

Financial Obfuscation, Cloward-Piven Strategy & Liberty Issues

Posted April 4th, 2019

By www.chuckcoppes.com



"Globalism is winding down as a decade of central bank machinations reach their limits of deception, leaving the major trading nations with little more than comparative disadvantages."

- **James Howard Kunstler, Social Critic/Blogger**

"Every major central bank on the planet is now carrying enormous balance sheets. All have turned fully dovish, none will reduce their balance sheets. Let's call a spade a spade:

Normalization would crash capital markets globally."

- **Sven Henrich, Northman Trader, March 21, 2019**

"Even the most circumspect friend of the market would concede that the volume of brokers loans—of loans collateralized by the securities purchased on margin—is a good index of the volume of speculation."

- **John Kenneth Galbraith, The Great Crash of 1929**

"I don't quite know what a hand basket is, but the Democratic Party is heading in one to electoral hell with its talk of socialism and reparations."

- **Richard Cohen, Washington Post Opinion Writer**

"Democracy never lasts long. It soon wastes exhausts and murders itself. There never was a Democracy yet, that did not commit suicide."

- **James Madison, The Federalist Papers**

Greetings to All,

As a scheduling notice, I will be addressing the insidious **Deep State Russiagate/Media** hoax in my **May** newsletter. This will be a study of **mass group behavior** and spiritual dynamics. For now, we will concern ourselves with the "day to day" **obfuscations** in the financial markets as opposed to the **real hard data**. The changing demographics in the **US** is also a *grave concern* as we are witnessing the "browning" of **America** along with an aging population. There is a agenda to collapse our social order, and these **traitors** could care less that this will lead to a degradation of our **civil liberties** and **freedom**. I have been postponing this **rather serious issue** for several months, so here we go.

Central Banksters & *Mysteries of the Economy*



"Just as presidents are expected to act presidentially, Federal Reserve chairpersons are expected to act oracularly - as semi-supernatural beings who emerge now and again from some cave of mathematical secrets to offer reassuringly cryptic utterances on mysteries of the economy."

The above quote is from James Howard Kunstler in response to the 60 Minutes interview with Fed chairs on March 10th. Why did they choose **this date**? It was *exactly ten years ago* that the **Fed** massively intervened into the financial markets with the invention of **QE1** that has created a wealth effect in the **US**. As noted in [THIS LINK](#) and charts, there has been a **400%** gain in the rigged stock market as a result (QE2, QE3). As I cover in my book, the banksters love to appear sage and prescient, but their only trick is to **monetize debt** (create fiat/digital currency) through the alchemy of central banking. Very simply, fiat currency (Federal Reserve Notes) are created out of debt (issuing a bond with interest), and this new "money" is sent into circulation (the hidden inflation tax). Even worse, this fraudulent **wealth effect** is shifted to the **wealthy class**, and I will address this a bit later. As **Kunstler** concludes, all of this monetary/credit expansion "is winding down as a decade of central bank machinations reach their limits of deception." The key word here is **deception**, right? The banksters talk about "normalization," but they are trapped! **Sven Henrich** at [Northman Trader](#) nails it below:

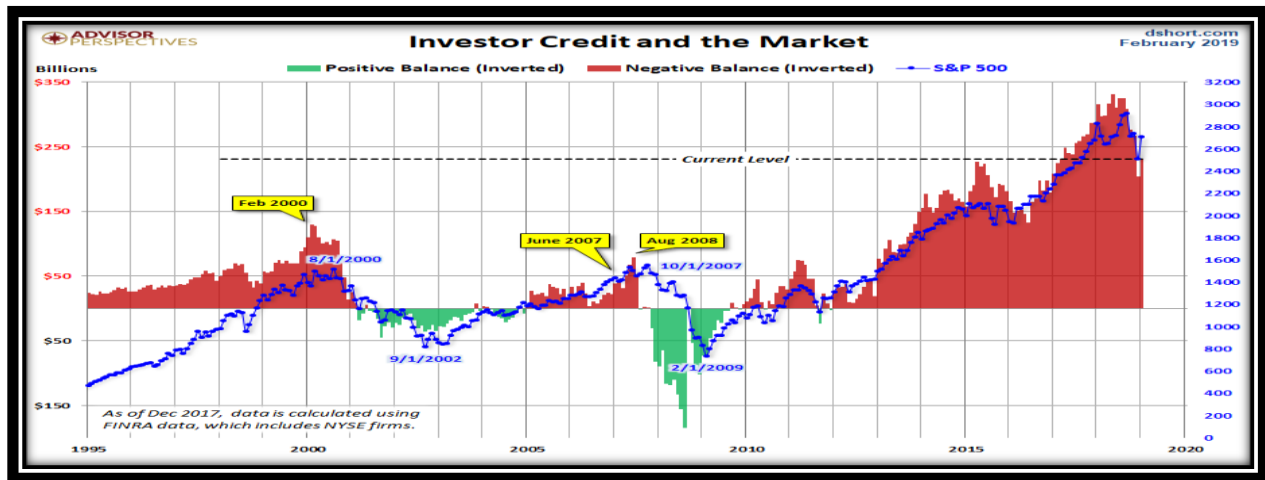
"Let's call a spade a spade: Normalization would crash capital markets globally. The world is destined to never see a true normalization and central banks will be forced to remain accommodative in the face of slowing growth. The promise of organic growth following what was supposed to be temporary central bank intervention was simply a pipe dream. The Fed tried and failed. Markets and the economy have forced their hand and now the US Fed is trapped and is forced to be the dovish for years to come. Intervention and accommodation have become permanent. Globally."

