

There Will Be No Economic Recovery. Prepare Yourself Accordingly.

Wage Crisis – The USA's new underclass

Will Work For Free

What's the biggest threat to humanity you can think of? Pollution, disease, natural disasters, terrorism, crime, drugs...? But do we ever think about our basic life support needs? We usually don't have to because luckily for us we have a system. It's a system where you can gain employment and work for money which of course provides access to food, water and shelter. And it's a good thing we have this system because without money you're as good as dead.

But if you don't have a job you don't need to worry because again we have a system. If you're out of work for whatever reason simply apply for government aid. All the people with jobs pay taxes and since the government understands that a certain level of unemployment as to some degree is to be

expected, it simply relocates some of that tax money and hands over to those without jobs through a magical process called [redistribution](#). It makes you wonder, if this is the solution for unemployment than where is the threshold? What level of unemployment is sustainable and what would happen if all these jobs suddenly disappear?

This isn't the first time unemployment has been a threat to this system. Twenty years ago unemployment accounted for 10% of the UK's population. It marked one of the worst recessions in their history with significant waves of rioting. However, in 1993 unemployment took a turn. Somehow the jobs came back and things got better. This growth and employment was just what they needed, however only lasted until 2001. Then the rate stagnated and increased again.

By 2009 they were back to 8%. But it is reassuring to see that recent [trends of unemployment](#) have slowed since then, or at least it would be reassuring if it weren't for the fact that the increase of the part-time employment runs almost parallel to the decrease of the full-time employment. Technically more people are unemployed and the rate falsely implies a slight slowdown of job loss. In reality the amount of available work is shrinking and the economy is only getting worse.

What Is Free Banking, and Why Should I Care?

The establishment has invested heavily in the current system, including the education of the system. There is a pervasive thinking that our current system is the 'best' and the 'only'

modern financial system viable. But history has shown more than 50 examples of free banking systems (not managed by central banks) that have produced excellent results.

Silver & Gold – Hidden Secrets Of Money – Mike Maloney

Mike Maloney warns that *“The world will have a new monetary system in this decade... people will simply lose confidence in currency, and what do they always go back to through out history? Time after time, for the last 5000 years, they always go back to gold and silver.”* This excellent documentary – which focuses on the inevitability of the seven stages of empire – and the endgame of the most **predictable long-term economic cycle**, connects the dots across 140 years of monetary history.

Part 1 – Currency vs Money

Part 2 – Seven Stages Of Empire

Part 3 – Dollar Crisis To Golden Opportunity

Part 4 – The Biggest Scam In The History Of Mankind

'Congress all bribed, has zero confidence in eyes of American people'

Further Reading: <http://kahudes.net/>

Dr. Jim Willie-Big Banks in Danger of Imploding

An Empire of Money and Privilege in Decline: Portrait of a Tragic Policy Error

"Everybody, sooner or later, sits down to a banquet of consequences." Robert Louis Stevenson

"They don't have intelligence. They have what I call thintelligence. They see the immediate situation. They think narrowly and they call it 'being focused.' They don't see the surroundings. They don't see the consequences." Michael

Crichton

The Fed is faced with a problem that is best represented by the first two charts below.

Velocity of money is a simple ratio measure of money supply and GNP. It intends to represent the number of times a unit of money is exchanged in a transaction over a period of time.

As you can see, the velocity of the two broad money supply measures is dropping to historic lows.

Is this because the great mass of people are 'hoarding money,' which implies that one should lower real interest on savings, even taking them more deeply into the negative through monetary inflation in order to encourage spending through fear of de facto confiscation?

The third chart gives some insight into the true nature of the economic problem. Most of the income gains this century and for the past two or three decades of the past have been flowing to the top few percent of US households. The median household, the middle if you will, has been steadily losing ground in large part to Fed and political policy decisions driven by a mistaken ideology and a top down or trickle down approach to prosperity.

If the Fed pursues monetary inflation, without taking strong steps, even through the use of its bully pulpit and actions as regulator, to correct the severe policy imbalances that lopsidedly favor the wealthy financiers, it will drive the US middle class over an economic cliff and destroy the very system which it is attempting to save.

That is the basis of the tragic policy error of the Fed and the ruling class. Jeffrey Sachs has noted it in a recent talk to the Philly Fed shown below, and Bill Black has some particularly scathing words today for the 'Hyper-meritocracy Led by Criminal Morons.' I might have said self-delusional

narcissists or even sociopaths rather than morons. The majority of those who enable the abuse of power are merely careerists.

