Death and Resurrection of the US Dollar

Adrian Salbuchi, Buenos Aires, Dec. 2006)

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"If you are not outraged, then you are not paying attention."

— Anonymous grafitti, Clerckwell, London

Analysts the world over are recognizing the early warning signs of a gathering storm regarding the strength of the international financial system in general, and the stability of the United States Dollar, in particular. This brief paper provides an alternative view on this impending crisis, written from the viewpoint of an Argentinian analyst whose country has undergone recurrent monetary and financial crises over the past forty years, albeit on a domestic rather than an international scale.

Argentina has experienced recurrent banking system collapses, inflation, hyperinflation, sovereign debt defaults, stock market crashes and just about anything else you may care to imagine in terms of financial and monetary crises. Chronic inflation was so bad that since 1970 the Argentine currency — the Peso — was revamped four times and had to have a total of 13 zeroes knocked off its nominal value, in order to cope with inflation; the result being that One Peso which today will just barely buy you a bus ride in Buenos Aires City, is equivalent to 10,000,000,000,000 pesos from 1970, which at that time would have allowed you to purchase the entire country and left some change in your pocket.

Argentinians thus have lots of practical first-hand experience on these matters, so we felt that we had much added value to contribute if we appled that practical knowledge and experience to what seems to be a cross-roads situation afflicting the global financial and monetary systems. Today's global financial turmoil rings a lot of familiar bells to us, and the sickly US Dollar is certainly looking a whole lot like the old Argentine Pesos and "Australes" of yore. Perhaps too, some lessons can still be learned and the damage from these enormous risks can still be somewhat mitigated.

Getting the Job Done

President George W. Bush's Administration is focused on a series of Foreign Policy objectives, particularly in the Middle East, with clear imperial overtones that have led to grave social, humanitarian, diplomatic, political, security and military crises in Iraq, Afghanistan and other countries in that region. Now we are seeing a power struggle inside the Republican Party itself, between the so-called "Realists" or Pragmatics led by James Baker III, Henry Kissinger, Lawrence Eagleburger, Brent Scowcroft, Robert Gates and George H W Bush (Senior) on the one side, who are trying to force-feed the 79 Recommendations of the Iraq Study Report on President Bush, and the "Hawks" both inside the Administration (notably, George W. Bush and Dick Cheney) and outside the Administration (notably the very powerful Zionist "Israel First!" organizations such as AIPAC, B'Nai B'Rith, American Jewish Committee, and Israeli prime minister Ehud Olmert's government itself).

If the Hawks end up having the upper hand - and there are increasing signs that this will be the case — then no doubt we will very soon see unilateral military action on the part of Israel followed by the US, against Iran and other countries in the region, which will result in dramatic violence and disruption in the entire region, that could very well spill over to other parts of the world.

Aside from the on-going illegal military occupations of Iraq and Afghanistan, the impending attacks on Iran, Syria, Palestine and Lebanon will most certainly generate major crises and convulsions of a military, political, economic, financial and, crucially, monetary character. The latter has specifically to do with the use and abuse of the US Dollar as an instrument of Imperial World Power by the Bush Administration.

In today's "globalized" and "interdependent" world, the effects of hi-tech applied to geopolitics, the economy and finance have transformed the whole world into potential victims of vast "virtual tsunamis" involving not ocean waves but rather waves of technology-driven social catastrophes, financial collapses and artificial crises resulting in civil wars, external invasions, genocides and collective disruption on a scale never seen before. And even though these may be virtual and abstract tsunamis, the harm, hardship and suffering they cause to real people and real property are very tangible and lasting.

We believe that the world is about to undergo the controlled destabilization and collapse of the US Dollar, which will be replaced by a "New Dollar" backed by Official "Good Gold." The primary driving forces behind this global process are the Bush Administration, allied to major private financial-industrial interests in the United States. the UK and elsewhere, controlled by private Overworld geopolitical planning emanating from a network of think-tanks, primarily the New York-based Council on Foreign Relations (CFR), which acts as the hub of a veritable web of like-minded, supplementary, specialist planning centers, universitities and Corporate R&D departments, all suitably and economically aligned towards common global goals.

That Global Goal consists of re-engineering the world's social, political, economic, financial, monetary, military — even religious — architecture, so that it accomodates as best as possible the medium and long-term objectives of the extremely powerful players to which this web of think-tanks is subordinated. ie., their Mission is to design the Strategic Blueprint for the New World Order being born right before our eyes, and the Tactical Work Plans for its execution, knowing full well that managing this whole process means managing huge social upheavals this planning process generates. It necessarily entails death and destruction for hundreds of millions of people, not just in the Middle East, Africa or Latin America — albeit, those regions are where such violence is mostly being directed - but also in specific poverty-stricken ethnic sectors inside the Industrialized Nations themselves, as we saw in New Orleans and the Gulf Coast when Katrina struck in 2005, or in the silent dramas that unfold in the slums of New York, Los Angeles, Chicago, Detroit, Miami, Pittsburgh, London, Liverpool, Paris or Marseille.

Imperial Overdrive

"The King is dead! Long Live the King!" Such has been since Medieval times the cry announcing the demise of an English Monarch and the immediate enthroning of the chosen Royal Successor. If the US Dollar is the "king of world currencies" dominating and governing today's usury-based international financial system, it is no doubt an old, decrepit, tired and sickly Sovereign. And since the Empire will never allow its throne to remain empty or subject to unpredictable forces, we can be certain that old and sickly "King Dollar" already has an annointed blue-blooded royal successor, with rosy cheeks, golden locks and sturdy health.

At any moment, the world will hear a loud and clear announcement declaring "The Dollar is dead! Long live the New Dollar!," at which time the Throne of Usury in the Temple of the "God" multitudes vow they "Trust," will usher in a new Sovereign to enforce the centuries old creed: "Business as Usual."

For years and until now, the United States has been printing huge amounts of Dollar bank notes. No one seems to know for sure just how excessive such currency over-printing really is, but estimates put it somewhere between five to ten times the monetary circulation needed by an economy the size of the US (2005 US Gross Domestic Product was u$s 13.000 billion). This so-called "fiat," unbacked or unreserved money printing has spiralled totally out-of-control ever since on 15th August 1971 former president Richard M Nixon implicitly declared the US bankrupt by taking the Dollar off the Gold Standard.

Since then, the US Dollar has no backing whatsoever in monetary and economical terms and is only "convertible" into other bits of paper, so that, factually, it is only worth the paper it is printed on. Its "value" rests fundamentally on the collective psychological perception and social convention amongst hundreds of millions of persons the world over who feel that the Dollar has abstract "value," which is reinforced by the fact that it is universally accepted for economic and financial transactions. However, this solely psychological phenomenon can easily disappear as a consequence of any set of events which may trigger crises leading to a fall in the prestige and trust generated by the United States, its authorities and the effects of its policies.