Also, in response to the above puff piece interview on 60 Minutes, **Chris Martenson** breaks down the actual comments made by these banksters, and is highly recommended to parse their **deceptions**.

Chris Martenson: The Three Federal Reserve Stooges

Not to be outdone, the one and only **Peter Schiff**, also demolishes the **Fed/Trump** narratives in this excellent overview below. It is rare that the **lords of finance** emerge from their cave of mathematical secrets, so pay attention here. In this interview, **Schiff** also notes the **ten year** anniversary of central bank interventions, and also the **Basel III Accord** coming this month (at 19 minutes) and the outlook for **silver** at the end (27 minutes). I will comment on the **silver and gold** markets near my conclusion.

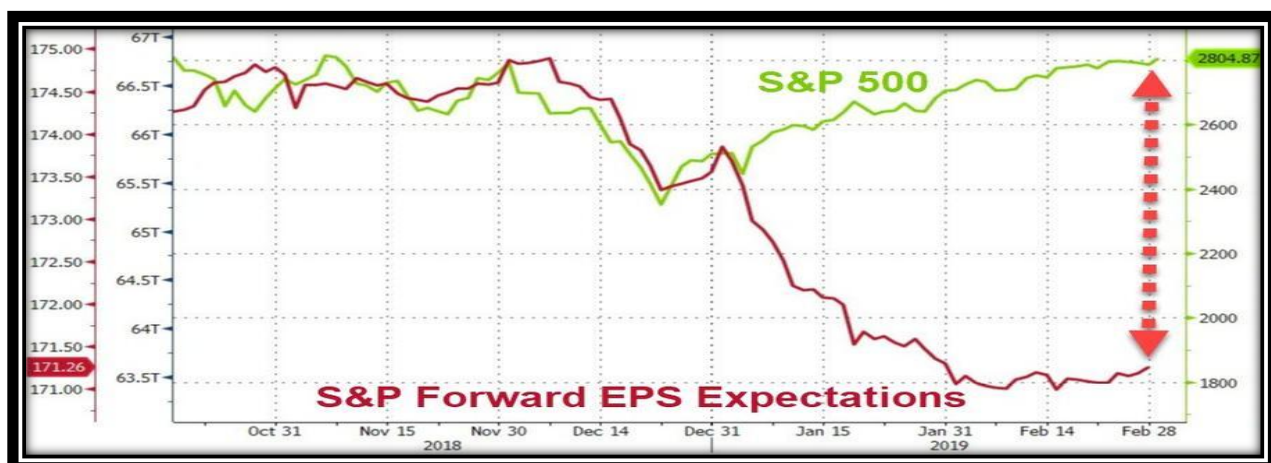
Greg Hunter: Peter Schiff on Record Debt Everywhere!

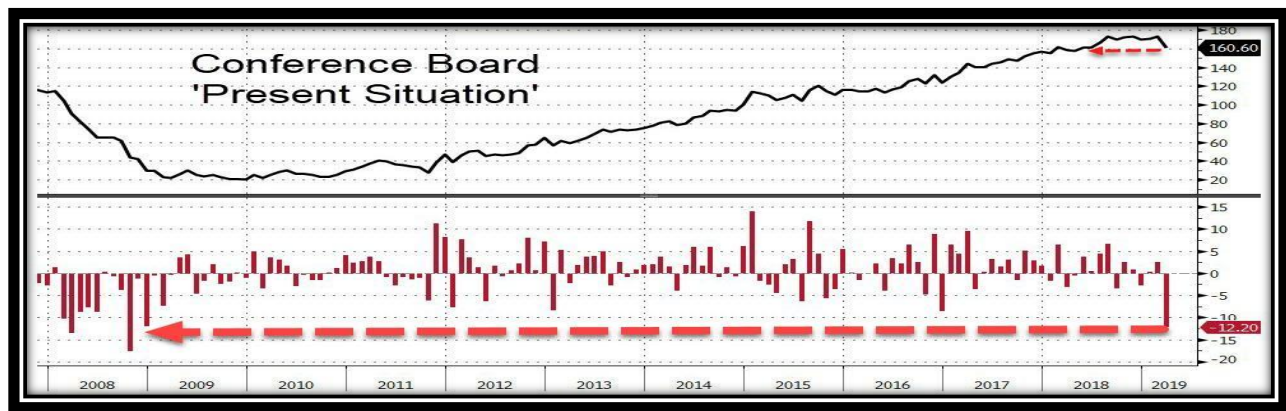


*"Even the most circumspect friend of the market would concede that the volume of brokers loans—of loans collateralized by the securities purchased on margin—is a good index of the volume of speculation." - John Kenneth Galbraith, *The Great Crash of 1929**

We need to turn our attention to this massive 400% stock market bubble. Is this a real metric for how good our economy and nation is doing? Is this something to brag about in an election cycle? Has the arrival of **Donald Trump** created this even *greater wealth effect* by his sheer presence, economic genius and comprehension of all things macroeconomic? **Hardly.**