One can make the strong case that the primary responsibility for this is in the political leadership. But one cannot also deny that as policy influencer and regulator the Fed has favored, quite actively, the growth of imbalances and social and economic injustice by pursuing a blind allegiance to a mistaken theory of deregulation and oligopoly of banking capital.

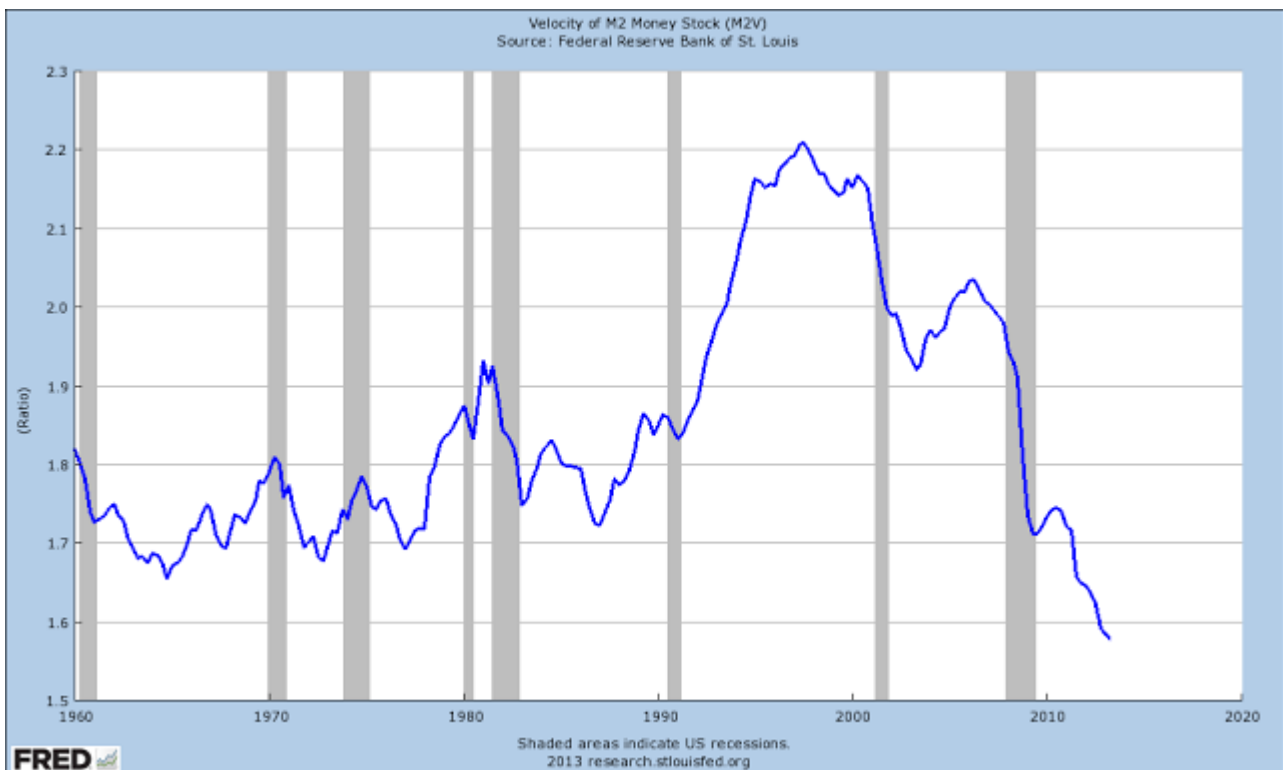
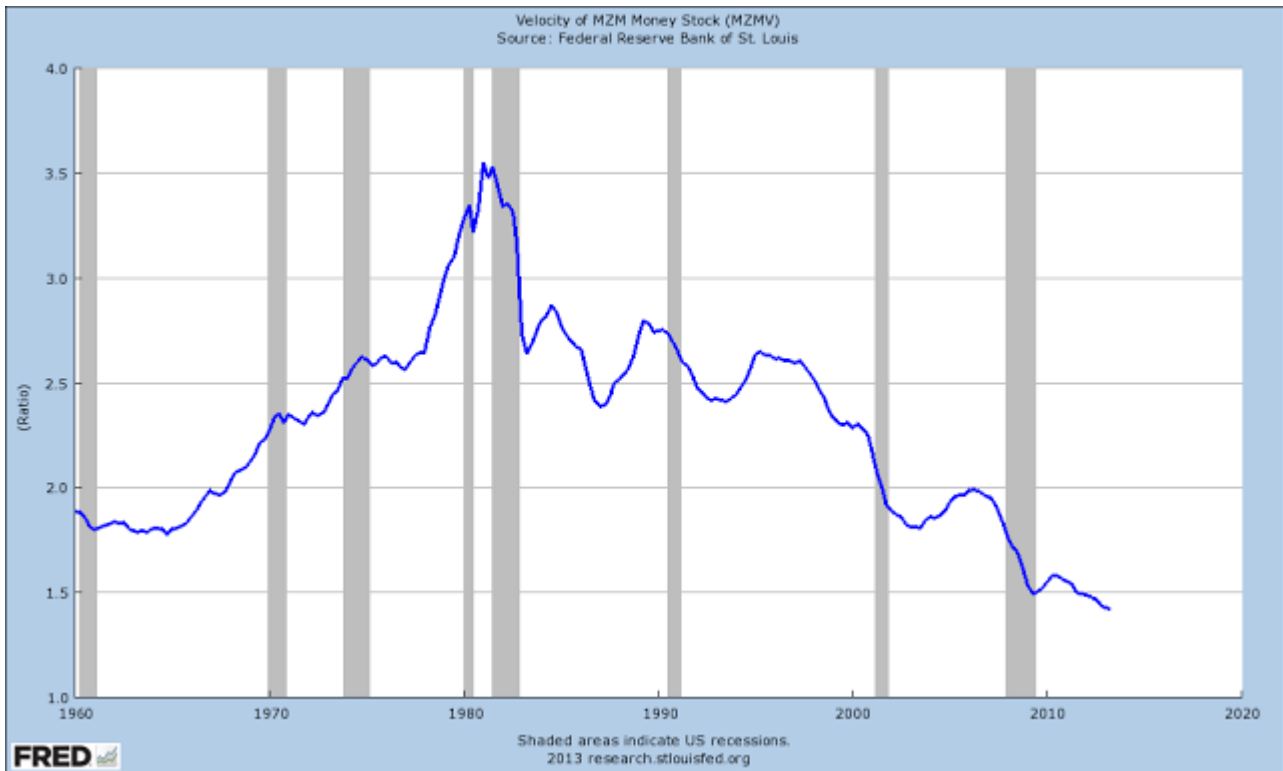
An audacious oligarchy needs someone to rescue them from themselves. And this will not be an easy task because the system is corrupted and the powerful have been blinded by greed. The current political deadlock in Washington is a symptom of the problem. There is always an element that believes in a long range plan consisting of repression as required, disinformation, and plundering the weak.