In an excellent paper, "Crisis of the US Dollar System" (available at www.globalresearch.com) F. William Engdahl eloquently describes this saying "This Dollar System is the real source of a global inflation which we have witnessed in Europe and worldwide since 1971. In the years between 1945 and 1965, total supply of dollars grew a total of only some 55%. Those were the golden years of low inflation and stable growth. After Nixon's break with gold, dollars expanded by more than 2,000% between 1970 and 2001!"

This means that the US Dollar needs to be imposed upon the world economy, especially in such key capital-intensive industries as oil, pharmaceuticals, arms, and — let's be honest — drugs and organized crime which are also very much an integral part of the Dollar-based US and world economy. In actual fact, the Dollar does have in geopolitical terms a very visible and verifyable backing: US military and political clout.

For example, if an oil-producing country like Saddam Hussein's Iraq decides to stop selling its oil in US Dollars and opts for Euros (as Saddam did in 2002), "monetary discipline" is quickly enforced by the US Military (ie., Iraq since March 2003). If today another oil-producing country —

Iran — decides to set up its own Oil Bourse competing with the New York, London and Dubai US-Dollar Oil bourses, then it is immediately threatened with unilateral military action by the US and its regional Ally, the State of Israel.

Naturally, in all of these cases, the formal excuse is not that these countries are trying to rid themselves of the shakles of having the US Dollar shoved down their throats, but rather some obscure CIA, NSA, Mossad generated "intelligence", hysterically canned by Fox News and repeated ad nauseam by the subservient mainstream global media.

In plain English, the message is clear: if you mess around with the US Dollar and put it at risk as Imperial Global Currency, then you're gonna find out the hard way that the US Dollar is backed by a hugely powerful Military War Machine that soaks up over 50% of this planet's arms and war Spending. This, however, cannot hold for much longer so some sort of "Plan B" is in the works, ready for rapid emergency implemented.

The Controlled Destabilization and Collapse of the US Dollar.

The reader may ask how come we do not know what the amount of Dollars in circulation really is. Well, this seems to be top secret national security data almost impossible to discover mainly because, contrary to what most people believe, the US Federal Reserve Bank (Fed) is a private entity, even though the US Government may exert some influence over it.(1) ie., the public institutions of Government cannot require the Fed to supply this information, especially considering that Benjamin Shalom Bernanke, Chaiman of the Board of Governors of the Federal Reserve Bank need only inform Congress on a quarterly basis what his monetary policy is. We stress that he only has to inform those policies, but not seek any authorization, instruction, consensus or agreement from Congress or the Executive branch. ie., the Fed is only accountable to itself which, in turn, leads back to the private banking cabal where Real Power resides in the US.

If we add to this the gigantic aggregates of Dollar-denominated bonds, stocks, shares and derivatives which are spread throughout all world markets, then the amount of money out there becomes almost incalculable. However, it is quite clear that the total sum of Dollars, Treasury Bonds and Bills, and public and private financial instruments of all types adds up to an amount several times higher than the total sum of all physical assets and services available in the entire planet. [2]

In 2005, the official US Federal Budget Deficit was more than u$s 318 billion (expected to top u$s 420 billion in 2006), whilst 2005's Current Account Deficit (foreign trade) was more than u$s 805 billion (in 2005). These figures are respectively more twice and thrice the size of Argentina's foreign public debt. Additionally, the Bush Administration announced that both Deficits will increase in 2006 and there are no indications that this situation will improve in 2007, 2008 or 2009. Quite the contrary, in November 2004 president Bush asked Congress for authorization to increase the limit of the US Public Debt from u$s 7.6 trillion to almost u$s 8.3 trillion, an amount already supassed as Public Debt today stands at almost u$s 8.7 trillion. This is all achieved by issuing US Treasury Bills and Bonds, and printing more and more Dollar bills by the US Mint.

To make matters much worse, pressure is growing from Congress and public opinion sectors, geared on making the Government get its budget numbers right. A USA Today review article explais that "the Federal Government keeps two sets of books: the set the Government promotes to the public has a healthier bottom line of 318 billion deficit in 2005. The set the Government doesn't talk about is the audited financial statement produced by the Government's accountants, following standard accounting rules. It reports a more ominous financial picture: a $ 760 billion deficit for 2005. If Social security and Medicare were included — as the board that sets the accounting rules is considering — the federal deficit would have been $ 3.5 trillion." (USAToday,03-August-06)

Benjamin Bernanke's appointment in early 2006 as new Federal Reserve Bank governor replacing Alan Greenspan who served almost nineteen years at the helm, was a clear sign that the money-printing spree would continue. It is a well-known fact that Mr. Bernanke is a passionate inflationist who in a speech before the National Economists Club in Washington, D.C on November 21, 2002, said on the subject of "Deflation: Making Sure "It" Doesn't Happen Here," that "the U.S. government has a technology called a printing press (or, today, its electronic equivalent), that allows it to produce as many U.S. dollars as it wishes at essentially no cost." and, alluding to an earlier statement from economist Milton Friedman, went on to say that he would gladly "drop Dollar Bills from helicopters if necessary to keep the economy rolling," hence his nickname, "Helicopter Ben.")

http://www.federalreserve.gov/boarddocs/speeches/2009/

The cost of the invasion and occupation in Iraq is than u$s 200 billion annually, to which must be added the occupation cost in Afghanistan, the direct financing by the US of the State of Israel's War Machine, and the costs of preparing other future war theatres, notably in Iran, Syria, North Korea, Venezuela and other "axis of evil" countries. In fact, the Costs of War are yet another very well-kep secret in the US, with estimates varying wildly, running from a moderate 500 billion to almost 2 trillion dollars, prompting a recent MSNBC report to split the "guesstimate" at 1 trillion.
(See www.msnbc.msn.com/id/11880954/ "The cost of Iraq war could surpass 1 trillion", 12-Dec-06) And let's not even start thinking about the US's military build-up geared on confronting its great "Long-Term Enemy" sometime after 2015, ie., economic and military powerhouse China.

The sheer enormity of these figures can help us understand why the US Federal Budgets suffers successive shortfalls of 400, 320 and 420 billion in 2004, 2005 and 2006 respectively. There is, however, no indication whatsoever that this shortfall will force the United States to limit its war efforts in Iraq or Afghanistan, or curb domestic social policies, or freeze other war expenditures and the military build-up poised on Iran. Quite the contrary, they are increasing them more and more. So then, the obvious question is:

Then Where does the United States get the Financial Resources to pay for all this?