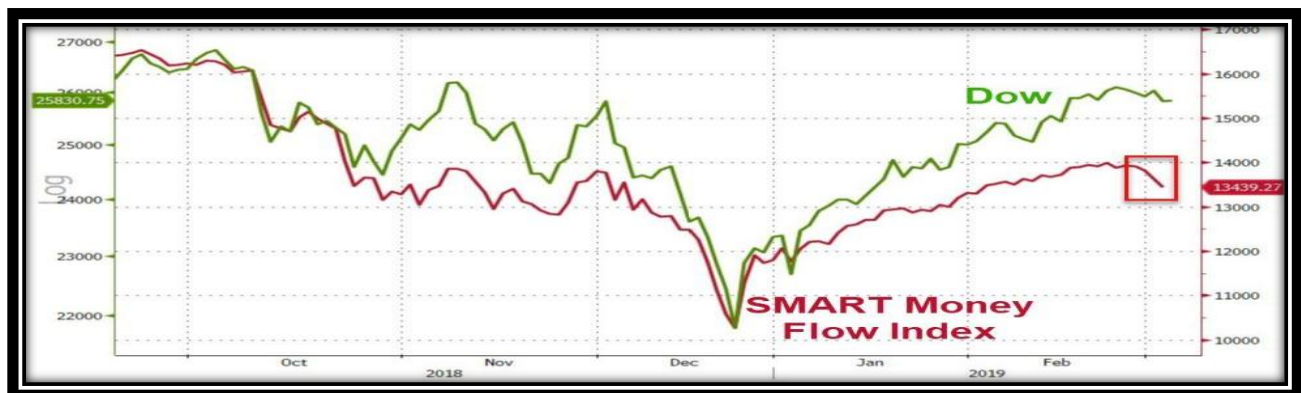
The old bankster J P Morgan once said (in congressional testimony in 1911) that "gold and silver is money, and everything else is credit." Let's call a spade a spade. The *ONLY* thing driving capital markets, and fiscal policy today is credit, *and credit is debt!* Just look at the above chart. **Wall Street** is a casino. See all of that red? There are **12,000** brokerage firms in the US with **654,000** stock brokers according to **FINRA**. Their daily/monthly/yearly mission is to *entice* retail investors to chase the "greater fool theory" and they encourage **buying stocks on credit**, and when things go south there will be extreme **margin calls** (stock liquidations). This is what caused **The Crash of 1929**, as noted by **Galbraith** in the above quote. As many know, in late **December** we had a "stock market swoon" and that is putting it lightly. All indexes fell **20% or more**, and that is *the official definition* of a **Recession**. How did the "market" respond? Or shall we say, how did the **Fed** respond? The secretive **PPT** met in private and goosed the broad stock index. As seen below, even though the earnings per share expectations (EPS) have *dropped*, the **S&P 500 Index** has *magically risen!* This must be due to **Donald Trump's** unusual acumen and keen insights into the mysteries of the economy, right?



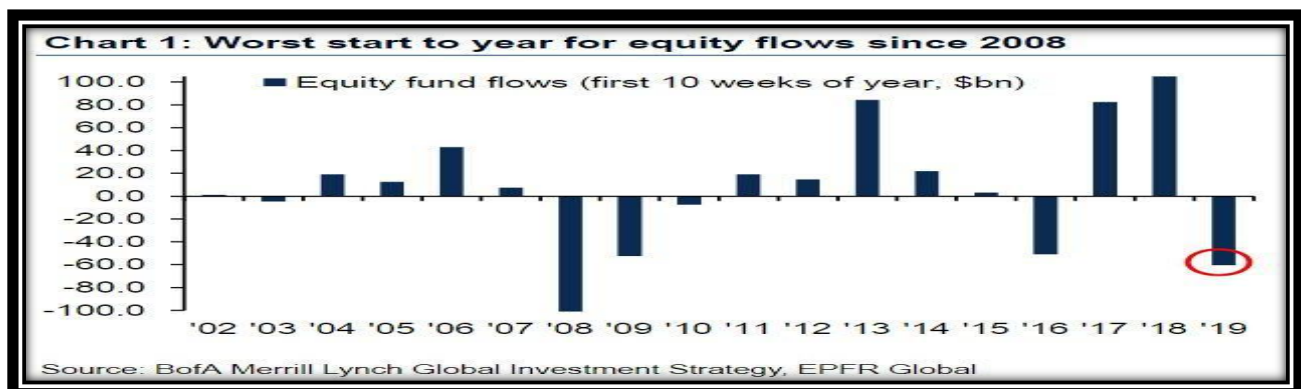


So let's talk about some hard data and dismiss all of the financial obfuscations today. Despite all the blather about a robust economic recovery and record unemployment and so on, the **charts below** reveal a different narrative. And haven't we just had about enough of **fake news**? Let's get real here.

