hyperinflation since the German Deutsche Mark debacle of the 1940s. The gold spot price is 30% below its 2011 peak of $1,923 and bargain-hunters have been hoarding gold like squirrels hoard nuts before winter.

Undoubtedly, gold's rise despite the decline in ETF holdings is a direct result of investors' realization that when push comes to shove the person with gold and silver in their *hands*, not on a piece of paper, is the one who is truly wealthy.

Article by:
Stewart Lawson
July 8, 2014

THREE Charts That Prove We're In A Depression And That The Federal Reserve And Washington Are Wasting Money

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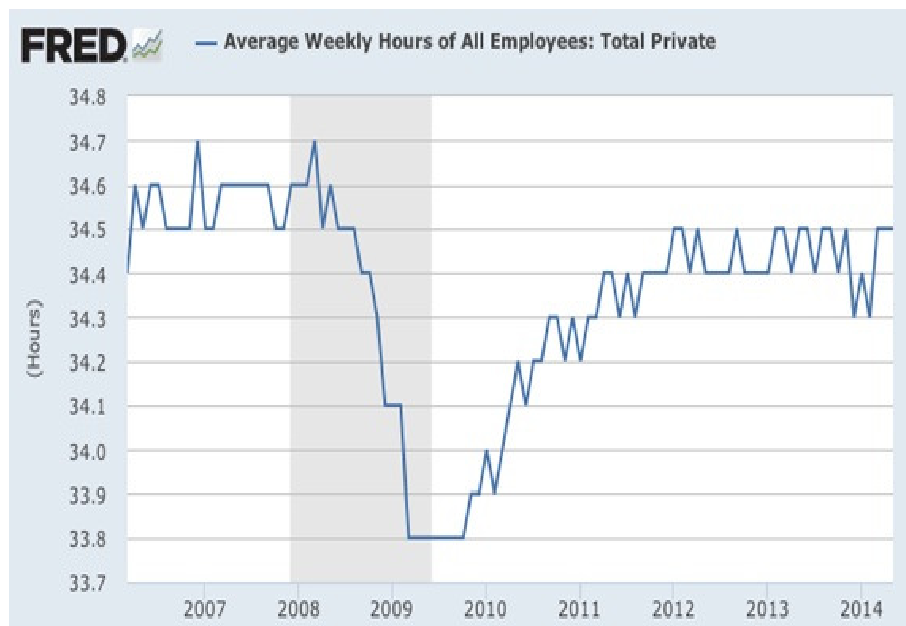
Another way to look at this chart is to say that since the Tech Crash, a smaller and smaller percentage of the US population has been working. **Today, the same percentage of the US population are working as in the late 1970s.**

Here's average hours worked per week for the private sector.



This number is of extreme importance. The reason is because companies don't just start laying people off en masse when the economy is weak. Instead they start cutting work hours bit by bit. The mass layoffs don't come until the official numbers announce that we're in a full-blown recession.

Indeed, when you account for population growth and the drop in average hours worked per week, **the US has created net ZERO jobs in the last five years**. Put another way, there has been literally ZERO job growth since the recession "ended."

Again, what's happening in the US is NOT a garden-variety cyclical recession. It is a **STRUCTURAL SECULAR DEPRESSION**.

Folks, this is a DE-pression. And those who claim we've turned a corner are going by "adjusted" AKA "massaged" data. The actual data (which is provided by the Federal Reserve and Federal Government by the way) does not support these claims at all. In fact, if anything they prove we've wasted money by not permitted the proper debt restructuring/ cleaning of house needed in the financial system.

It all boils down to the same simple sentence repeated by myself and others: you cannot solve a debt problem by issuing more debt (even if it's at better rates).

Article by:
Graham Summers
June 11, 2014
http://gainspainscapital.com.

You're Not Sick It's Hyperinflation!

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What do you call a group of Baboons that are ALWAYS loud, dangerous, obnoxious, aggressive, and the least intelligent of all primates?   A Congress

Now, we discover, Russia has also forgave North Korea's $11 B. debt clearing a path through the secretive state for a natural gas pipeline from Russia to South Korea. It is obvious that Russia will win favor with North Korea to get a pipeline agreement through S.K. and solidify their alliance as future allies.

What can we expect are the plans from the world's orchestrators and power brokers to guarantee that they'll make trillions off the dollars demise?

Earlier this month John Paulson of Paulson & Co. Hedge Funds sold his aspen ranch for $26 M! He had made a steal of a deal back in 2008 when he bought Prince Bandar's $50 M ranch for less than half of its prior cost! A deal for the "Prince of the Crisis" whose firm made a cool $15 B off the 2008 banking crash by hedging that bank's would fail!

To accomplish this Paulson and Soros along with other hedge fund raiders, who belong to the Managed Fund Association, manipulated Christopher Cox at the SEC to change the rules of the game so they could play at our expense. These two rules enabled them to raid the financial markets, generating huge profits for themselves and causing the financial crisis. In July 2007 the uptick rule was eliminated, a rule initially adopted in 1938 which allowed the U.S. to recover from the Great Depression. **The uptick rule limited short sales to stocks whose last trade was higher than the previous one. This rule kept "trader raiders" from selling short and causing a stock to drop continuously in price.** This rule change did not, in itself, insure the demise of the housing market but the next rule placed into the scheme insured the STING. It assured that the dominoes would fall one onto another and turn the entire housing bubble into rubble.

These "corporate bank raider robbers" lobbied for the implementation of the 'mark to market' accounting standard to be instituted requiring banks to value their mortgage acquisitions at their current value and not the value at which they had been acquired at. This meant that as interest rates rose and values of mortgaged properties fell, most likely, a banks book balance would turn negative. That is exactly what happened, they knew the banks would fail and with their bets in place they, literally, cleaned up. They made billions for doing nothing but manipulating the system and placing their bets at their house table where the house always wins.

