

Will You Survive The Coming Financial Crash?

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DISCLAIMER:

The following describes the basic fundamentals of the currently prevailing economic conditions of the United States of America. Even though these are the circumstances in which we now find ourselves, the theoretical information contained in this *financial white paper* remains valid throughout the entire world. While the following *does not* represent *legal or investment advice*, it is intended to serve as a tool with which the readers' own common sense and intelligence can make *empowered* and *intelligent* decisions about their own life, and the financial condition of their own household. I have always run my own household like a *business*, and my use of sound business practice is the reason I have been successful in preventing unnecessary expenditures in my own *worst* self-interest.

During the early 1980's, I worked as an *investment banker*, having passed the *Series 7* and *Series 63* certification exams given by the *Securities Exchange Commission (SEC)*. An *investment banker* is an individual who works for a firm that helps private corporations raise money through their first public stock offering. In order to pass these exams, I had to become knowledgeable in matters concerning investment economics and the public sale of common stock. There was a tremendous amount of law that had to be memorized, and these certification exams were extremely specific in what they were asking in each and every question. Because of my having a *photographic* memory, I was able to prove complete mastery of the subject matter, something that made my employer extremely pleased.

Later on, I was able to use this knowledge to build a successful business in the field of graphic design and commercial printing. I was able to work as a sub-contractor in the defense industry, and as a U.S. Government Printing Office (GPO) subcontractor. I attribute my success to the four-pledge guarantee that I gave to all of my customers. Within one year, I was able to stop all cold calls, as prospective clients were calling me to do business with them. The four-pledge guarantee was as follows:

1. I will never lie to you.
2. You will receive what you need when you need it.
3. It will be at a price that is fair to the both of us.
4. If we ever mishandle an order, we will do again for FREE within 24 hours!

Currently, I serve as a senior advisor to three separate businesses, all of which are successful and profitable. I have written this white paper in the interest of sharing with all readers of this document, information regarding the current economic climate in both the USA and throughout the rest of the world.

EXECUTIVE SUMMARY:

The time has now arrived where things have gotten out of hand here in the USA, as far as financial matters are concerned. If one listens closely, they will hear the increasingly nervous whispers of the economists and financial experts. The USA is hopelessly *bankrupt* --- a condition that has existed since March 1933 --- and this massive debt has now begun to exponentiate itself. Those financial analysts who are being completely honest, all agree that the coming financial crash will make the Great Depression of 1929-1934 look tame in comparison.

Because of my specific education in the areas of finance and investment banking, I feel compelled by moral responsibility to share what I have come to understand about this situation. I have prepared this financial white paper in the interest of sharing what I know and what my intuition and analysis tells me will be the likely outcome of this impending and inevitable disaster. I have also provided in my analysis, several proactive solutions that the reader may implement on the behalf of themselves and their family, so that they may be spared from this forthcoming disaster.

While the facts of this matter are lengthy, the solutions all share the following in common; *fiscal responsibility* and a measure of *psychological restraint*. My only hope is that by reading the following analysis, the reader will come to understand the urgency of the situation. Now is *not* the time to continue to deny and ignore the warning signs, as the sad outcome of this denial may result in the complete financial ruin of the individual and the ongoing financial *stability* and *liquidity* of their household.

The time of denial ends right here and now . . .

WHY PUBLIC EDUCATION DOES NOT TEACH REAL-WORLD MATH:

Throughout my own years in public school, I relentlessly hounded the various math teachers why they did *not* teach what I call *real-world math*. While there were mountains of data and formulas to contend with and *memorize* in what they called *new math* --- not a word was spoken about *household finance*; how to *balance a checkbook*, how to apply the concept of *economies of scale* to *budget for a household with varying numbers of children*, or how to *protect oneself from being taken advantage of* by the many *banks*, *lending institutions*, and *credit-card issuing banks*. Whenever I would raise what I knew were valid concerns, the math teacher would invariably find themselves embarrassed and without a satisfactory answer.

By the time I arrived at high school, I knew in my heart that there were specific reasons why I was not being taught properly in the subject of math. However, I would not put the pieces together until many years later, when my wife and I were going about the process of researching the purchase of our home. The scope of this white paper is to explain some of the current fundamentals regarding the United States economy. I will also explain how the reader can use this data to make intelligent decisions about their own financial situation, even as the monetary situation in this country grows evermore perilous in the months and years ahead.

After more than two decades of research, first working as a licensed investment banker, and ten years of owning my own business, I have come to the sad conclusion that *real-world math* is not taught in public school, because **ignorant people are far easier to take advantage of, than those who are educated and savvy** about such matters. On pg. 14 of her book *The Deliberate Dumbing Down of America*, former senior policy advisor in the *Office of Educational Research and Improvement* (OERI) during Ronald Reagan's first term as President, *Charlotte Thomson Iserbyt*, states that on December 28, 1928, a plan to dumb-down American students through what was called *new math* was discussed by people who had attended a meeting of the *Progressive Education Association*. This meeting was chaired by a Dr. Ziegler of the Education Committee of the *Council on Foreign Relations*, a group that through their actions seeks to destroy the national sovereignty of the United States, to unite all existing countries under what they call their own *New World Order* of global fascist government.

Dr. Ziegler is quoted in Iserbyt's book as having said the following to a Mr. O. A. Nelson:

"Nelson, wake up! That is what we want, a math that the pupils cannot apply to life situations when they get out of school!"

As Mrs. Iserbyt further explains on pg. 15 of her book, Mr. O. A. Nelson was an assistant principal at Wilson High School in Minneapolis, Minnesota, as well as having also worked at Johnson High School in St. Paul, Minnesota. It took until 1952 for this *new math* to be instituted throughout the United States public education system. This coincidental twenty-three year period exists as a perfect example of how slowly the globalist program of *gradualism (two steps forward, one step backward)* proceeds, thus avoiding the detection from all but the most astute observers.