The answer to this question is quite simple: it raises this money by printing US Dollar Notes and US Treasury Bills and Bonds (5 and 30 year maturities, respectively), taking advantage of the high "export" factor the Dollar has been enjoying, which enables the US

Government to print and issue money, and immediately push it out of its domestic economy and primary international financial circuits, thus avoiding what would otherwise explode as severe inflation of the Dollar. If we look at the gigantic figures involved, we can quite properly define this phenomenon as covert (hyper) inflation that has remained hidden from public view.....for now.

At the beginning of 2005, former Fed Chairman Alan Greenspan warned that the increase in the Budget Deficit could lead to an economic crisis. He also pointed out that the Deficit is unsustainable and warned that “this could lead to a stagnant economy or worse”. In spite of the, then outgoing, Chairman's rhetoric he himself ushered in “Helicopter Ben” Bernanke's arrival at the Fed by signing a vital internal order that stopped the Fed's releasing to the public data on the M3 Money Supply volume, ie., the key monetary indicator that shows how much money the Fed is actually pumping into the entire system. [3]

The US Dollar: that Un-backed Currency.

When president Nixon withdrew the legal foundations for the Dollar's metallic gold and silver backing, it ceased having any intrinsic value whatsoever. Today, the cornerstone of the Dollar is US economic and industrial strength which, in turn, is based on its military might consolidated after World War II which left Europe and Japan conveniently devastated. Military victory brought with it the looting of hundreds of thousands of German, Japanese and other national patents, inventions and assets, and highly sensitive technological and military secrets were stolen outright. This, to a great extent, is what enabled the US to consolidate its superpower status and global prestige. [4]

With the Dollar acting as the world's global currency — albeit, imposed by the combined actions of the Federal Reserve Bank, the International Monetary Fund (IMF), the World Bank (WB), the World Trade Organization (WTO), the Bank of International Settlements (BIS) and, in our own region, the Inter-American Development Bank (IDB) — the United States has been able to finance its Budget Deficits by exporting Dollars to the whole world, synchronized with major stock, oil and commodity markets, through various highly complex and not immediately visible mechanisms and channels. These processes guarantee that such Dollars and Dollar-denominated financial instruments will flow in an orderly and balanced manner, for the most part outside of the US, as they are suitably directed and controlled so as to benefit US National Interest and that of its key allies. This process was more or less kept in place until 2001, when the European Union launched its own currency, the Euro, on the scene. The Euro is a far more solid and stable currency than the Dollar and represents a major challenge — the major challenge — to the Dollar, which threatens to unseat it as the preferred global currency.

In recent years, the US Treasury Dept. and the IMF have succeeded in suggesting/imposing on around thirty national central banks in different countries — Argentina's Central Bank included — that they should “soak up” US dollars from their domestic economies and hoard them in their vaults as reserves “backing” their own local currencies and for foreign debt and loan payments. In other words, these countries “invest” in US Dollars which implicitly means that they are financing for free, whole chunks of (uncontrolled) US public spending done by printing Dollar bills. This process is headed by Japan which today has Dollar denominated instruments in its central bank reserves to the tune of over u$s 670.000.000.000; followed by the "Marxist" Peoples Republic of China with more than u$s 600 billion, South Korea with u$s 220 billion plus a long list of other countries which suddenly awoke to the "need" to "soak up" US Dollars and silently hoard them in their central banks whilst they issue, as a counterpart, their own local currencies to fuel their respective domestic economies (something that, by the way, China has been doing fiercely maintaining an "undervalued" Yuan much to the displeasure of the Bush Administration). As a sign of impending disasters ahead, these countries have all begun to diversify their monetary reserve structure and reduce and/or phase out their US Dollar holdings.

Mashito Kawai, senior director at the Asian Development Bank is calling for East Asian countries to ensure their currencies appreciate in unison and do not girate in order to manage the current slide of the Dollar. "National monetary authorities in the region together hold more than 3 trillon dollars in foreign reserves, most of it in dollars and their huge purchases of dollars this year have played a crucial role in limiting the American currency's decline until now." (See The New York Times, 08-Dec-06 article "Leading Asian Economist Urges Joint Action on Dollar") A review by Peter S. Goodman of The Washington Post, in turn, says that "In recent years, the value of the dollar has been buoyed by major purchases of US Treasury bills by Japan, China and oil exporting countries — a flow of capital that has kept interest rates relatively low in the United States and allowed Americans to keep spending even as debt mounts.. (but) China is now inclned to shift some of its savings into other currencies such as the euro and the yen, or into major purchases of commodities such as oil for a long-discussed strategic energy reserve." (See Washington Post, article "China Set To Reduce Exposure to Dollar, 10-Jan-2006). As this is being written, a monetary crisis is developing in Thailand with its Baht currency.

In the case of Argentina, this phenomenon helps shed some light as to the true origins of our false "economic recovery", today basically due to the fact that the Argentine Central Bank has issued important amounts of local currency "backed" by growing Dollar Reserves, which has artificially fueled "economic growth". This will work nicely until such time as Argentine monetary authorities receive the "suggestion" (ie., counter-order) from the US Federal Reserve Bank or the Treasury Dept. to stop doing this. At present, our Central Bank has reserves for over u$s 26.billion and rising fast, which is Argentine President Nestor Kirchner's pride, because with those dollars he can pay our country's largely fraudulent public debt to...the IMF, WB, IDB and other international creditors, thus helping to keep the global usury ball rolling! In actual fact, in January 2006 President Kirchner obligingly settled Argentina's full debt with the IMF — almost 10 billion Dollars — just when the IMF is being seriously questioned by all public and private players and is obviously being (neatly) wound down and will be (eventually) closed altogether (See article "How to Resolve Argentina's Recurrent Foreign Debt Crises" in our Issued No. 2 of 26-Oct-06).

Instead of using those funds to ease the economic and social hardship of the Argentine people (50% of whom fell below the poverty line as a consequence of the Wall Street-induced banking collapse and financial meltdown of 2001/2), President Kirchner opted to pay the IMF and the banker cartel behind it. This ties in with the fact that in June 2006 he and his former economy minister Roberto Lavagna (today touted as an "opposition politician"!!!) implemented (yet another) Sovereign Debt Bonds Mega-Swap to the tune of almost 100 billion dollars, that only partially honoured private investors holding defaulted debt bond issues, whilst at the same time Mr Kirchner helped the international bank cartel and the IMF recover the full amounts of their holdings. Many in Argentina jokingly call Mr. Kirchner "Hood Robin" because, contrary to Robin Hood's escapades in Sherwood Forest stealing from the rich to help the poor, Mr. Kirchner revels in doing exactly the opposite: he steals from the poor to give it to the rich.

You Need Money?
OK.. Just Print All That You Want!