Paulson is purportedly only half as wealthy as George Soros at $26 B. However, most billionaires net worth's are understated and if accurately reported they would be even more hated than they currently are. If Paulson's purported wealth is $13 B, his homes worth $1B and his Paulson Hedge Fund & Cos. at $20B we are left to wonder what is hidden off shore in Swiss Annuity funds, held in physical gold or funds held in trust to a spouse or children. The personal net worth numbers released are, most assuredly, only a part of their real wealth hidden using unique accounting methods of the elites. What we do know is that millions, then billions and next trillions will not be enough. We know that Soros, the "sordid Wizard of Oz", intentionally manipulates governments and national economies leaving devastation in the aftermath. I guarantee that these marauders continue their maneuvers as the magicians behind the curtain. The question remains, what do they have up their sleeves? Is the housing market about to crumble? What are they doing with their cash and will they steal trillions the next time? You see, "*ALL the ways of a man are RIGHT in his own eyes!"*

Now IMF is sounding the housing alarm that the world must act to contain the risk of another devastating housing crash. The data shows that housing prices are well above their historical average in many countries. This undue acceleration nationally and globally in housing, as compared to incomes and rents, is a major threat to economic stability. In the wake of the global recession, central bankers cut interest rates to record lows and the true effect has pushed housing prices to unsustainable values across the world. The money masters history behind the current world depression explains the goal of Whole World economic control, control over all world governments by a very small number of private shadow bankers.

We should suspect that the purpose of the next financial crisis would be to finally take down the U.S. dollar as the stable method of finance of the world. In the after math's confusion the international bankers and their new Global Monetary Fund will offer to step in to control their purposeful crisis with crafted solution as the financial control organization of the world.

They would have accomplished pulling off the biggest heist today of the remaining savings of the middle classes their home equity and any paper money they have managed to save. NOW the magicians will be FREE from ALL government control and the middle classes savings will vanish, snatched and then snug in off shore bank accounts or bailed in banks of the super rich.

What happens when the dollar begins to die?

Everything you need to survive will cost a lot more (food, fuel, electricity).

Foreign countries will not buy our U.S. government debt.

Oil will cost a lot more (gas, heating oil).

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Buying Up the Planet…Out-of-control Central Banks On a Corporate Buying Spree

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The Chinese have evidently figured out the game of the "independent" central bankers, and to be using it to their own advantage. If the Fed can do quantitative easing, so can the Chinese – and buy up our assets with the proceeds. Owning our corporations rather than our Treasuries helps the Chinese break up US dollar hegemony.

Whatever power plays are going on behind the scenes, it is increasingly clear that they are not serving we-the-people. The global central banking scheme is systemically flawed and needs to be radically overhauled.

Ellen Brown is an attorney, founder of the Public Banking Institute and the author of twelve books, including the best-selling Web of Debt. Her latest book, The Public Bank Solution, explores successful public banking models historically and globally.

Article by:
Ellen Brown
June 21, 2014

You're Not Sick It's Hyperinflation!

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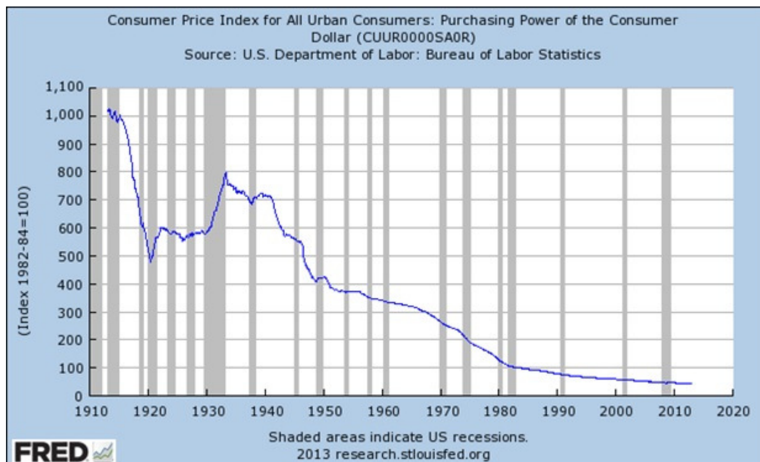
Interest rates on U.S. debt will rise.

Interest rates on everything will rise.

Interest rates for homes will rise, values will plummet & foreclosures will increase.

THE INFLATION RATE OF 2.5% IS A LIE! Food and fuel are not included in their inflation equation to manipulate American thinking and those expenses are at the top of monthly costs besides your mortgages. Hyperinflation has begun and no one will say it or accept the truth that in just 10 years home heating costs are up 145%, gas 108%, college 88%, medical 85% and food 60%. The dollar is almost dead and what have you done to protect your family? **It is difficult for people to rebel against a system that they are born into, no matter how oppressive IT in fact is? Paper money with no gold backing is the mechanism for human enslavement. The gradual enslavement (gradualism) of our banking system has ensnared, trapped and turned a once great thinking populace backwards.**

"Those in power create PROBLEMS to stimulate public REACTION and outrage, then channel it to a SOLUTION that suits their purposes with new laws and new aggressions of war that we in turn pay for with our children's lives, limbs and our lives work." - Roxanne Lewis



Article by:
Roxanne Lewis
July 1, 2014

The Outstanding Public Debt
National Debt:
17,598,116,016,239.50
The estimated population of the United States is **318,574,283**
US citizen's share of this debt is
$55,240.23
The National Debt has continued to increase an average of
$2.37 billion per day
Business, Government, Financial and Unfunded Liabilities Debt exceeds
$120 Trillion

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