Mr. O. A. Nelson further stated:

*"That math was not introduced until much later, as those present [in 1928] thought it was too radical a change. A milder course by Dr. Breckner was substituted, but it was also worthless, as far as understanding math was concerned. The radical change was introduced in 1952. It was the one [form of new math] we are using now. So, if pupils come out of high school now, not knowing any math, don't blame them. **The results are supposed to be worthless.**"*

In the preface of her book, *The Deliberate Dumbing Down of America* (pgs. xvii-xviii), Iserbyt defines the onslaught upon the minds of our children as a new and different type of war. While she does not use the specific term, I contend that this new type of war belongs under the general heading of *Information Wars*. The following bullet-points from Iserbyt's book represent the primary methodology that has been used against our children in the fighting of this *Info War*:

- One fought using psychological methods.
- A one-hundred year war.
- A different, more deadly war than any other in which our country has been involved.
- A war about which the average American hasn't the foggiest idea.

Iserbyt goes on to state the following about why Americans do not understand what has been happening to their children *without their consent*:

"The reason Americans do not understand this war is because it has been fought in secret --- in the schools of our nation, targeting our children who are captive in classrooms. The wagers of this war are using very sophisticated and effective tools." She then lists the three primary strategies, which have proven to be quite effective, especially in that they are never explained to any of the students (or their parents) as part of their actual public education curriculum:

- Hegelian Dialectic (common ground, consensus and compromise).
- Gradualism (two steps forward, one step backward).
- Semantic Deception (redefining terms to get agreement without understanding).

John Taylor Gatto, who was a New York City public school teacher for thirty years, becoming both New York City Teacher of the Year and New York State Teacher of the Year a total of four times combined, had the following to say on pgs. xxxv-xxxvi of his groundbreaking 1992 book entitled *Dumbing Us Down: The Hidden Curriculum of Compulsory Schooling*:

"I began to wonder, reluctantly, whether it was possible that being in school itself was what was dumbing [the students] down. Was it possible I had been hired not to enlarge children's power, but to diminish it? That seemed crazy on the face of it, but slowly I began to realize that the bells and the confinement, the crazy sequences, the age-segregation, the lack of privacy, the constant surveillance, and all the rest of the national curriculum of schooling were designed exactly as if someone had set out to prevent children from learning how to think and act, to coax them into addiction and dependent behavior."

Gatto further explained on pg. 154 of his 2003 book, *The Underground History of American Education*, the reasons why someone wanted the children *dumbed down*:

"Faced with the problem of dangerous educated adults, what could be more natural than a factory to produce safely stupefied children? You've already seen that the system has only limited regard for brainy people, so nothing is lost productively in dumbing down and leveling the mass population, even providing a dose of the same for 'gifted and talented' children. And much can be gained in social efficiency. What motive could be more 'humane' than the wish to defuse the social dynamite positive science was endlessly casting off as a byproduct of its' success?"

Further evidence of this agenda to dumb-down the population is found within the pages of a May 1979 *Bilderberg Group* internal white paper that had been leaked to the public in 1986, which has become generally known as *Silent Weapons For Quiet Wars*. Because the Bilderberg Group is an international group, this document was likely the creation of the Tavistock Institute, which itself does study and implement the psychological programming of large societal groups. This 56-page report describes the many ways by which large societal groups of people can be *programmed*, and *manipulated* by the analysis of

household systems models and something called *economic shock testing*, which on pg. 34, is described in the following manner:

"Economic engineers study the behavior of the economy and the consumer public by carefully selecting a staple commodity such as beef, coffee, gasoline, or sugar, and then cause a sudden change or shock in its' price or availability, thus kicking everybody's budget and buying habits out of shape."

The summary that appears on pgs. 47-48 provide chilling details as to the way in which larger society is regarded by the global elite. These details explain why basic education has been withheld from larger society, which is explainable once Albert Ellis' definition of *intellectual fascism* is applied. Simply put, *intellectual fascism* is the belief held by the global elite that there are certain groups of people who should not be educated, because they are inferior in some way.

This group of people has been variously referred to as *useless eaters*, *useless feeders*, *useless breeders*, and *unwashed minions*. Secret societies refer to this group of people, the *uninitiated*, as the *profane* and the *vulgar*. Yet another derogatory term used to describe ordinary citizens is *human capital*, which is used primarily to describe human beings whose only purpose is generate wealth for the upper class elite, a group no larger than 5% of the total population. Most recently, however, this term has begun to be used to describe school children. Using the term *human capital* to describe people implies *ownership*, suggesting that our lives are much less free than we have been led to believe.

Still another example of this way of thinking is the term *human resources*, which is used in the corporate world. Most workers have been told the exoteric (or public) meaning, which is *a corporate department that meets the needs of the workers*. After all, this is where one goes when they want to *request their vacation*, change their *health insurance*, or enroll in the company *retirement and profit-sharing plans*. These same people were never told the true esoteric (or private) meaning, which is *they are the human resources of the company*, which again implies *ownership* of these workers *by the corporation*.

Read the following quotations from the *Bilderberg Group* report, and see if you can address the question of which population group is being referred to by the mind-set that created the report. The amount of behind-the-scenes research that these private think-tank type groups have undertaken are stunning in that there has been so little information leaked to the public about such projects. While most people attempt to deny that such research is conducted on an ongoing basis, the work of the tireless Internet research community has shined a light upon these dark black-budget projects.

When speaking of the Bilderberg Group in specificity, it has been the work of Jim Tucker, Daniel Estulin, and Tony Gosling that has opened up many people's awareness of this group that acts in their own self-interest, to the tremendous detriment of every government of every country represented at the Bilderberg Group annual conferences.

Check the Bibliography section at the end of this paper for the most-complete Internet copy of this document, which include the systems diagrams and economic formulas. The webpage that contains this document supposes that the document is from the Central Intelligence Agency. However, there is wording in the document to the effect that 1979 represented the twenty-fifth anniversary of the Quiet War. The most significant event that

occurred twenty-five years earlier was the first meeting of an unnamed international group in the Bilderberg Hotel in Oosterbeek, Holland on the weekend of May 29-31, 1954. This international consortium came to be known as the Bilderberg Group, the group whom I believe authored the document:

SILENT WEAPONS FOR QUIET WARS

May 1, 1979

SECURITY (pg. 3):

This manual is in itself an analog declaration of intent. Such a writing must be secured from public scrutiny. Otherwise, it might be recognized as a technically formal declaration of domestic war. Furthermore, whenever any person or group of persons in a position of great power, and without the full knowledge of the public, uses such knowledge and methodology for economic conquest --- it must be understood that a state of domestic warfare exists between said person or group of persons, and the public.