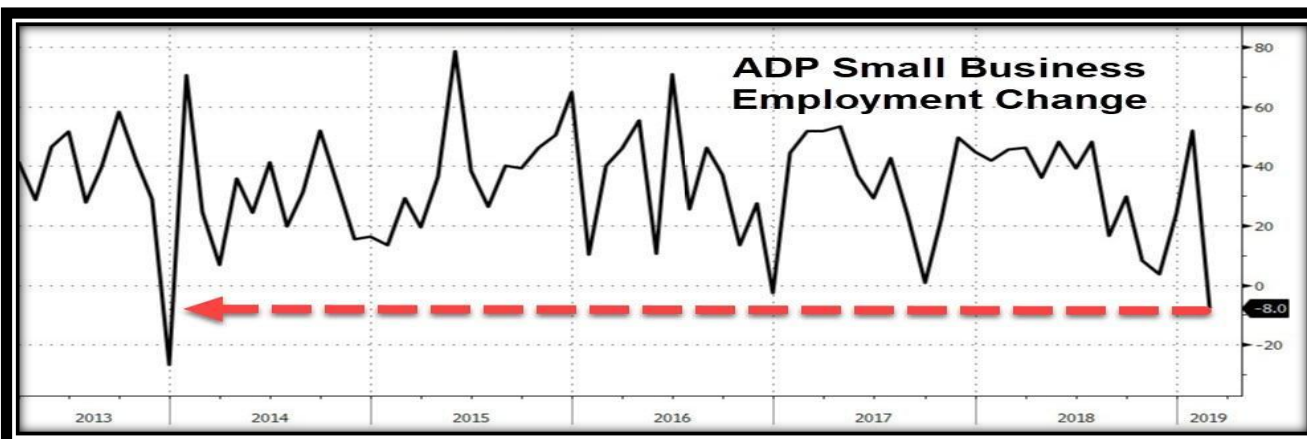
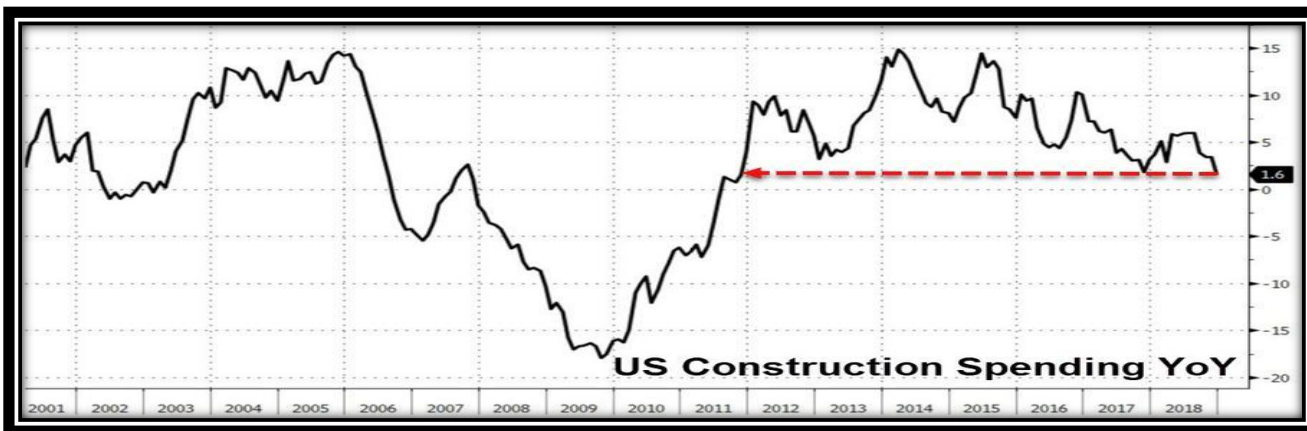
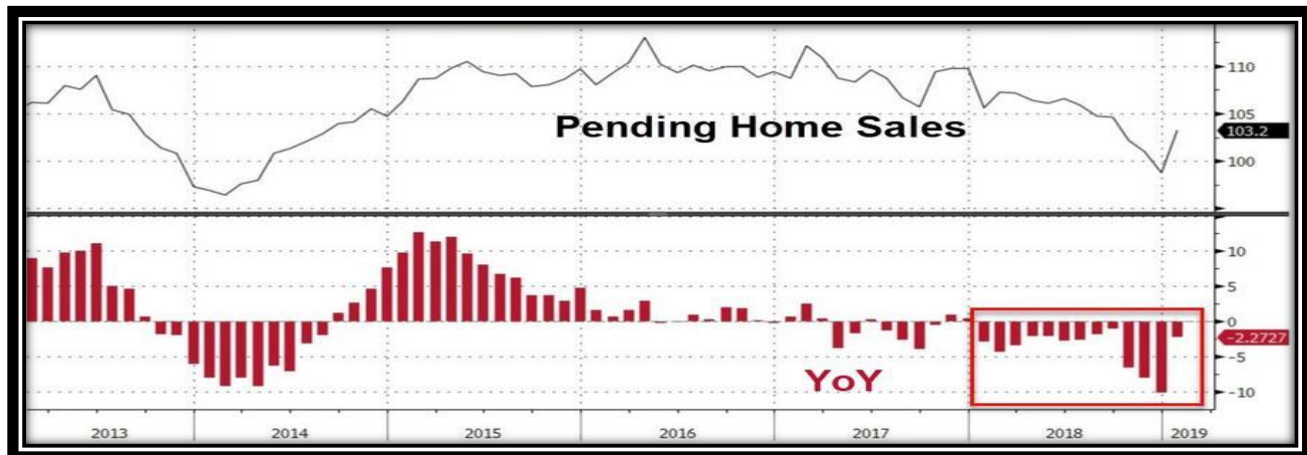
First of all, the above chart is quite shocking. If the economy is so great, why has the Consumer Confidence Index hit **2008 levels**? Never hear about that on **FOX News** with Hannity, Ingraham and the other cheerleaders. I want a robust economy, but things do not comport. According to **Forbes**, the amount of **billionaires** have more than doubled since **2013** (from 1,140 to 2,311). Talk about a *wealth effect*! What are the billionaires and **smart money** doing these days? Fleeing the stock market!