Let us give a simple example of how this system actually works. The Federal Reserve Bank issues a 100 Dollar bill which it delivers to the Government so that the Dept. of Defense can give it to the US Army which buys ammunition for their soldiers' rifles, who can then use it to kill Iraquis in their own invaded country. Now, the last thing that George W. Bush wants is for that 100 Dollar bill to flow back into the US financial system, because — given the huge quantities of money printing involved — that would have a severe inflationary effect that would end up grinding the whole machine to a halt.

Because the process we described is repeated over and over again, millions upon millions of times and allows the Bush Administration to purchase not just ammunition, but, more importantly, barrels of oil, tanks, F16 fighter-bombers, Apache helicopters, guided missiles of all sorts, sizes and shapes, napalm, aircraft carriers, cluster bombs, bunker buster bombs, uranium bombs, and all those other much needed instruments to promote "Freedom and Democracy" throughout the world, the secret lies in making sure that these zillions of Dollar bills do not flow back uncontrollably into the US economy. If they did, then that would have an inflationary — even a hyper-inflationary-effect.

What the US Government needs and gets from all players the world over is that, once a 100 Dollar bill printed by the US Mint has been used to buy war material (or whatever), it then gradually flows out of US domestic and primary international financial circuits and stays out for as long as possible — ie., that those Dollar bills get "soaked up" by somebody somewhere far away: Japan, Malaysia, China, India, Brunei, Russia, Thailand, Saudi Arabia, Brazil, Indonesia or Argentina. Anywhere, so long as they do not come back (at least not anytime soon), into US financial circuits and those of the primary supranational banking system.

From this viewpoint, we can well understand the huge pressure exerted by the United States on foreign central banks — especially those of subordinated countries — so that they permanently "soak up" US Dollars, which means that they take them out of circulation. That gives the US some urgently needed respite and breathing space. Why does the US need to do this, you may ask? Simple: so that they can continue issuing as many 100 Dollar bills as they need, in order to give them to the Dept of Defense who give them to the Army to buy some ammunition..well, you know the story.. And the cycle goes on and on and on.....

By now you might be thinking that if you can get away with others paying for your expenses and costs like this, then anybody can play at being a superpower. Well, that's precisely how the system works. If George W. Bush needs money to finance his imperial appetite (which has grown voraciously in recent years, generating pathological and potentially catastrophic Deficits), then, no problem: he need only ask “Helicopter Ben” Bernanke at the Fed to issue all the Dollar bills he can spend; he literally gets “all the money in the world.”

The key factor is to make sure that this spiraling wheel keeps turning and churning; printing, circulating, and then “soaking up” these Dollars through the “right” channels and circuits and at the “right” speed, fitting the Imperial need of ensuring they are dispatched far, far away. The real danger for the US is if that wheel were to suddenly stop turning and churning, because then all of this vastly complex global financial engineering would simply collapse under a huge load of worthless paper with the ensuing dire consequences for our 21st Century Wizards of Oz (by the way, that old 1939 flick is a metaphorical critique on the Gold Standard — “Oz.” — which can be reached by “following the yellow brick road” to Emerald City, conveniently dollar “green”).

For the United States to maintain global superpower status, there must always be somebody somewhere, as far away as possible, on whom to dump vast quantities of unbacked US Dollars, continually and uncontrollably printed by the Fed so that once the US War Machine has consumed that money, it can be silently and discretely removed it from further circulation (ie., “soaked up” and hoarded in foreign central banks, private savings, etc.). They need these Dollars tp “disappear” after they've been used by them, at least for a while, and it really doesn't matter whether they “disappear” into central bank vaults abroad or into individual investors' safes in Turkey or Indonesia, or under small investors' mattresses in Mexico, Argentina, Nigeria or Brazil. That's not really the issue.

So, next time any one of us “Foreigners” (“Aliens” as the US Government sweetly call us), “saves Dollars”, or our national central banks “soak them up” from domestic markets in order to maintain whatever rate of exchange the IMF requires in order to maintain a “sustainable economy” (Anne Kruger, dixit) — ie., so as to ensure that we can pay back foreign debt loans — what we are really doing is helping finance the US Budget Deficit. Even worse given today's hot war scenarios, what we are actually doing is helping to pay for the cost of killing Iraquis, Afghanis, Palestinians and Lebanese in their own countries, preparing invasions against Iran, Syria, North Korea or Venezuela, or torturing POW's in Guantanamo and Abu Ghraib.

Now we see why in countries like Argentina, successive caretaker governments presided by the likes of former presidents Carlos Menem, Fernando de la Rúa, Eduardo Duhalde and, today, Néstor Kirchner always bow down to help the Global US-UK-Israeli Empire in this way.

The New World Order System easily identifies what politicians, journalists, etc., in each country in our Region are maleable, controllable and willing to subordinate themselves to the System's objectives. Their careers are then launched so that they may rise to become presidents of their countries, but also economy ministers and central bank governors. ie., People like Domingo Cavallo and Mario Blejer (6) in Argentina, Alejandro Foxley in Chile, and Henrique Cardoso in Brazil who then receive suitable local and international press coverage, are honored with "prestige-generating" reviews, interviews, conferences, dinners, etc., are systematically invited to address the Council on Foreign Relations, Americas Society, and Council of the Americas (so that the key New World Order players in New York and Washington can grade them), and then their election campaigns are generously financed by the Corporate, Banking and Media infrastructure, that "legally and democratically" bring them to power. to do the New World Order's bidding!! In cases like those of Domingo Cavallo and Alexander Fosley, they are even invited to join the Trilateral Commission.

This is, no doubt, the worst form of colonialism as it is based on very complex and highly financed PsyWar operations. At the end of the day, when something goes terribly wrong (and it always does.), it lets New World Order commentators and press to turn around and say to the people in those countries, "don't complain if everything in your country is mucked up: it's your fault for voting for the wrong people!" The problem being that they always make sure that the "wrong people" that best suit their interests, are the sole candidates in all elections, irrespective of any left, right or center ideological stance. It's all a question of recruiting "politically correct" candidates and public officers. Come to think of it, this is also pretty much the way it works in the United States, the UK, Europe and elsewhere. Don't be surprised: after all, this is a global system.

That explains why our market-economy puppet central bankers and economy ministers have had no problem in issuing Argentine Pesos to buy Dollars in the local market, whilst the IMF and US Treasury Dept suitably applaud them for that. However, if you suggest to the Central Bank to issue Argentine Pesos to finance the building of our much needed national social and strategic infrastructure, then all the "experts" and "media analysts" would go haywire to the cry of "Inflation!" Why is it that these "experts" insist that a 600 km four-lane highway is not proper "collateral" for issuing local currency, whilst neat piles of paper Dollars sleeping in the Central Bank, is. Ah, the mysteries of global finance.