The solution of today's problems requires an approach which is ruthlessly candid, with no agonizing over *religious, moral, or cultural values*.

DIVERSION: THE PRIMARY STRATEGY (pgs. 47-48):

Experience has proven that the simplest method of securing a silent weapon and gaining control of the public is to *keep the public undisciplined and ignorant* of basic systems principles on the one hand, while keeping them *confused, disorganized, and distracted with matters of no real importance*.

This is achieved by:

1. Disengaging their minds, sabotaging their mental activities, *by providing a low-quality program of public education in mathematics, logic, systems design, and economics, and by discouraging technical creativity.*
2. Engaging their emotions, increasing their self-indulgence and their indulgence in emotional and physical activities, by:
 - a. Unrelenting emotional affronts and attacks (mental and emotional rape) by way of a constant barrage of *sex, violence, and wars in the media* --- especially on the *TV* and in the *newspapers*.
 - b. Giving them what they desire --- in excess --- junk food for thought --- and by depriving them of what they really need.
3. Rewriting history and law and subjecting the public to the deviant creation, thus being able to shift their thinking from *personal needs* to *highly fabricated outside priorities*.

These preclude their interest in and discovery of the silent weapons of social automation technology. The general rule is that *there is profit in confusion; the more confusion, the more profit*. Therefore, the best approach is to **create problems and then offer the solutions** [emphasis mine].

- **MEDIA:** Keep the adult public attention diverted away from the real social issues, and captivated by matters of no real importance.
- **SCHOOLS:** Keep the young public ignorant of *real mathematics, real economics, real law, and real history*.
- **ENTERTAINMENT:** Keep the public entertainment *below a sixth-grade level*.
- **WORK:** Keep the public *busy, busy, busy*, with no time to think --- back on the farm with the other animals.

Does any of this describe the world in which we all live?

Of course it does! We live in a society that finds itself continually fascinated with matters of no real importance --- such as our obsession with *celebrity news, television, sports and sports stars, supermodels, and movie stars*. A great deal of effort is expended upon these meaningless diversions, such as the trials and tribulations of *Michael Jackson, Martha Stewart, Paris Hilton*, and others who came before and of those who will follow. Entire channels are devoted to this form of tele-cinematic voyeurism.

The interesting thing to note, is the reference to **creating problems and then offering solutions to those problems**, which I will discuss immediately below.

Has the reader come to a conclusion about which population group is being referred to, by the above? I'll provide a clue --- it refers to anyone who makes more than \$150,000.00 US\$ annual income, which represents the upper 5% of everyone in the USA. The rest of us are just scraping by, with only two-thirds of the population now being able to afford their own home, according to statistics from the United States Census Bureau.

PROBLEM-REACTION-SOLUTION:

The Hegelian Dialectic was the creation of German philosopher *Georg Wilhelm Friedrich Hegel (1770-1831)*, and most recently has been popularized by researcher-author *David Icke* (rhymes with *like*) as *Problem-Reaction-Solution*, appearing as such for the first time ever in his September 1995 book entitled '*... And The Truth Shall Set You Free*.' Since Icke formulated and restated Hegel's Dialectic as *Problem-Reaction-Solution*, it has garnered widespread understanding and acceptance in the Internet True-Government-Crime research community, as well as in the minds of those of us who are spiritually *awake and alert*.

Problem-Reaction-Solution is extremely straightforward and easy to understand.

Because we are discussing public education, allow me to provide an example completely within that context. We have already learned from our quote from Mr. O. A. Nelson above, that the *new math* was designed to fail and teach nothing usable to the students within real-world applications. The designed failure of *new math* created the crisis of an artificial problem, as it would have been just as easy to implement a math system that *actually worked*. Throughout the three stages of *problem-reaction-solution*, it is crucial that both sides of the crisis are managed by the same people, some of who work as *change-agents*.

A *change-agent* is a person who leads a change project or business-wide initiative by *defining, researching, planning, and building support* for the project. Change agents must have the conviction to state the facts based upon data, even if the results are undesired. All sorts of people are working as change agents for the new world order, where they are demanding superficial changes based upon adherence to the NWO plan, being completely unconcerned with the negative aspects of the initiative. A well-known example of a change-agent is *Henry Kissinger*, who has worked behind the scenes in both government and in groups such as the *Council on Foreign Relations* to bring about the world government plan brought forth by those who I will refer to here as simply, the *globalists*.

Because the *new math* system was obtuse and difficult for the students to understand, quite naturally, the State-level standardized test results would turn out to be a complete disaster. So then, why was anyone surprised when the students started to display low levels of math aptitude, as the years passed on into decades? Well meaning parents and teachers, who were completely unaware of what had been done to the children *on purpose*, decided to revolt against the system, creating the requisite reaction that is needed to fulfill the Hegelian equation.

Parents had become outraged, and rightly so.

T. H. Bell, when he was U.S. Secretary of Education (1981-1984) said:

"[We] need to create a crisis to get consensus in order to bring about change."

In the all-important second reaction phase, public outrage is fomented. The public demands that something, *anything*, must be done to repair the system that has failed by ingenious design. "*What are you going to do about this problem?!*" good-hearted people demand. Unfortunately, what these well-intentioned people never realize is that problems such as these are stage-managed, so the desired result can be easily manipulated into existence. In the case of public education, the contrived solution arrived in the form of something that came to be known as *outcome-based education*.