Another indicator is the **equity fund flow ratio** that represents the amount of new money coming into [mutual] funds less the amount *being redeemed*. This also is reaching **2008 levels** as seen in **this chart below**. You are not likely to see these important metrics on **CNBC, Jim Cramer or FOX Business**. What will you see and hear? Fake "financial" news, and this is the *worst kind* in my opinion.



As I mentioned earlier, it has been exactly **ten years** ago that the **central banksters** have taken over the price discovery mechanism in **capital markets** (up, up, up), and this has now created what they call **The Recency Bias**. What is the recency bias? It is a **fatal mistake** made by traders, fund managers and investors who assume that recent conditions *will always continue*. As one writer put it, "As far as **recent memory** tells us, the market should keep going up, so we keep buying, and then it doesn't. And unless we've prepared for that moment, we're shocked and wondered how we missed the bubble!" The *recency bias* is about to be slammed into the *reality bias*. The Fed (as part of the PPT) goosed a so-called recovery, as a **Christmas** present starting in **December**, but **these charts** tell a very different story. Here we see slumping home sales, construction and unemployment issues.





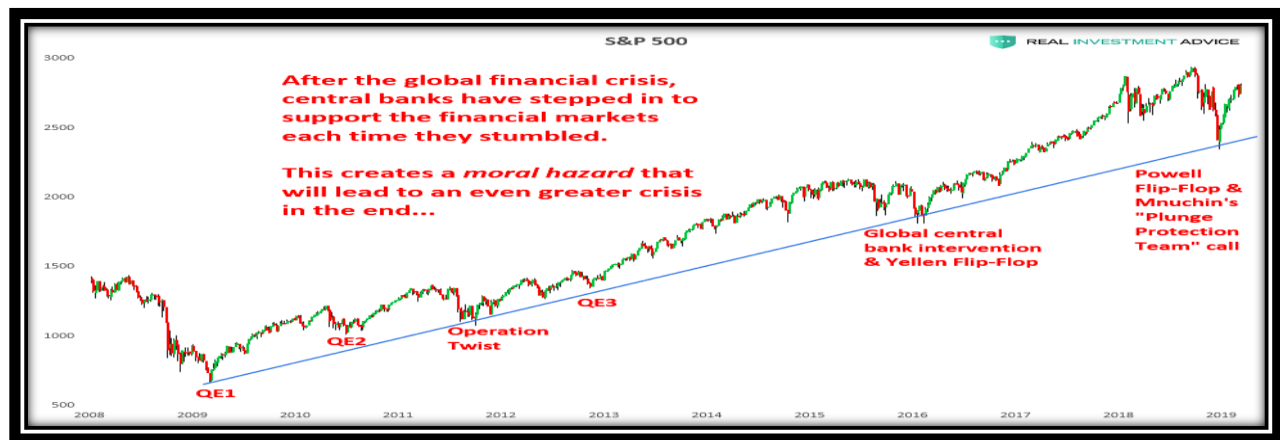
The above chart is particularly important. For the first time since **Trump** took office, the **Core Factory Orders Index** *has been falling*. None of the **previous charts** I have presented (or all of the **hard data charts** I present each month) will *ever* appear in the fake financial media. The **Wall Street** media shills will peddle the **recency bias**, and the **FOX Business** channel and their **Trump** shills will peddle the robust economic recovery narrative. The former will do it for *sheer greed*; the latter will do it for sheer *ideological reasons*. Get it? **The Fed** has created a **bubble economy** that is very near to imploding, and *NOBODY* wants to hear it! Both sides are saying we are in a "soft patch" in this robust economic recovery narrative, *but something is amiss* as noted by [Lance Roberts](#) and his team:

"The real concern for investors, and individuals, is the actual economy. We are likely experiencing more than just a 'soft patch' currently despite the mainstream analysts' rhetoric to the contrary. There is clearly something amiss within the economic landscape and the ongoing decline of inflationary pressures longer term is likely telling us just that. The big question for the Fed is how to get out of the 'liquidity trap' they have gotten themselves into without cratering the economy, and the financial markets, in the process."