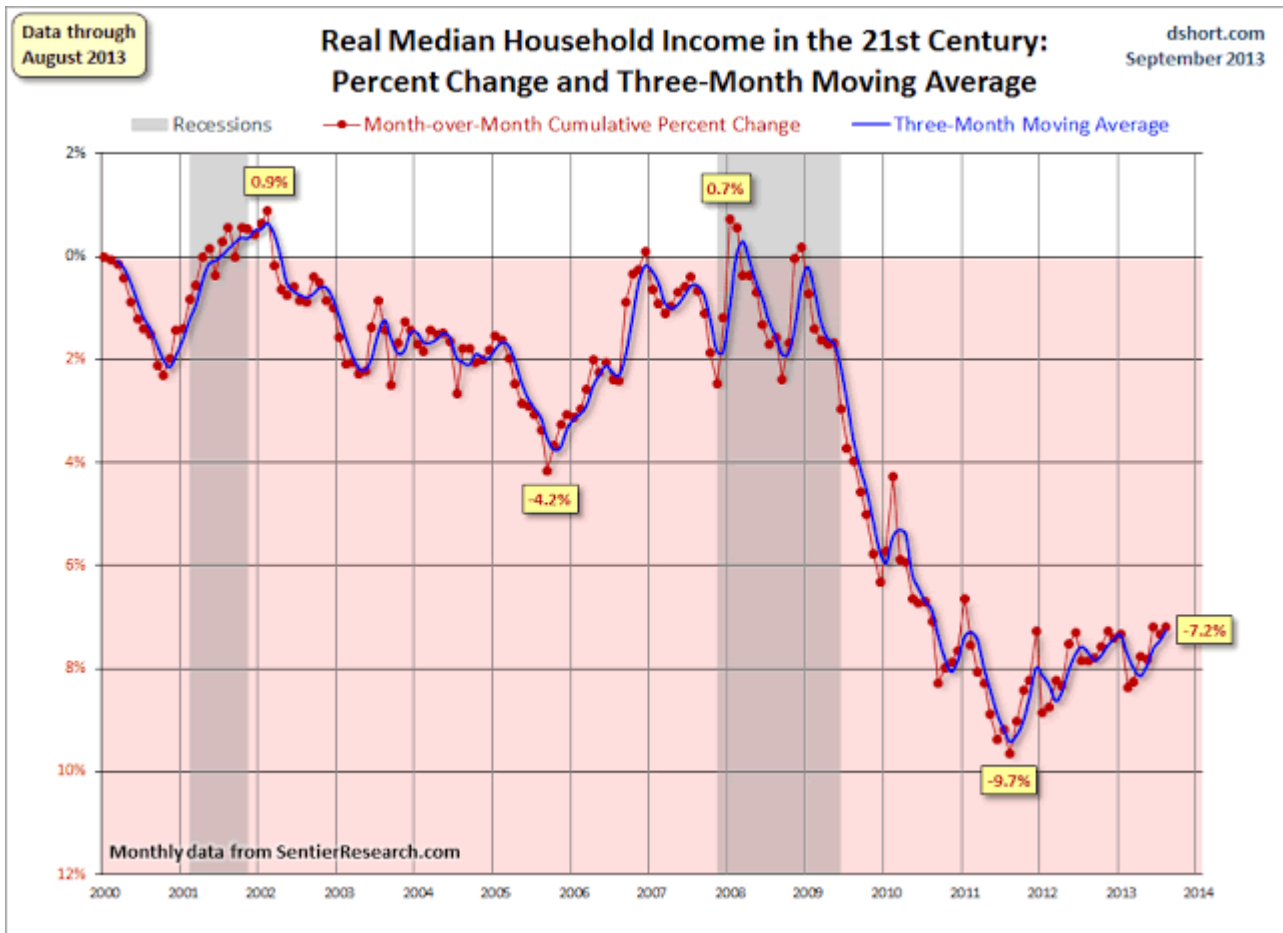
The monied class do not 'create jobs.' Genuine organic and systemic demand for good and services creates jobs, and those who have the means respond to that demand. It is a virtuous cycle that begins with consumer demand, and the willingness and the ability to pay for it. Yes there may be a role for inorganic demand such as stimulus to 'kick start' an economy caught in a policy error trap, but it is the reforms that allow for organic growth that make it sustainable.