The solution offered to the problems created by the *new math, dropping reading aptitude*, and similar problems in other subjects, has come to be known as *outcome-based education*. The primary delivery methods of this education system were B. F. Skinner-based tools disguised as modern education methods. *Direct Instruction, Mastery Learning, and Outcome-Based Education* was the latest incarnation of Skinner's 1960's system of *Programmed Instruction*. Skinner was a behaviorist-psychologist, and he is best known for his *Skinner Box* experiment, which was based upon the concept of *Operant Conditioning*.

In Jennifer Bothamley's *Dictionary of Theories* (pg. 386), *operant conditioning* has been described in the following manner:

"Operant theory analyzes the interaction between the organism and its environment into a three-term sequence. A successful experimental analysis identifies the environmental cues (discriminative stimuli) which determine the occurrence of behavior (operant) and of the environmental events (reinforcers) necessary for the establishment and maintenance of the behavior. The theory has had a fundamental impact on psychology. It is chiefly criticized for its exclusion of unobservable, inferred psychological states."

In other words, operant conditioning describes the system of *behavior modification*. Has the reader noticed that in the above definition of operant conditioning, there is a reference to a *three-term sequence*? This refers to the Hegelian three-term dialectic, which as it says above, is *necessary for the establishment and maintenance of behavior*.

On February 26, 2005, Microsoft Chairman Bill Gates made the following comments in a keynote address at the *National Education Summit on High Schools*. During this speech, Gates made some revealing comments concerning the American public education system being *broken*:

*"When we looked at the millions of students that our high schools are not preparing for higher education --- and we looked at the damaging impact that has on their lives, we came to a painful conclusion: America's high schools are obsolete. By obsolete, I don't just mean that our high schools are broken, flawed, and under-funded --- though a case could be made for every one of those points. By obsolete, I mean that our high schools --- even when **they're working exactly as designed** --- cannot teach our kids what they need to know today.*

Training the workforce of tomorrow with the high schools of today is like trying to teach kids about today's computers on a 50-year-old mainframe. It's the wrong tool for the times. Our high schools were designed fifty years ago to meet the needs of another age. Until we design them to meet the needs of the 21st century, we will keep limiting --- even ruining --- the lives of millions of Americans every year.

Today, only one-third of our students graduate from high school ready for college, work, and citizenship. The other two-thirds, most of them low-income and minority students, are tracked into courses that won't ever get them ready for college or prepare them for a family-wage job – no matter how well the students learn or the teachers teach. This isn't an accident or a flaw in the system; it is the system."

On February 27, 2005, the very day *after* Gates' speech, *Maybe Logic Academy* member *Metachor* posted the following comment about the *true goal of public education*, in response to Gates' speech:

*"I work as a high-school teacher in Virginia, as does one of my parents. We both agree with [Bill] Gates on this issue: public high school in America was never intended to prepare children for college. **The original goal of the founders of American public education was to produce good factory workers who would obediently follow orders to carry out simple tasks.**"*

Charlotte Iserbyt also concurs with the above assessments of the American public education system, in the following quote from pg. xii of the Foreword to her book:

"Americans forget that the present government education system started as a Prussian import of the 1840's-1850's. It was **a system built on Hegel's belief** that the state was a 'God' walking on earth."

This also ties into Albert Ellis' concept of *intellectual fascism*, which is:

". . . the arbitrary belief that individuals possessing certain traits (such as those who are intelligent, cultured, artistic, creative, or achieving) are intrinsically superior to individuals possessing certain other traits (such as those who are stupid, uncultured, unartistic, uncreative, or unachieving). The reason why the belief of the intellectual fascist, like that of the politico-social fascist, is arbitrarily simple: there is no objective evidence to support it. At bottom, it is based on value judgments which are definitional in character and cannot be empirically validated."

With a member of my own family marrying into a family belonging to the global elite, I have witnessed *Intellectual Fascism* firsthand. Those in this group of the upper 5% of wealth in this country truly believe they are *better* than the rest of us, whose only major differences are *our own wealth and spheres of influence*. They believe that to rule is their birthright. To get back to my original point, the reasons why real-life math is not taught in public schools appears to be a direct outgrowth of *intellectual fascism*.

THE CURRENT FINANCIAL CRISIS, AND WHAT YOU CAN DO ABOUT IT!

The experts all agree --- the Federal Reserve currency of the United States is nearing collapse --- but when this will actually occur is anyone's guess. However, there are many factors, which will be discussed throughout this white paper, which are contributing to the collapse. *It appears we are in the early stages of a series of events that will culminate in the outright destruction of the U.S. dollar as the world's reserve currency.* What this means in simple terms is the world's economic system is traded in U.S. dollars. It also appears that the reason for the current runaway deficit spending and the printing of greater amounts of Federal Reserve Notes is this destruction is being done on purpose, with those truly in the know taking their gains prior to its' inevitable collapse.

Why I have written this white paper is because I do not wish to see people being blindsided by this future event. The reader can take my words as a caution, and make the necessary steps to protect their assets and savings, or the reader can ignore my words and later suffer the consequences of the actions of people whom they do not know. I assure you that every single fact discussed in this white paper can be easily verified by searching for the information to confirm that indeed everything I am saying is true. Having the ability to see the bigger picture, it is my duty as a *Constitutional Protectionist* to warn people of the impending financial *doom*.

It is no longer a matter of *if* this will happen, but *when* . . .

HOW THE FEDERAL RESERVE PRINTS MONEY:

The Federal Reserve Bank is a private, central bank, that prints what is known as fiat currency. This is money created out of thin air, and it comes with little effort that billions upon billions of dollars can be printed at the ridiculous sum of two-cents per bill. Whether that bill happens to be a one-dollar note, or a one-hundred dollar note, it costs the Federal Reserve Bank the same two-cents. After the money is printed for this outrageously low cost, the member banks then turn around and put the money into circulation, giving their member banks a discount rate. The friendly neighborhood bank then lends it or passes it onto the public (you and I) at full face value.

This represents \$19.98 profit on each and every twenty-dollar note!