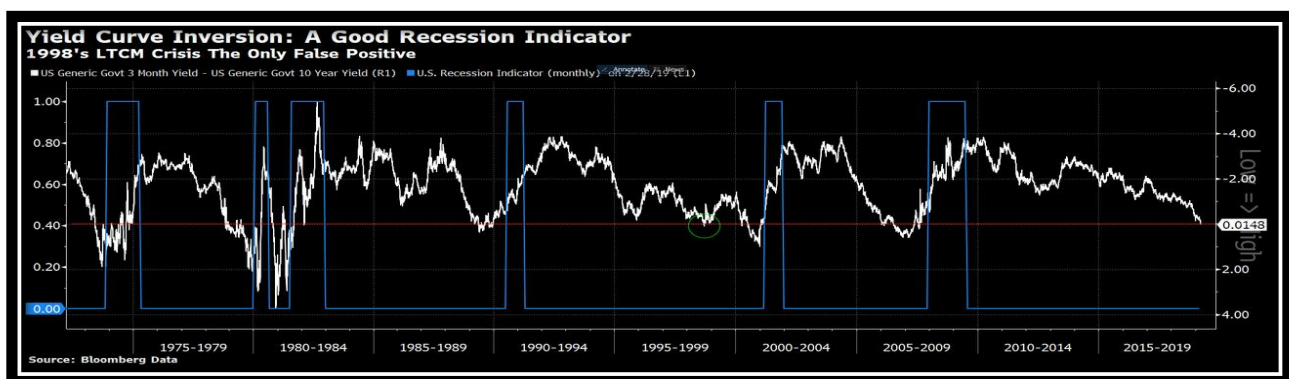
What Roberts is saying is what I have been saying. **The Fed** (and the central banking cartel) is trapped. Big time. They have reached the limits of their liquidity schemes (QE1, QE2, QE3...). As **Kunstler** said earlier, a decade of central bank machinations have reached their limits of **deception**. So what will this **deceptive franchise/cartel** do as the stocks markets crash, real estate craters and the bond markets blow up? **The Fed** was originally created to be the **Lender of Last Resort** in 1913 to prevent bank runs and so on, as noted in my book. Since the Financial Crisis of 2008, it has become the *de facto* Buyer of Last Resort. And this is a very different and dangerous for all of us. In other words, as we face this inevitable **financial reckoning day** that I concern myself with, the **Fed** itself is moving into position to start buying (monetizing) all sorts of assets in a bidless marketplace. In a [recent article](#) by **James Howard Kunstler** he addressed this and **concluded accordingly**:

"And should the Fed start buying stocks, mortgages, housing and bonds to prop up those bidless markets, what's the message it will be sending? Desperation. If the only buyer is the money-printing central bank, that's pretty good evidence that your economy and markets are in free-fall. The loss of faith in central bank magic will be gradual at first, as magical thinking dies hard. It's oh so comforting to believe the central bank will rescue every overleveraged mal-investment and bail out every high-risk speculation, but the funny thing about the Fed's magic is it only works in liquidity crises--in every other condition, it only makes matters worse."

The jist of what he is saying is that the Fed and central banks are trapped as I said earlier. There will be no normalization of rates and their policies will lead to desperation...and hyperinflation. As **seen below**, central bank interventions have only created **moral hazard** on a grand scale.



What is moral hazard? It is an insurance term. It means "taking advantage of a situation by taking risks that others will pay for" and this "creates a temptation to ignore the **moral implications** of a decision: Instead of **doing what is right**, you do what benefits you the most." Sounds like our modern banking system and society at large, huh? The bubble economy is finally showing weakness, and this is showing up in the charts above and **huge store closures** in the retail industry. In 2017, there were 8,140 major retail store closures. In 2018 we saw 5,500 closures, and already in 2019 we have *almost 5,000 closures* according to [THIS LINK](#). In an [article](#) entitled "**retail apocalypse**," more than 300 stores closed on *one day* on February! What is going on here? In this election season it is not at all expedient to mention **this hard data** at the **Trump** rallies, or the **unsustainable debt** in the public and private sector as we shall see. These days, most politicians (left or right) are blaming the **online retailing preference** of a new generation, but is this true? Most certainly not. According to the **US Commerce Department**, [Ecommerce](#) only accounts for **14.3%** of retail sales, and this means that **85.7%** of the retailing industry is struggling in a **very bad economy**. Global shipping is slowing (the Baltic Dry Index), and now even [FedEx](#) is confirming this trend. I wanted to include a section here on the devastating blow to the **farmers in the Midwest** due to **Trump's** foolish tariffs and trade war issues, so let me summarize with some links. This trade war (China) is "hitting" [our economy](#), not theirs. [Farm loan delinquencies](#) are the highest *in nine years*, and [farm debt](#) is reaching **1980 crisis** levels! The fake news media is too obsessed with the **Trump Derangement Syndrome** to focus on these serious issues, but **the most serious blow** to farmers in the **Midwest** is due to **catastrophic flooding** in this region! Read all about it [HERE](#), and I will keep you posted on this matter.



Most of you are hearing about an inverted yield curve that is always a Recession Indicator. Well, [here it is](#), and no amount of **financial obfuscation** can put lipstick on this ugly pig (unless you are a circus barker like Donald Trump or Larry Kudlow). That **red line above** is signaling an economic, financial and fiscal crisis is either coming this year, or most certainly by **2020**. And it gets worse.

