

The Fed's Purchase of US Sovereign Debt: "The US Treasury is under the Control of the Fed's Owners".

US, UK and European financial systems are on the way to collapse

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Were it not for the Federal Reserves purchase of Treasury and Agency bonds the US would already be unable to raise funds to service debt and issue new debt, and it would already have descended into national bankruptcy. It is no wonder the Fed does not want to be audited. Through various artifices the Fed has been purchasing US treasury paper. No one knows how much, because when asked the Fed says it is a state secret. That is what all Americans love. A country run in secrecy. A privately owned corporation operating under the cover of secrecy, and protected by a Treasury Department, that is under the control of the Fed's owners. How is that for an incestuous relationship?

Government is desperately searching for more revenue to cover its massive deficit spending and to service existing mandatory programs. Taxes are being increased; some 19 new taxes, in the recently passed medical reform legislation. Unfortunately this isn't enough. Of course, there is never enough.

As a result, as we pointed out recently, government has been eying retirement plans as a source of funding. The arm-twisting has been going on for some six months to make managers of retirement funds to purchase US Treasuries and Agency bonds. This is to provide a delaying action as the dollar begins to play second fiddle to gold as the only real currency. In addition, foreign central governments, which own well over \$3 trillion of these debt instruments, hope that the US is serious about protecting the functioning of government. Accessing retirement plans will be an integral part of extending solvency to buy more time for Wall Street, banking and government. Of course there is nothing our purchased Congress won't pass to stay in office.

Thus it has been decided behind the scenes to eventually confiscate the \$15 trillion in private retirement funds. The only thing those who control government haven't quite figured out yet is exactly how to confiscate what little wealth you have left. These plans were in construction in the early 1990s with funding from the Rockefellers. In 1991, plans were presented to create a mandatory pension system to be funded by a one-time 15% tax on retirement assets and a continuing tax of 15% on retirement income. Those plans had to be put on the shelf, because they were not politically acceptable at the time and passage was not possible. Today there are more aggressive plans in the works and if we do not unseat most of the incumbents in November's election you will see passage of such legislation over the next two years.

Tax revenues are plunging due to high unemployment and the justification is there to

present such legislation, as government spending reaches unbelievable levels. New methods, no matter how unpalatable have to be found to feed this devouring money monster.

In 2007 ideas were submitted to a congressional subcommittee by Thresa Ghilarducci who was director for the far, far, left at the New School for Social Research. Her idea, of course, was to make sure retirement would be available for millions who never bothered to save a cent and her solution was to confiscate the assets of those who did save. A program that would have made Marx and Lenin very happy. Her plan was to tax workers of 5% of their gross income. The eventual payout would be based on government's bogus CPI, which has been screwing retirees under COLA for the past 30 years. As any intelligent person knows the government is already broke and can never pay off its debt, thus the funds would be used to pay down existing debt. That would go for any plan the government puts together. Since then we have seen other approaches, such as mandatory plans, voluntary plans, but they all end up stealing your retirement. As we said last week now is the time to start phasing out of these plans, such as IRAs. In order to overcome the tax and possible penalties you might phase out over 2 or 3 years. If you have any questions contact us and we will try to be of assistance.

There could be legislation to end further tax deductions in effect ending all plans for the future in order to being in immediate tax revenues, or a voluntary plan where a percentage of your plan could be traded for a government annuity, which would not be worth the paper it is written on. It is coming no matter what form it takes. The people who control government know this has to be done to keep the economy afloat. This is just another form of fascist nationalization. It may be sold to Americans' as bonds lose their AAA status, or an attack on the Fed or the Treasury, or another war, or a complete economic collapse. It could be a false flag event, or World War III. Take your pick, but it is coming. The brainwashed public in worry and fear can be inconvenienced of anything. These events could spark a move to add taxes or penalties justified by such events. Those in plans they cannot exit are just plain screwed, unless they quit their jobs, take the funds and buy gold and silver related assets.

Discussions are in progress to relieve you of your wealth. They have already destroyed the real estate market. The stock market will be next to fall followed by bonds. You have to begin exiting now before the rules become more onerous. In fact, such events will force workers to jump at the chance for a worthless government program. Fortunately you will already be out and into gold and silver assets. If you do not begin your exit now you will be plundered by government. We might add that in the process of the stock and bond market falling there will be a consolidation and nationalization of banks, so immediately exit CDs. Those lower values in stocks and bonds will lower the value of cash value life insurance policies and annuities, which also should be terminated while you still have time to do so. Whether we like it or not, this is to be a total takedown. If you think moving assets offshore, forget it, unless you are willing to live in that new country and become a citizen. The US has agreements with many countries already to access the assets of US citizens. Why do you think the number of Americans renouncing citizenship is growing in leaps and bounds? There are some savvy people who are able to escape and are doing so. Now is the time to act. He who hesitates is lost.

The foregoing events lead us to other manifestations of trouble, real trouble. For the past four years all currencies have fallen versus gold and silver. The US dollar has been falling for 11 years versus gold and silver. What gold is telling you is that the US, UK and European

financial systems are on the way to collapse. The cover-up cannot go on and all the players know that. They are all living in the theater of the absurd. What politicians in all these countries are doing is what they are being told to do. If they do not do what they are told they will never hold public office or be a bureaucrat again. If what they do is serious enough they will be liquidated. What is happening financially, fiscally and monetarily is unnatural. There is absolutely no way the system can be fixed. If these politicians and their handlers believe this they are doomed. They have pulled this hundreds of times and each time they have been unsuccessful. This time will be a disaster for the Illuminists due to the Internet and talk radio. This time they will escape nothing. We live in a decadent, immoral financial system that has to fall. In this sort of environment only gold and silver can protect your assets.

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