The answer of who owns the Federal Reserve cannot be found by calling your local Federal Reserve Bank branch. All you will receive by means of an answer is that it is the *member banks* that own the Federal Reserve Bank system. While this is technically true within the context of *semantic deception*, it does not address the matter of whom it is that owns the member banks. If one should become brave enough to ask who owns each individual bank within that system, they will be met with complete and utter *silence*. The teller behind the counter does not know the answers to these questions, and no one ever bothers to inform them of these details of ownership.

By using the name *Federal Reserve Bank*, the public is lead to incorrectly believe that the Federal Reserve is somehow a part of the federal government of the United States. But, this couldn't be further from the truth. The Federal Reserve is not a department of the U.S. Treasury, and it cannot be found among the lengthy listing of the complete federal government departmental structure. After many years of research, I have at last stumbled across the list of the shareholders of the various member banks of the Federal Reserve banking system. It may come as a surprise to find out that the list of stockholders reads like a who's-who of the global elite --- with names such as *Rockefeller*, *Rothschild*, *Warburg*, and *Lehman* among them.

In the book *The Secrets of the Federal Reserve*, the great American patriot *Eustace Mullins* indicates that because the *Federal Reserve Bank of New York* sets interest rates and controls the daily supply and price of currency throughout the United States, the owners of that bank are the true owners of the entire Federal Reserve system. Mullins states that "*the shareholders of these banks which own the stock of the Federal Reserve Bank of New York, are the people who have controlled our political and economic destinies since 1914*" [when the Federal Reserve Act was signed into law]:

- Rothschild family
- Eugene Mayer
- Israel Sieff
- Kuhn-Loeb Company
- Warburg Company
- Lehman Brothers
- Goldman-Sachs
- Rockefeller family
- J.P. Morgan interests

The member banks that own and control the *Federal Reserve Bank of New York* are:

- Rothschild Banks of London and Berlin
- Lazard Brothers Bank of Paris
- Israel Moses Sieff Banks of Italy
- Warburg Bank of Hamburg and Amsterdam
- Lehman Brothers Bank of New York
- Kuhn-Loeb Bank of New York
- Chase Manhattan Bank of New York
- Goldman-Sachs Bank of New York

These people, acting in their own interests, have created a system of financial slavery, whose primary vehicles of entrapment include most prominently the *home mortgage* and the *high-interest credit card* systems. Every single person who involves themselves in either or both of these financial screw-jobs will spend the fantastic majority of their life making seemingly endless payments to the banks within the Federal Reserve banking system. And, if this is NOT enough advantage for these individuals, their system of fractional-reserve banking even allows them to loan out ten-times the money they have on deposit, and then charge interest on the money lent!!

The money that is printed under this tyrannical system is created through a series of bookkeeping entries. It does not exist in any other form. The Federal Reserve currency is in the process of collapsing because of a federal budget deficit that is in the process of exponentiating itself, and when the *big hit* occurs, it will likely make the Great Depression of 1929-1934 look many orders of magnitude smaller than the forthcoming event. Many of these banks have loaned out so much money during the financial bubble of the past twelve years (1993-2005), that the average person will be faced with two options --- pay off all their outstanding debts at once --- or lose everything by seeing their *home*, *automobiles*, and their *life savings* crumble into dust.

THE FEDERAL RESERVE PROSPECTS FOR THE DOLLAR:

The long-term prospects for the dollar are not good. In comparison to other world currencies like the Euro, on the global currency market, the dollar is now worth about \$0.70. This factor alone has seen all the big money in the global currency trade being shifted out of the dollar and into one of the more stable currencies, like the Euro, which is the strongest global currency at the present time. The success of the Euro can be attributed to its' relative young age as a currency, along with it being backed by gold. The Euro also has the advantage of balancing the wealth of the several nations who are now using it as their common currency. It is my personal opinion that the dollar is being collapsed on purpose, so a Euro-like monetary system can be implemented throughout the USA, Canada, and Mexico. This will be called the Pan-American Union, and will be based upon the structure of the European Union. The establishment of these regional monetary systems is an example of the *gradualism* that Charlotte Iserbyt discusses in her book, *The Deliberate Dumbing Down of America*.

Two important economic statements were made in February 2005 by both the current and most-recent past chairmen of the Federal Reserve Board. The current chairman, Alan

Greenspan, said the following as part of his semi-annual report to Congress, which took place on February 18, 2005:

"Several important economic challenges confront policy makers in the years ahead. Prominent among these challenges in the United States is the pressing need to maintain the flexibility of our economic and financial system."

It is extremely curious that he would make a statement such as this. What has happened in just the past five years alone will make it nearly *impossible* to maintain the flexibility of this system, because it has been based in recent years upon easy credit and low interest-rates. The Federal Reserve has maintained its' monetary system by manipulating both inflation and deflation through the rising and lowering of interest rates. It is important to note that the interest-rate set by the Federal Reserve is currently at a forty-six year low, which has been done to prop up the dollar in an attempt to forestall its' inevitable demise, which will be the ruin of many millions of people in this country when it finally does occur.

Precisely fifteen days prior to Greenspan's comments, ex-Federal Reserve chairman Paul Volcker had the following to say about the present condition of the U.S. economy:

"Below the favorable surface of the economy, there are as many dangers and intractable circumstances as I can remember. Nothing in our experience is comparable. We are consuming about 6% more than we are producing. What holds the [currency] together, is the massive flows of capital from abroad. A big adjustment will inevitably become necessary long before Social Security surpluses disappear and the deficit explodes. We are skating on increasingly thin ice."

Bush's recent privatization plan for the Social Security trust fund is nothing more than a thinly-disguised plan to gain access to this large sum of money, and it has become necessary because the entire house of cards has become destabilized and wobbly. Volcker's comment about the trade deficit, namely that *we are consuming more than we are producing*, represents the net result of so-called free-trade agreements such as NAFTA and GATT. Unfortunately for many Americans, these are *meaningless* acronyms.