It cannot be stressed enough that the real backing the Dollar nowadays has is US economic strength, stick and carrot diplomacy and, above all, the immensely powerful and apparently invincible armada of US military might which, since 11th September 2001 is permanently perched ready to attack, bomb and invade anybody anywhere and for any reason. Not bad as a "convertibility" scheme: today, the US Dollar is convertible into bullets, bombs and tanks, not to mention covert CIA actions which could even include highly complex and costly domestic terrorist attacks like 9/11 which served as a casus belli or catalyst for pro-israeli neocons in the Bush Administration to declare war on the entire planet. Maybe someday we may even discover what really happened on that clear morning of September 11th in New York City and Washington DC, though that won't happen anytime soon.

In short and as a crude example of what we are saying, every time the Argentine people need to buy a barrel of oil, we must, as a community, work and toil to earn u$s 62 to buy it. However, every time the US Government needs to buy a barrel of oil, it just has to ask the

Fed to print u$s 62. Clearly, the difference is no small matter. Again: like that it's easy being a global superpower.

Mafia + Usury = "Market Economy"

But, as the old adaggio goes, "all good things must come to an end". And it would seem that with George W. Bush, the era of printing all the money you want is fast coming to an end. In Argentina, we know only too well what happens when you uncontrollably print "all the money in the world" to pay for government spending. Former president Raúl Alfonsín (1983-89) did just that and collapsed the nation's economy into 5000% hyperinflation in 1989, with the ensuing widespread hunger, street riots, violence, unemployment, suffering and hardship amongst the population.

Long before George W. had even been born, a perverse unnatural process had begun whereby Finance and Money, which should always be subordinated to the Real Economy of Work and Production, went out of control and — like a virtual tsunami — grew and grew and grew into the monster which it is today. Swamping and drowning out the Real Economy, destroying the forces of Labour, deconstructing Production and generating mass poverty and unemployment on a worldwide scale. "Creative destruction," economist Joseph Schumpeter once called it.... I believe "Outright Fraud" and "Genocide" are far more appropriate words.

Indications of the exponential swelling of this tsunami are everywhere to be seen, even though local and international "analysts," academics and the specialized media do not seem to notice it. One of many indicators of this can be seen in the way the Dow Jones Industrial Average (DJIA) Index grew during the Clinton years. Right after the collapse of the former Soviet Union, when George "It's the economy, stupid!" Bush Sr. lost the 1992 elections to the young and upcoming Bill Clinton(6), the Dow sat placidly at 3.700 points. Eight years later, however, when Clinton ended his second term in office in 2000 the Dow was at 10.900 points and had a short time earlier peaked at 11.700 points; that's 300% growth over eight years!

The obvious question is: did the US economy also grow 300% between 1992 and 2000 as the DJIA did? The answer is clearly, no. Economic growth in the nineties in the US was very good but only averaged 3 to 4 percent per annum, so that during the entire Clinton era aggregate economic growth was not more than 40%.

Now, if the Real Economy only grew by 40% in eight years, how is it that the "Virtual Economy" of Finance and Speculation grew by 300%? Something is clearly rotten, and not exactly in the State of Denmark. The key to all of this can be found in factors like Usury, printing of "Fiat" Money, and rampant Parasitical Speculation which are embedded into the very fabric out of which today's global financial system is made. Money is created out of thin air by the Federal Reserve Bank and the private mega-banking system by the billions of Dollars, the latter using the well-known and absolutely perverse Banking Multiplier Effect which allows private banks to, in effect, create money. Come to think of it, since the Fed is 97% owned by those private banks. its the Old Crooked Snake once again biting its own tail.

Additionally, this all clearly carries with it a deep-seated moral and ethical problem as the real force behind the "miraculous growth" of the US economy is "unlimited greed" (Greenspan, dixit), soulless egotism and homicidal profit-grabbing. In recent years, the stench can no longer be contained nor checked. The criminal fraud and inhumanity perpetrated by "world-class" Fortune 500 Corporations and Banks hit the daily headlines: Enron, WorldCom, Tyco, Nike, Marsh & McLennan, American International Group, Wal-Mart, K-Mart, Arthur Andersen, Halliburton (Dick Cheney's company), Harken Energy (George W.'s company), Pacific Gas & Electricity, Adelphi, Qwest Communications, Global Crossing, amongst so many others. Huge fines for money-laundering and corporate misbehaviour were paid out by top banks like CitiGroup (the money-launderers' favourite bank), JPMorganChase, Franklin National Bank of NY, Credit Suisse First Boston, Morgan Stanley, Merrill Lynch, Goldman Sachs, BCCI Bank of Commerce & Credit International (closed down - linked to CIA drug trafficking), Brown Brothers Harriman (Bush), HSBC (originally born out of the British imperial Opium Wars fought against China in the mid-nineteenth century which gives this bank great drug money-laundering expertise).

The list goes on and on, and this spirit of Usury and Immorality spans the entire world: A-Hold in Holland, Parmalat in Italy, The Maxwell Group in the UK, Yukos in Russia, Vivendi in France. Their top corporate bosses investigated and even jailed: Kenneth Lay (Enron, now conveniently dead), Bernhard Ebbers (WorldCom), Jeffrey Greenberg (Marsh & McLennan), Maurice Greenberg (AIG).

Again, we Argentines know only too well what this is all about!! We've had our share of corporate crooks in such scandals as Yabrán, Beraja/Banco Mayo, Yoma, IBM, CitiBank, Moneta, ENTEL, YPF, Southern Winds, not to mention one billion dollars plus in Public Funds belonging to Santa Cruz Province in southern Argentina which mysteriously "disappeared" since 1993 when president Nestor Kirchner was governor of that province and expatriated the funds into off-shore tax havens where they still mysteriously reside to this very day.

The problem is that this whole process seems to have been taken several steps too far, so now the whole edifice is on the brink of collapse. The international financial system resembles a planetary Las Vegas managed by the Shylocks and Al Capones of this age, who sit in corporate boardrooms in Wall Street, the City of London, Paris, Zurich, Sao Paulo and Buenos Aires. They are starting to realize, however, that their luck is definitely about to run out. For decades they have danced themselves to a dizzy frenzy around the Golden Calf, stuffing their pockets whilst generating hunger, war, social turmoil, sickness and suffering for untold millions around the world. However, the "Game Over" sign is starting to flicker on.

When former Fed governor Alan Greenspan was once asked in 1996 how he could explain the fact that the Dow Jones Industrial Average had reached the unheard of level of 11.700 points, whilst the NASDAQ index had peaked at 6.000 points (today it's down to 2.400 points), his most eloquent reply was that this whole complex phenomenon was caused by "irrational exuberance". You got it?