The American people are repeatedly informed that our national debt has exceeded \$22 trillion. Should this concern us? The central bankers of the world have created so much fiat/sovereign debt that it is incomprehensible to the average person. As indicated earlier (p. 2), we have a debt-based economy as "money" is created out of debt. All governments are manufacturing too much money/debt and this has now become known as the **Modern Monetary Theory** (MMT). Here is how **Bill Bonner** explains it. "The theory suggests that governments can print as much money as they want, until something bad happens. Since a government can print the money to pay its debts, it never has to go broke. Therefore, the idea goes, debt doesn't matter." That's right folks, debt doesn't matter. But our national debt is not just **\$22 trillion**, according to research by **Catherine Austin Fitts and Dr. Mark Skidmore** at the **Michigan State University**, there is a *missing \$21 trillion* at the Department of Defense, HUD and who knows! Perhaps you have heard of this, and if not, **here it is for you below:**

Greg Hunter: Federal Accounting Meaningless & Frightening

In this clip, they explain how the government is blocking any investigation into the missing trillions by declaring it a "national security" issue imposing **Financial Accounting Standards Board Rule #56** (FASB 56). Talk about **financial obfuscations** at the highest levels! According to [THIS LINK](#), our government is "permitted to publish financial statements that are *altered* so as to protect information on *classified spending* from disclosure." In this same report, the **CIA** has declared that "the protection of classified information and national security takes precedence" on this issue. The **Pentagon's Office of the Inspector General** has responded that this "new approach [is] improper." *Do you think?*

What are the implications of all of this obfuscation and central bank intrigue? The Modern Monetary Theory has created unprecedented "income inequality" and moral hazard at every level. The younger people are suffering **hard economic data**, and so they are embracing **Socialism** as a solution!

Socialist Agendas & The Cloward-Piven Strategy



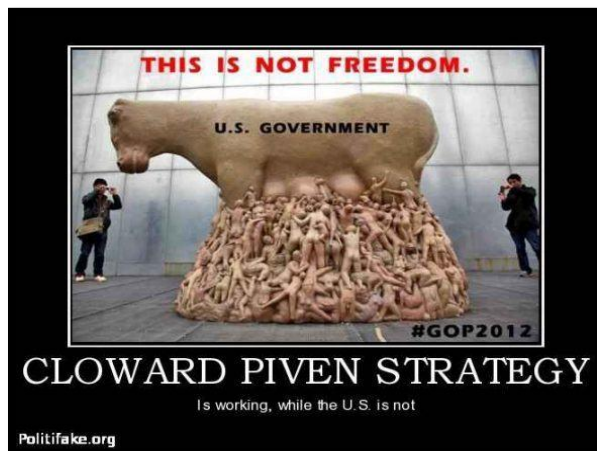
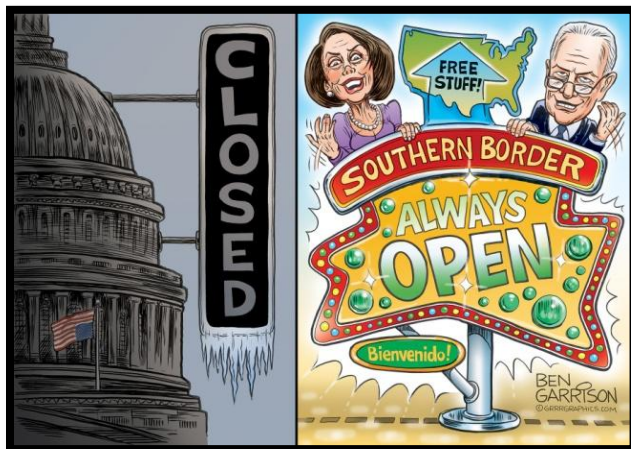
Several articles, reports and studies are confirming that there is a cultural shift to a **Leftist Progressive ideology** among the younger generations. This is a direct result of **central bank magic** since 2008 to bail out **Wall Street** and create **class warfare**. What has caused this cultural shift? [HERE](#) is a quote:

"Where is this impetus toward Socialism coming from? We need look no further than the Global Financial Crisis of 2008, and in particular, the bailouts of the banks who had over-leveraged themselves with bad loans and untenable derivatives. This act, of socializing the losses, backstopping the failed 'banksters' under guise of saving the global economy, from which they paid themselves exorbitant bonuses for their abysmal stewardship, was the single-most damaging act to the credibility of free market capitalism, ever."

This writer is spot on. The politicians always *get the blame* for a bad economy, but it is the **central banksters** who are to blame! Let's be clear here. It is the **failure of crony capitalism** - and not **free market capitalism** - that has created this class warfare and the politics of greed and envy! This is the ten year anniversary of **QE1 in 2009**. And then **QE2 in 2010** and **QE3 in 2012**. And the result?

"With younger generations financially penalized under QE to prevent the economy from a deflationary collapse, the Fed may have inadvertently transformed tens of millions of young Americans into Socialist."