Both China and Japan have been hoarding large quantities of U.S. dollars, which has been helping to keep the U.S. dollar from collapsing in the short term. However, what both countries have been doing is placing their orders in a manner which bets on a decrease in the value of the U.S. dollar. They make a profit when the currency later does decrease in value, and especially China, has been trading their profits in for U.S. Treasury securities, which not only allows them a nice profit, but also allows them to purchase large blocks of the U.S. government, one piece at a time. By pushing the U.S. dollar lower, their currencies stay higher. Their export markets flourish, as a country such as China is able to take advantage of employee expense of only pennies on the dollar, when compared to the financial outlay of U.S. employees.

In July 2001, the truly big money on this planet started betting against the U.S. dollar. Because of the current financial condition of this country, the big concern is that more and more countries will start to voice their opinion that the U.S. should lose its' status as global reserve currency. One of the best-kept secrets of the Iraq war is that Saddam Hussein had begun asking that his oil customers pay for their oil imports in Euros. This happened just before the Bush White House decided he was dangerous again. It was not

surprising to me to find this story not covered by any major media outlet. Therefore, whatever the Bush junta may say publicly about the reasons for the second Iraq war, the reason is *truly* about oil. They even had the audacity to call it *Operation Iraq Liberation*, until immediate and justified public outcry forced them to rename the *war*.

HOW THEY STEAL OUR WEALTH (manipulated stock market crashes):

When I became a licensed investment banker, one of the first things I was taught was the manner in which the stock market can be manipulated, one stock at a time. How this is typically done is by first driving the price up through public demand. Stockbrokers recommend certain stocks to their clients, and the more people that purchase, the higher the stock price travels. Then, when the stock price is sufficiently inflated, the big money suddenly pulls out of that particular stock, leaving the general public to absorb the loss.

This technique is known as the *pump and dump*.

Here, profit can be made in two distinct ways. First, the big money can dump the stock at the highest premium price, which maximizes the profit. At the same time, the big money sells the stock short and/or purchases put options, which means they are selling stock they do not own, and simultaneously, they are betting that the stock will drop in price. Later on, after the stock price dives, they can re-purchase the same stock at a tremendous discount. In effect, this transfers money out of our middle class life-savings and 401(k) retirement accounts, and places it right in the hands of the global elite. Those acting in the manner I describe here, make a profit going up AND coming down! When I took my certification exams, I was told that this was illegal, and the SEC would prosecute if I dared such an easily traceable action.

Let us look at how this works in the real-world environment . . .

In the *dot.com boom* of the 1990's, tens of millions of Americans bought stock for the very first time. Hoping for their slice of the American Dream, more than 125 million Americans invested significant amounts of money in the market, and specifically in the computers and technology sectors. These were middle-class people that had invested their *life-savings*, their children's *college funds*, and even their *retirement* and *rainy-day savings*. As many stocks rose from *dollars* to *hundreds of dollars* per share, the excitement was too much to ignore. By the time of the Spring 2000 crash, 56.6% of all Americans were invested in the market to some degree.

During the stock market crash of 2000, *six-trillion* dollars of money that had belonged to the middle class, had been transferred into the hands of the elite upper 5%. It was done by using the techniques mentioned above. Just before the crash, the big money suddenly pulled out of the market. Mr. and Mrs. Middle America never understood what was about to happen, and they kept their money in the market. After the stock market had reached its' lowest point, the big money bought back into the market for literally pennies on the dollar. This allowed them to come to own an even larger share of the wealth of this nation. The people who had done this weren't all American citizens, either. They represented *China, Japan, the Middle Eastern oil countries, and Russia*. The U.S.

government also bought into the collapsed stock market, holdings that never appear on their yearly budget spreadsheets.

General Motors for example, saw their stock price drop 60% from its' high. This was quite serious, because the financial size of GM is equal to the gross national product of the sixth largest country on the planet! If it had not been for the 0% interest loans through the GM finance division, the General Motors Acceptance Corporation (GMAC), this company might have already gone bankrupt. In the past five years, it has been the GMAC division that has kept General Motors solvent, posting record profits besides!

In the post-9/11 world, it has been energy and commodities stocks that have led the stock market higher. This should come as no surprise, as the geopolitical arena has focused squarely upon *oil*, *gasoline*, and *natural gas*. The scam that was known as Enron manipulated the energy markets in much the same way as I describe above. The sad part of the whole affair is that there never was any energy shortage! It was just another scam played upon people who should know better, because the same techniques are used time and time again.

Here are some examples of companies that suffered big losses in the 2000 stock market crash (per each share of common stock). Each of these companies is the largest in their respective sectors of the total U.S. economy:

- **AIG** (insurance sector) – In 2000, this stock traded for \$100.00. By 2005, it had fallen to \$53.00 (47% loss).
- **General Motors** (automotive sector) – Down 60% from its' all-time high. Also, in the past 52 weeks, GM went from a high of \$49.50, to a low of \$24.67 (50% loss).
- **Microsoft** (technology sector) – In 1999, this stock was trading at \$54.00. By 2005, it had fallen to \$25.00 (54% loss).
- **Pfizer** (pharmaceutical sector) – In 1999, this stock traded for \$40.00. By 2005, it had fallen to \$26.00 (35% loss).
- **Time-Life Publishing** (printing and publishing sector) – In 1999, this stock traded at \$95.00 per share. By the spring of 2005, this stock had fallen to under \$18.00 (81% loss)!!
- **Wal-Mart** (retail sector) – In December 1999, this stock was trading at \$70.00. By 2005, it had fallen to \$48.00 (32% loss).

The significance of this list happens to be that each one of these stocks reflect the largest company in each of the above-named sectors. In each one of the six examples above, anyone who held these stocks would go on to lose a significant amount of money if they continued to hold them to this very day. In each case, the money lost by the middle class was scooped up by the elite 5% at a steep discount, which is always at *pennies on the dollar*. Remember that the elite 5% always sell *high*, and buy back *low*. Thus, profits are made no matter what direction the market is headed!

On May 5, 2005, the stocks of both GM and FORD were downgraded to junk status, because both companies hold a combined \$453 billion in debts they cannot pay. If GM goes under, the size of the bankruptcy will be **fifteen times** that of the WorldCom bankruptcy, which was the previous biggest bankruptcy in U.S. corporate history, and a company in this type of situation is referred to as a *fallen angel*. GM is currently in talks with Toyota concerning a possible merger, as the heads of both companies had met in Tokyo during the May 7-8, 2005 weekend. Newswire reports of Monday, May 9, 2005 spoke of a planned *cooperation* between GM and Toyota.