Just Do It.

The truth of the matter is that the United States will "stay the course" in

Iraq and Afghanistan all the time it wants, and will continue financing Israel limitlessly so that it can continue repressing and persecuting the Palestinian people in their own land, and new attacks will be made against today's expanded "Axis of Evil" which — Condoleeza Rice, dixit[7] — now includes North Korea, Syria, Myanmar, Zimbabwe, Venezuela..

President Bush recently declared that he will continue promoting "Freedom and Democracy" throughout the world. His lip-service thus honours a shrewd recommendation contained in an Old Book, hoary with time, which is a true Blueprint for World Domination that recommends Imperial Sovereigns to impose their will by exerting "Force and Hypocrisy". Brute force we have plenty of just about everywhere. Hypocrisy is constantly voiced by our presidents, prime ministers, ministers, secretaries, government spokesmen, media and corporate leaders. This gigantic planetary machine needs oil to operate properly; lot's of oil. And not just the Iraqui, Venezuelan and Saudi hydrocarbon variety, but also the virtual "Oil" represented by the Dollar which allows this infernal machine to run, grow and spin increasingly out of control.

But, alas! The US cannot continue printing Dollar bills indefinitely. Today's global financial system is bursting at the seams, and growing concern is marked on the brow and voice of the Ben Bernanke's and Alan Greenspan's of this world. How much longer until there is a final crash? One year? Two years? Nobody knows for sure. We do, however, know that the US Dollar can collapse virtually at any moment if an unforeseen/unmanageable crisis were to explode. Hence, plans to oust Saddam Hussein had to be accelerated back in 2003, when he began selling oil in Euros to the European Union under the Oil for Food Program, implicitly inviting other OPEC countries to do the same which would have led to the world oil market quickly switching from Dollars to Euros as its base currency, triggering a (hyper)inflationary catastrophe for the US.

But the US also naively thought that invading Iraq would be like a joyride, that the proud Iraqui people would welcome the US invaders as liberators, and that a quickly subdued Iraq would serve as a "Beacon for Democracy" whilst speeding up massive cheap oil flows from their oil fields to US gas stations at a cost of not more than u$s 15 per barrel. That would have certainly eased the pressure on the US economy. But things did not quite turn out that way and the "cheap oil" objective was never reached. Today, Iraq is in civil war, the US has no credible exit strategy and after peaking at almost u$s 80 a barrel, oil prices today are over u$s 62, forcing the Bush Administration to take emergency measures like opening up vast virgin natural reserves in Alaska to the contaminating oil industry.

And then along came the Euro.

Another key factor which helped trigger and speed up this impending crisis was the launch in 2001 of the greatest challenge to the Dollar so far, which is the Euro. As the monetary unit of the European Union (EU), the Euro carries the economic might of an entire continent with a combined GDP which is roughly the same as that of the United States. Powerful stuff, indeed. If we project future growth of both economies over the next twenty years, we find, however, that the EU economy has far greater potential than the US economy, simply because the countries surrounding the UE are anxiously asking to be allowed to join this vast and sophisticated economic and monetary system which, in the long run, will no doubt also include Russia. Each of the countries still outside the UE — Ukraine, Belorussia, Moldova, Norway and others — have great added value to contribute to the UE economy, both in terms of the economy, as well as culturally and geopolitically. Organic growth comes naturally in the European Union.

By comparison, the US can only expand its regional economy into Central and South America, where all the countries in that region resist the traditional aggressive Bad Neighbour policies of the United States and resent its arbitrary military interventions, invasions, cover actions, and repeated humiliations.

Quite a difference! Whilst the countries still to join the UE wish to do so voluntarily and anxiously await their turn, the US has no choice but to impose AFTA (American Free Trade Agreement) on unwilling neighbours that will permanently resist the regional hegemon. More importantly in the short term, there are a series of symmetries and asymmetries between the present Dollar and the Euro worth pointing out:

Comparison between the US Dollar and the Euro.......

Structural Strength
(Technical Factor)
— Low —

The Dollar is over-issued by a factor of 5 to 10 times (no trustworthy data is available), because over the past years, successive US Administrations have abused the Dollar's high prestige, and printing has gone out of control.

Growing evidence of this structural weakness generates inflationary — even hyper-inflationary — risks which can be triggered by internal or external political or financial crises.

— High —

The Euro was launched recently (2001). The European Central Bank in Frankfurt Germany issues clear public information showing that the amount of currency placed in circulation since 2001 is consistent with the size and productive capacity of the UE economy. No doubt, the Euro runs no inflationary risks at the present moment.

In short, the Dollar is a structurally weak currency with enormous psychological strength and prestige, whilst the Euro is a structurally strong currency with substantial psychological weakness. Today, the US Dollar resembles those high-class families of yore which, having lost all their wealth, nevertheless maintain their noble appearances and pride. So much so, that people continue respecting them as if they still were powerful and rich lords. When reality finally catches up with the Dollar, its collapse could come quickly and violently. Meanwhile, the Euro can continue to mature solidly as long as the monetary, financial and geopolitical structures of the EU move forward. Clearly, in monetary affairs time runs against the US and in favour of the EU. The Euro and the Dollar are two very different creatures: The Euro is backed by solid Monetary Policy; the Dollar is backed by Military Might.

Excessive printing has brought the US dollars to the point of no return. If the US “stays the course,” monetary collapse can no longer be avoided. At best, it needs to be managed. Naturally, the US elite power Establishment and its key allies in the United Kingdom and the State of

Israel are not stupid and they will not allow a hyperinflationary crisis to collapse their economies so preventive crisis management on the monetary front is what we will be seeing soon.. There are various, creative and innovative ways of re-directing and detouring monetary catastrophes so that they hit someone else somewhere else, and there are ways of ensuring that damage control at home and at our friends' homes is kept at acceptable levels. It is precisely this “Plan B” which is presently on the private drawing boards in the key think-tanks headed by the New York-based Council on Foreign Relations, the London-based Royal Institute of International Affairs, and the Trilateral Commission.

It even appears as though “Plan B” consists of letting the present mass of US Dollars continue growing for a while longer, all the way up to the brink of collapse without falling over the precipice, taking as much advantage as possible of the fact that this serves to ensure that the rest of the world finances the US Budget and Trading Deficits to the very last. Accordingly, the first phase of Plan B consists of ensuring that the partying lasts as long as possible, fueling all on-going military adventures. We can then envision that if the New World Order's use of the George W. Bush Administration during its first term in office was to launch the “War on Terrorism,” its primary purpose during the present second term could very well be to lead a highly professional team to trigger and manage the very complex monetary and financial engineering necessary to carry out the demise of the Dollar ensuring its orderly replacement by a New Gold-backed Dollar.