Moving offshore to find new demand for markets while abandoning one's domestic base to decline and failure, in the true colonial fashion of past economic empires, is a form of neurotic failure. It often lights a fire in men's minds, and becomes a sort of self-fulfilling cultural suicide. And perhaps this is embodied in the latest corporatist deal which is the infamously secretive Trans-Pacific Partnership.

How fitting that, having overturned most of the financial

reforms of the past century, we stand here now on the brink, on the 75th anniversary of the New Deal, with essentially the same set of problems facing us that brought the world down so low in The Great Depression, and opened the door to the madness that followed.





“I believe we have a crisis of values that is extremely deep, because the regulations and the legal structures need reform. But I meet a lot of these people on Wall Street on a regular

basis right now. I'm going to put it very bluntly. I regard the moral environment as pathological...

If you look at the campaign contributions, which I happened to do yesterday for another purpose, the financial markets are the number one campaign contributors in the U.S. system now. We have a corrupt politics to the core, I'm afraid to say, and no party is – I mean there's – if not both parties are up to their necks in this. This has nothing to do with Democrats or Republicans. It really doesn't have anything to do with right wing or left wing, by the way. The corruption is, as far as I can see, everywhere.

But what it's led to is this sense of impunity that is really stunning and you feel it on the individual level right now. And it's very very unhealthy, I have waited for four years, five years now to see one figure on Wall Street speak in a moral language.

And I've have not seen it once. And that is shocking to me. And if they won't, I've waited for a judge, for our president, for somebody, and it hasn't happened. And by the way it's not going to happen any time soon, it seems...

The final point, of course, is separating the politicians from the crooks, but maybe that's so close together that they can't actually be separated. Maybe it's just the same community."

Jeffrey Sachs, Fixing the Banking System For Good, Philadelphia Fed, April 17th, 2013

THE MELTDOWN OF ALL MELTDOWNS

[Disclose.tv](#) – [THE MELTDOWN OF ALL MELTDOWNS](#)

INTERVIEW WITH KAREN HUDES – WORLD BANK WHISTLEBLOWER

How Money Is Made

JP Morgan Biography
Documentary

Firewall: Financial Crisis of 2007-2013 – Full Documentary

Goldman Sachs: Power and Peril – Documentary

The Rothschild Family – Puppet Masters – World's Only Trillionaires

Meltdown : The Secret History of the Global Financial Collapse 2010

Part 2

Part 3

Part 4

**Mind Over Money – a NOVA
documentary discussing the
impact of emotions on
financial decisions**

**Overdose: The Next Financial
Crisis**

Money, Banking, and the

Federal Reserve

Further reading:

http://en.wikipedia.org/wiki/Federal_Reserve_System

Money as Debt series