With a half-trillion dollars of debt that has just been downgraded to junk status, the U.S. auto industry is in critical condition, and the patient has begun to bleed out. If one or both of these companies cease to exist, the United States will cease to be an industrial world superpower. Losing the U.S. auto industry in this way will seriously jeopardize our national manufacturing ability, which just since 1975, has already been decimated. On May 10, 2005, Standard and Poor's announced that FORD had been itself downgraded to junk status, which has had a deleterious effect on the entire bond market, with approximately 25% of the entire bond market now regarded as junk investments. Dear reader, this is *not* good. GM itself has not been able to issue any bonds since the third quarter of 2004, which itself does not encourage confidence in their ability to survive this growing crisis.

I suggest that the reader keep their eyes on both GM and FORD in the months ahead, and upon this situation in general. This situation may show the rate of speed at which the larger economy may follow both GM and FORD's lead. The pension funds of both these companies will then cease to be able to pay the retirement benefits of people who already spent their entire working lives at one of these two companies! The situation is critical, and the vultures of Wall Street have already been circling GM, with Kirk Kerkorian himself buying an even larger stake in the company. The combination of the dire circumstances I describe here tell me that the game is afoot, and as the auto industry is one of the most important sectors of the entire economy, all smart readers will keep a watchful eye on this situation.

CONSUMER CREDIT AND DEBT:

The environment that created a 46-year low in interest rates in this country was also responsible for the easy credit trap, in which tens of millions of people came to be ensnared. Since the summer of 1993, it has been a gold rush of sorts for the banks and lending institutions. This easy credit free-for-all has created the largest debt-bubble in world history! The typical debt carried by the average middle-class family in America today is between \$10,000-\$13,000 in credit card debt and a minimum of *ten times* that amount on their home mortgage.

Ask yourself this --- if the bank recalled all your outstanding debt within the next ninety days --- would you be able to keep your home? This is an important question, because *when* the collapse of the U.S. dollar occurs, the banks may need to recall all outstanding loans just to stay solvent themselves! Those who have been able to live within their means will survive, but those who have jacked-up their outstanding debt will more than likely lose their homes, which for the overwhelming majority of us, is our largest asset.

This is not just some paranoid doom and gloom scenario, but rather, it is a fact that can be easily proven simply by checking the various figures as indicated in this report.

All forms of debt in the USA currently equate to nearly 7% of the United States Gross Domestic Product, which is the yearly value of all the combined goods and services created here in the United States. This is significant, because once this debt figure reaches 6%, that nation's economic infrastructure begins to collapse. This is a condition that has never been seen in such an extreme, where the economic empire survives. This is the point at which we currently find ourselves, and *not a single nation in this world's history* that has walked this path before us, has survived such a heavy debt burden!

The reader may have noticed that the Bush Jr. administration appears to be *reckless* and *devil-may-care* in their spending. Just in Iraq alone, more than one-fifth of a trillion dollars has already been spent, and the U.S. Congress has just authorized another \$80+ billion to be spent on permanent military bases that will be used to secure overseas oil fields. Never has the USA acted so selfishly in favor of special interests --- and when it comes time to share in the profits, the American citizen will be left holding out an *empty hand*.

Currently, the total corporate, public, and private debt in the USA is \$37 trillion dollars. This is roughly \$123,333.33 in debt for every man, woman, and child in this country of 300 million people (including the ten million plus illegal aliens). The truly sickening part of this situation is that 65% of this debt has been created in just the past fifteen years alone, from 1990 to 2005! By contrast, it took 214 years (1776-1990) to build a total debt of \$15 trillion dollars. This debt is now exponentiating itself, and at a point in the not too distant future, this figure will reach the point of no return, where the figure will have grown to such a fantastic amount that could *never* be paid off.

I spoke earlier about how it is the U.S. dollar that is the world's reserve currency, with all global trading conducted in this currency. The great fear is that the U.S. will see the dollar become so unstable that it will lose its' status as the global reserve currency. This was exactly what happened to Great Britain, which had been the world's reserve currency prior to 1949. The British Pound Sterling had been the standard, and all the U.S. is accomplishing is repeating history.

INTEREST RATES:

Because the value of the U.S. dollar has dropped 44% since the summer of 2001, the Federal Reserve has been forced to drop interest rates to its' current 46-year low. In an effort to push the collapse off into the future, the dropping of interest rates to practically nothing has created a frenzy of lending, as people rushed out to continue to live beyond their means. With loan interest near 5%, those burned in the stock market went out and invested in real estate. Of course, the banks used the lure of low interest rates to sucker the ignorant and ill-informed into what is known as a variable-rate mortgage. This is a good thing when interest rates are low, but increasingly bad for every point above 0% that the interest rate increases.

The thing that keeps this system afloat is by consumers continuing to spend money they do not have. The banks have been pushing the variable rate loan because of the huge upside potential. Please remember that in January 1980, interest rates had risen to a ghastly 18%. It would then take nine years for interest rates to drop below 10%, resting at 9.75% in 1989. However, at that same time, January 28, 1980, Gold had risen to its' all-time high of \$850.00 an ounce, but I will talk more about that in a minute.

Even with the Federal Reserve dropping the Prime Rate to a low of 4%, the home mortgage couldn't be had for anything less than 5.40%, which it had reached in May 2003, and stayed there for much of 2004. Such inexpensive home mortgage rates had encouraged speculators to play the real estate market, creating a similar environment as existed throughout the 1990's for the dot.com boom in the NASDAQ stock market.

Such low interest rates encouraged outside investors to come in and take advantage of the situation, as the dollar was also at a steep discount during this time, which gave foreign investors more bang for their investment bucks. This has lead to bidding wars for some properties, with properties typically selling for \$5,000-\$8,000 above market value. Currently, in the western boomtown of Phoenix, Arizona, 25% of new home purchases are being made by California speculators.