Let us consider a possible scenario of this sort.

“New Dollar” is Coming!

“Plan B” has a second part. Sometime during the next 12 months, our TV screens will tune in to CNN, CBS, BBC, CNBC, Fox and other world media as they announce urgent “Breaking News” involving important financial developments amid growing panic and dark rumours in key markets. Such news will surely come on a Friday afternoon, after 4 or 5 PM EST when the New York Stock Exchange and banks in New York City and their London counterparts have closed. We will then learn that Benjamin Bernanke — probably accompanied by Treasury Secretary Paulson — has a “major announcement” to make to the people of the United States and the world. His speech will be short, terse and filled with carefully selected banking jargon.

Bernanke will declare something along the lines that “in an effort to uphold and reinforce the US economy and that of its key allies; to protect consumer interests and those of major corporations; to preserve the international financial system and to thwart a potential financial meltdown; to balance the Budget and avoid a stock market collapse, the United States will effective immediately implement a far-reaching Financial Reform and Monetary overhaul, declaring an extended banking and exchange holiday.” In Argentina, we certainly have lots of experience in this!

He will then inform the world that, with the full support of Congress, President George W. Bush will sign a series of Emergency Executive Orders whereby the Dollar will be placed on a Gold Standard. Correspondingly, this will necessitate introducing a New Dollar convertible into metallic gold and this new currency shall replace all the “old dollars” in circulation which, as we have seen, are only backed by worthless paper, ie., Fiat money. What's going to happen with those “old” dollars? They will have to exchanged for New Dollars, of course.

All persons holding US Dollar Notes and Treasury instruments who are citizens of the US or are domiciled in the US, together with US corporations, and persons, corporations and organizations domiciled in countries allied to the US (most notably, the United Kingdom and the State of Israel) shall have their “old” Dollars exchanged for New Dollars on a 1-to-1 parity.

For the rest of the world — ie., Asia-Pacific, Central and South America, Africa, Russia, the Muslim World - changing “old” Dollars for New ones will depend on the Goodwill of the US Treasury Dept., lacking which, it will be up to local “exchange markets” to determine the “proper” rate of exchange between the extremely plentiful and rapidly depreciating “old” Dollars slushing around, and the extremely scarce New Dollars. And what will that rate of exchange be? One-to-one? I doubt it, because supply and demand will set in almost as fast as panic. Two “old” Dollars for One New Dollar, then? Or, maybe, 3-to-1? Or 5-to-1? Or 10-to-1? Who knows? “Let the laws of the free-market economy — supply and demand — do their bidding.” Whatever happens elsewhere will certainly not be a prime concern of the US Government. Naturally, key insiders will have had suitable foreknowledge that will allow certain banks, investment funds and even governments to take mitigating action.

We will then see millions upon millions of desperate and panicky people, companies, banks, operators, players of all sorts throughout the planet running amok all at the same time trying to unload their “old” Dollars and exchanging them for New Dollars. Again, in Argentina we have had enormous experience in this.

Ben Bernanke's predecessor Alan Greenspan may even be brought back to the scene in as the President's Key Strategist for Monetary Reform, or some such bombastic title, as he would no doubt be the right man to micro-manage this whole process. Greenspan has been a Gold Standard buff since a long, long time ago and one of his first key academic articles dating back to 1967 proposed just that: placing the US Dollar on a full Gold Standard. [8]

In the Table in the previous section, we describe the great cultural strength of the US Dollar which has hardly been altered over the past century. Significantly, in recent years — and for reasons not yet clearly explained — the Federal Reserve Bank decided to begin slightly altering the physical appearance of the Dollar. The effigies of Franklin, Grant, Jackson, Hamilton and Lincoln were slightly displaced to the left and enlargened, security factors were introduced and, most notably, various color experiments changing the traditional green and black colors were also introduced. It began some years back with a new series of blue-coloured 20 Dollar bills, then came later red-coloured u$s 50 Dollar bills, thus breaking the traditional “green” tradition for which the Dollar is known the world over.

Might this be a way to prepare the collective psyche for the “great change” that will take place when a New Dollar is finally and suddenly introduced, while at the same time that the old Dollars are progressively phased out of circulation? Very possibly, the New Dollar shall have a totally different design than today's

Dollars. It may even be of different colours and sizes.

Bases for a New Dollar.

These are relatively simple and can be described as follows:

A Monetary Unit convertible into Gold at an official and mandatory rate of exchange fixed by the US Federal Reserve Bank, in coordination with the Bank of England, the Bank of Israel and key supranational public and private financial players.

The Gold backing the New Dollar will not be just any gold. Only special "officially approved New Dollar Gold Bullion" will be used and accepted, which will be specially minted and proof. It will, no doubt, carry an embedded chip, bar code or some other foolproof and failsafe anti-counterfeiting element, ensuring total control by US monetary authorities.

"Common" gold — ie., non-officially approved and treated gold, will be worth maybe three, five or ten times less than the Special Approved Gold Bullion. This "Good Gold", is in all likelihood already being minted and amassed in the vaults of the Federal Reserve Bank in New York, the Bank of England in London, the Bank of Israel and elsewhere.

You may be wondering that this will trigger a gigantic worldwide financial crisis. No doubt, it will. You may also think that this will place the better part of the international financial system on its head. Of course it will. That there will be even more hunger, hardship, poverty, sickness, wars, epidemics and catastrophes of all sorts. Certainly. However, those who are "in the know" beforehand — ie., the Empire's most trustworthy allies, friends and henchmen (both in terms of countries as well as financial, economic and industrial groups, and maybe even a Mafia here and drug cartel there) in the US, the UK and Israel - will get suitable fore-knowledge enabling them to mitigate the impact of this crisis and to make ready for it. In Argentina we remember only too well our own domestic monetary and financial meltdown of December 2001. The private banks and certain key individuals who were "well informed" got their money out of the system right in the nick of time, so that when the crisis finally exploded on 30th November 2001, it was the populace at large that bore the brunt. The banks and major corporations came out surprisingly unscathed and today they are for the most part back to "Business as Usual", whilst more than 50% of the population sank below poverty levels and, for the most part, is still living down there.

China, Japan, India with their vast reserves will feel the blow. They will loose vast amounts of money. Japan will see its economic recovery delayed for years to come. China may see it huge growth slowed down, the aggregated effect of the global financial collapse will greatly harm exports from India, Taiwan, South Korea, Brazil. Already we see China, Japan, Russia, Souyth Korea divesting huge chunks of their Dollar holdings.

