

The U.S. Economy is being Marched to the Gallows

Predictions of hyperinflation, dollar decline and civil unrest

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The upcoming Financial Stimulus package courtesy of the new Economic dream team has left numerous economists and analysts quaking in their boots.

We are seeing predictions of hyperinflation, the destruction of the dollar, the flight of U.S. creditors, the prospect of widespread civil unrest and a descent in to a Greater Depression.

Small business owners have stood up and discredited the tax incentives that were meant to convince them to ignore market reality and open the door to new employees. The measures that supposedly address the enormous foreclosure problem seem to change from day to day and only work to the advantage of the banks. Obama and Bush have just signed off on an additional \$20 Billion in cash and \$118 Billion in asset guarantees for Bank of America which already received \$25 Billion last year and is now choking on Merrill Lynch's losses. The President Elect and his new Stimulus Czars are not paying attention and are proceeding to continue the same destructive formula adopted by Paulson.

The media bombardment is in overdrive to convince the public that herein lies the path to salvation. First we had the guarantee that three million jobs would be created out of thin air only to be bumped up to four million. These are nice round media friendly numbers which have no basis in reality. With each passing day the sands are shifting on exactly how the money will be spent.

Ben Bernanke's speech at the London School of Economics on January 13, confirmed that the emphasis has now shifted to bailing out the banks one more time by buying more toxic assets to clean up their collapsing balance sheets. After seeing \$8.2 Trillion vanish in to Insurance, Banking and a moribund auto industry with absolutely no concrete result except for the tightening of credit, the increasing losses of Big Banking and the GM chairman having to queue for his airline ticket, the Fed, backed by Obama, continues to beat the dead horse.

The scariest aspect of this is the speed at which this 18 wheeler disaster is being driven toward the rabbits in the headlights. We haven't yet seen any senators or reps being threatened with the imposition of martial law, but we have seen Obama threaten to veto his own fellow democrats if they do not rubber stamp the proposals he has been instructed to deliver. Nobody has even taken a vote yet and already the gloves are off. Bailout Bill One and the Patriot Act were pushed just as hard. The only legislation that gets the hard sell seems to involve either stealing the taxpayer's money or their rights.

Judging by his actions so far, Obama has done absolutely nothing but continue the transfer

of wealth from the American taxpayer to his Wall St. campaign contributors.

There has been absolutely zero positive impact on the real economy as the increasingly horrific indicators continue to mount and the prospect of an unprecedented Depression continues to rise over the horizon. Economic reality was left on the back burner and the capital that could have paid for Obama's fantastical "stimulus" plan 5 times over has been wasted on the imploding financial sector, who no doubt will be back for more

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