However, in the spring of 2005, the biggest players in the real estate market have already started pulling their money out, which indicates that the next big market crash in the USA will come in the real estate sector. In the near-term, the biggest gains have been taken out of the real estate market. This is because for the past eighteen months, the real estate sector has been seeing double-digit gains. This is highly unusual, given the overall financial condition of the country.

The result of the bidding-war siege mentality in the real estate market has been to jack up prices to outrageous extremes. For instance, I bought my home in 1998 for \$100,000.00 in cash, relieving myself and my family from the burden of having to involve ourselves in a home mortgage, a move that would save us more than \$250,000.00 over the next thirty years. We bought a ranch with 2,500 sq. feet plus a full basement. A home of these approximate dimensions located in Phoenix, Arizona USA is currently selling for \$250,000.00, and that same home in Santa Barbara, California USA sells for \$750,000.00!!

HOME MORTGAGE USURY:

In my own home purchase, of which our closing date was April 17, 1998 (4/17), I will illustrate now how banks screw people over by charging unfair interest rates. The banks and their fancy legal jargon get people to believe that they are paying 7.21%, when in fact, it ends up being 140% interest, by the time all the interest-compounding takes place. The total closing cost of my home has been rounded to \$100,000.00 for the sake of an understandable discussion. In April 1998, the Federal Reserve home mortgage interest rate was 7.21%. If you would care to check my figures, you may go to mortgage-calc.com at the following link:

<http://www.mortgage-calc.com/mortgage/simple.php>

The Simple Loan Payment Calculator has but three data fields; *principal*, *interest rate*, and *number of years*. Using my own situation as an example, the following would have been my responsibility to pay each month for the next thirty years:

April 1998 Home Mortgage Worksheet	
Mortgage Principal Borrowed	\$100,000.00
Interest Rate – April 17, 1998	7.21%
Monthly Payment	\$679.47
Total of 360 Payments	\$244,609.20
Total Profit	\$144,609.20
True Total Interest-Rate	144%

Table 1 - The Home Mortgage I Avoided

When the banks are paying their customers interest, it is *simple* interest. In the case of my one-hundred thousand dollars above, the total interest would have been a simple \$7,210.00. However, the interest was \$144,609.20 --- a sure sign of *compounded* interest. This is what we pay *to* the banks, and already the individual buying the home is at an extreme disadvantage. The cards are stacked against the middle class in a situation like this, and if I attempted to do something like this, I would be hauled in for loan-sharking or racketeering, or *both*.

The housing market is important for a number of reasons, the first being that for the vast majority of Americans, their home is their primary, if not only, investment. But more importantly, the home mortgage is the most profitable investment vehicle for all banks, as by the time all the interest-compounding is done, that 7% mortgage suddenly turns into 144% interest!

Because the consumption rate in the USA is currently built upon easy credit and debt, and not wages and savings, housing prices need to be perpetually increasing. This in turn keeps the cash flowing to the banks, in the form of home-equity loans, second-mortgages, and lines of credit built upon the homestead asset. Because there is a desperate need to keep the economy flowing, these equity withdrawals in most peoples' only true asset, is following the established pattern of being set at increasingly higher interest rates. This is what we have begun seeing as soon as the housing market fell stagnant two years ago. This is a sure sign of falling consumer confidence, one of the sure signs of a continuing bear market.

OIL AND ARTIFICIAL SCARCITY:

In 1999, crude oil was \$9.00 a barrel.

By April 2005, crude oil had reached \$58.00 a barrel.

Why was this? *What* was behind this?

As I write these words, gasoline is selling at the local gas station for almost \$2.50 per gallon. Experts are predicting that before PEAK OIL is revealed to be a complete scam, the price of a gallon of gasoline in America will be \$7.00 or more. All of the American imperialistic behavior during the Bush Jr. administration, in the past five years from 2000-2005, has all been about oil and *nothing else*. In fact, if one examines the list of countries with which the Bush Jr. administration currently has *problems*, they will find that each of these countries are somehow involved in the oil business. These countries all either have *oil for export*, have an *oil pipeline* running through their country, or they hold a *strategic position in global oil shipping and trade routes*.

There are no exceptions *whatsoever* to this *coincidence*.

One of the well-concealed truths about Iraq and Saddam Hussein was his switching to Euros for the sales of Iraqi oil. This was the *behind-the-scenes* move that put Saddam in the crosshairs of the Bush Crime Family. He was once an ally and a known CIA asset who became an enemy when he dared to go against protocol. Weeks later, the USA was suddenly at war with Iraq. Since this so-called *war on terrorism* is really about oil money and encroaching fascism, look for future problems with China and Saudi Arabia, both of whom have been making moves toward switching their own oil trade to the Euro currency, just like Iraq tried to do. The appalling events in Darfur, Sudan appear to be connected to the Bush Crime Family's endless thirst for *blood-and-oil* soaked dollars.

One of the other well-concealed truths about the price of gasoline in America is that only 43% of the price goes toward the actual oil and the oil refining process. An additional 43% goes toward taxes of all types, which are listed below. The remaining 14% represents oil company profits, and distribution and marketing. On April 3, 2005, during a visit to a local MOBIL station, I was charged \$2.239 per gallon. The total of the various *federal, state, and county* taxes per gallon in my state of New York amounts to at least \$0.969, or ninety-seven cents per gallon.

Here is how it all breaks down *per gallon*:

- Federal Gasoline Tax = \$0.184
- New York State Gas Tax = \$0.319
 - Excise Tax = \$0.08
 - Petroleum Business Tax = \$0.152
 - New York Sales Tax = \$0.08
 - Spill Tax = \$0.003
 - Petroleum Testing Fee = \$0.005
- Erie County Sales Tax = \$0.08
- New York State Sales Tax = \$0.095
- Gross Receipts Tax = \$0.072
- Underground Storage Tax = \$0.067
- Petroleum Business Tax = \$0.152
- Total Taxes and Surcharges = \$0.969