China is also transforming great chunks of their "old" Dollars into physical assets (ie., investments in South East Asia and in South America). Japan, South Korea and Taiwan cannot budge as swiftly and easily because they are military underdogs and politically subservient to the United States. To a great extent, their lots have been cast unless.. Unless, as Samuel Huntington insinuated in his 1997 classic "The Clash of Civilizations." Japan and China were to forge an alliance similar to the one which Germany and France reached over half a century ago. Imagine Japanese technology allied to the Chinese economic powerhouse with its military clout. Then South Korea might even be able to move forward towards reunification with the North under the aegis of China which wields the necessary influence over the North Koreans and can soften up their outmoded authoritarian style. This latter scenario most definitely keeps the US-UK-Israeli imperial leaders wide awake at night.

The "controlled collapse of the international financial and monetary system" is the next "Great Crisis" which the Real Power Structures of the New World Order seem to have entrusted to George W. Bush and his team, knowing that they have the necessary psychological profile to promote this virtual fraud and robbery on an unprecedented planetary scale. The whole world has witnessed speechlessly the incredible audacity with which George W. Bush and his team look into the TV cameras and blatantly lie without even a blink in their eyes, whether it's about 9/11 or the "War on Terrorism" or Saddam's "Weapons of Mass Destruction" or doing "all they can to cope with Katrina.".

In this article we have described a possible future scenario, resulting from a series of technical factors (the extreme over-printing of US Dollar bank notes and Treasury bills and bonds), economic interests (mainly the Empire's wish and need to have free access to major oil fields around the world), and long term US-UK-Israeli geopolitical objectives (in the Middle East; in South America in the short/medium term; and in the Far East in the long term).

If we add to this the Empire's hunger for conquest, triggered and "justified" by the strange and unexplained events of September 11, 2001, then we feel that the scenario described herein is not only possible but also probable. Its implications for countries like Argentina are enormous. For this will entail great threats of all kinds, but also unexpected opportunities as well. For example, we can ask why did Argentine president Néstor Kirchner make such unsustainable and unrealistic efforts to "renegotiate" our huge Dollar-denominated foreign debt earlier this year, when a generalized collapse of the "old" Dollar would very well carry with it the virtual liquidation or, at least, vast reduction of that public debt?

Clearly, there is much food for thought in all of this, and many lessons to be learned from the past. Whatever may happen, if you have a large part of your assets in US Dollars — whether in bank notes, Treasury Bills, stocks and shares, investment funds, banking accounts or whatever — perhaps you would be wise to reconsider and diversify. In the coming collapse of the international monetary system, the safest thing to do will be to invest in the Real Economy and not in the unreal Financial Economy. In other words, consider buying tangible goods: real estate, companies, machinery, land, equipment, precious metals and stones, and the like. No matter how bad an economic crisis may be, tangible goods will not disappear, while your bank account's balance appearing on an ATM screen can quickly vanish into nowhere.

Oh, and don't forget, paper money is just that: paper. Think about it.

Notes:

(1) More than 95% of the Federal Reserve Bank's share capital is owned by the private member banks, which can, in turn, be traced back to key traditional finance dynasties, both in Europe and in the US: Rothschild, Warburg, Schroeder, Mellon, Bleichroeder, Montefiori, Montagu, Rockefeller, and Harriman, amongst others. Cfr. The Federal Reserve Bank, Purposes & Functions, Washington DC.

(2) The sum of all international financial operations (exchange, stocks and shares, investment funds, etc) is of around u$s 2.200.000.000.000 daily (yes, daily). If this is projected annually, we find that the internacional financial system (ie, the Virtual Economy) has a turnover of over u$s 700.000.000.000.000 (seven hundred trillion Dollars). However, the aggregate sum of the GDP's of all countries in the world (ie., the Real Economy) does not exceed u$s 45.000.000.000.000, ie., an amount fifteen times smaller. We can thus conclude that Internacional Finance - the world of speculation, usury and fiat money - is fifteen times larger than the Real Economy of Labour and Production. If finance is to be considered as the "oil" which makes the Economic "engine" run, then we can see that that "engine" is overstuffed with a veritable oil glut which will grind it to a halt.

(3) In its official website:

www.ny.frb.org/aboutthefed/fedpoint/fed49.html

the Federal Reserve Bank of New York states that "in March 2006, the Federal Reserve Board of Governors ceased publication of the M3 monetary aggregate. M3 did not appear to convey any additional information about economic activity that was not already embodied in M2. Consequently, the Board judged that the costs of collecting the data and publishing M3 outweigh the benefits." M3 is the broadest of all macro-monetary indicators reflecting how much money is really out there in the System: no small matter which can hardly justify the Fed's ceasing to inform the public. The Fed also states that "in June 2006, M1 was approximately $1.4 trillion, more than half of which consisted of currency. While as much as two-thirds of U.S. currency in circulation may be held outside the United States, all currency held by the public is included in the money supply because it can be spent on goods and services in the U.S. economy. M2 was approximately $6.8 trillion and largely consisted of savings deposits." The truth is that the US has no way of knowing how many dollars "may be held outside the United States". In October 2005, seasonally-adjusted M2 was $6.6 trillion, while M3 was $10.1 trillion. How much is it today with a war costing the US around 200 million a day?

(4) Regarding the nature of Power, I would refer Spanish-speaking readers to my essay "El Poder: ¿de dónde viene?, ¿quién lo tiene?, ¿adónde va?" ("Power: where does it come from? Who has it? Whither is it going?" soon to be translated into English), available in www.eltraductorradial.com.ar, this now forms the first chapter of my latest book "Bienvenidos a la Jungla: Dominio y Supervivencia en el Nuevo Orden Mundial" (Editorial Anábasis, Córdoba, Argemtina, 2005, 272 pages).

(5) Before being named president of the Argentine Central Bank under the De la Rúa and Duhalde Administrations, Mario Blejer was for 18 years director of the Institute for Monetary Affairs at the IMF in Washington DC and today he is Director of the Bank of England in London. Alfonso Prat-Gay, president of the Central Bank during the last part of the Duhalde administration and first part of the Kirchner administration was a director at J P Morgan Investments, London who was suitably “recommended” to the Argentine government by the Governor of the Bank of England based on Mario Blejer's suggestion. Hernán Martín Péres Redrado, the present Central Bank president, comes from the Fundación Capital NGO, idelogically linked to the extreme liberal policies of former president Carlos Menem and his (and De la Rúa's) catastrophic economy minister Domingo Cavallo (in turn, a David Rockefeller and George Soros protegè who sits on the Trilateral Commission. The global power web does form a cozy club.

(6) Member of the Council on Foreign Relations and the Trilateral Commission.

(7) Secretary of State and member of the Council on Foreign Relations.

(8) See article “Gold and Economic Freedom” by Alan Greenspan, published in Ayn Rand's “Objectivist” newsletter in 1966 and reprinted in her book “Capitalism: the Unknown Ideal” in 1967.

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