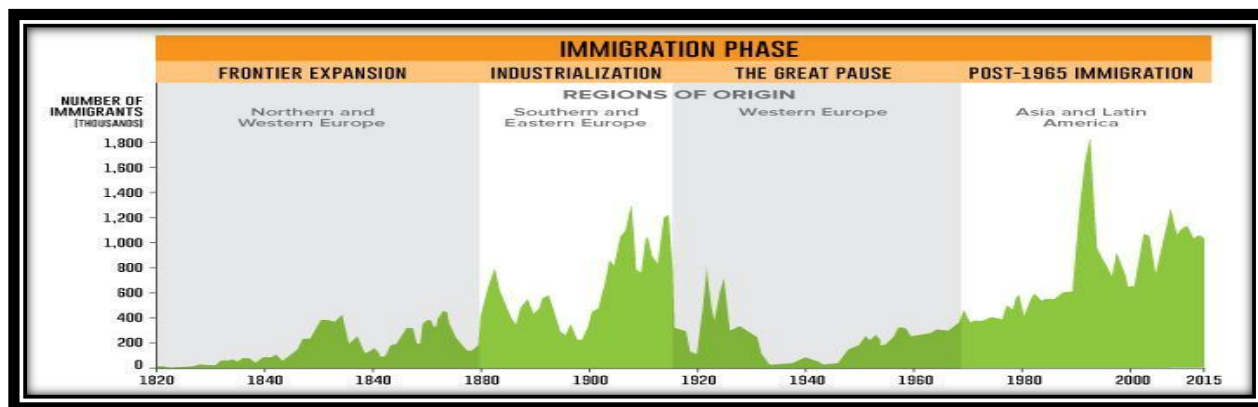
This is the conclusion in THIS article. It is the evil banksters who have "marginalized" the masses and transformed them into little Socialists, and the **Democrat Party** could not be more pleased. **Mish Shedlock** points out how the **Fed** has contributed to this process and now even talk of **reparations!** According to a new **Harris/Axios Poll**, young Americans are very unhappy with the "low-paying gig-economy jobs" today and represent **37%** of the electorate and favor Socialism. **Richard Cohen** at the ultra-liberal *Washington Post* sees the **2020** elections coming and thinks things are getting too radical in his own party. "I don't quite know what a handbasket is, but the **Democratic Party** is heading in one to **electoral hell** with its talk of socialism and reparations." The **DNC** is really the **Communist Party** today. **Communism is Socialism in a hurry.** It was two **Communist** professors at Columbia University (Richard Cloward and Frances Fox Piven) who wrote *The Weight of the Poor* in **1966** in *The Nation* (Communist magazine). The subtitle was *The Strategy to End Poverty*. And what is **this strategy?** Quite simple. Overload the **US welfare system** and use **this crisis** to provide "a guaranteed annual income" (as in Universal Basic Income today). **THIS** is the agenda of the **LEFT** today. This is why they **WANT** loose immigration/invasion of the **US!** Read more at [THIS LINK](#).



"Despite their purported concern about foreign entities, namely Russia, tarnishing the squeaky clean US political machine, the Democrats are totally fine with illegal aliens participating in the election process. Nothing speaks 'mob rule' more than that decision, which shows exactly how far the Democrats are willing to subvert the political process, not to mention the rule of law, in order to extend their cultural and political control over the country. These unhinged efforts, which have absolutely nothing in common with democratic principles, and must be stopped for the sake of the Republic."

The above quote is from Robert Bridge at the Strategic Culture Foundation. Make no mistake, the Democrats/Communists today want **the illegal votes** of every single immigrant! But, the folks at this *strategic* foundation have failed to mention the *strategy* being used on us. **Pat Buchanan** has been a **crusader** on this issue, and recently said that **Trump** should "charge Democrats with finding excuses not to secure our border because they have a *demographic and ideological interest* in changing the face of the nation." He more recently said that because of this agenda/strategy "the political future of **America** has already been determined." What is that future? It is an electoral hell for the GOP as far as the eye can see. Why do we say this? **The Cloward-Piven Strategy** is all about the politics of **greed and envy**, and it is selling well these days. One writer politely put it this way, "If **justice** is giving each person his or her due, then taking wealth from those who have earned it, in order to give it to those who have not earned it, is a practice *dubious at best*. It is human **to envy** those with more and better. However, *it is doubtful* that it is good social policy to base political policy on these sentiments: one historically ends up with worse and less." Wow, what an insight into human behavior! It almost sounds like...*ANIMAL FARM!* THIS is my **favorite video version of this classic** if you have time.

In my book (p. 139), I note The Immigration Act of 1965. Notice the timing with **Cloward-Piven** in **1966**. In the civil rights era the government lifted the moratorium on mass immigration since **1924**, and here is **the chart below**. Why did they do this? According my latest Imprimis mailing from **Hillsdale College** on this very topic, the goal "...was to diversify the demographic composition of the American population from majority white to a majority of **people of color**." Bingo. There you have it.



Some call this the "browning" of America. This is not a **racial issue**. It is just a fact. And it is also a fact, as **Buchanan** says repeatedly, that this *new illegal voting class* always votes for the **Democratic Party**. Is this sedition, insurrection, treason and war against the citizens of the US? I would think so. From my book (p. 139), I quote **Article IV, Sec. 4** of the **US Constitution**, "The **US** shall guarantee to every State in this Union a Republican Form of Government, and shall protect each of them against [foreign] **Invasion**..." This is the rallying cry that **Trump** should be using, but he is Constitutionally challenged, shall we say. So, should **Trump** build "The Wall?" According to **US Customs & Border Patrol**, our southern border is **1,954 miles** (not *85 miles* in Israel). According to **Pew Research**, **60%** of foreigners simply come with green cards, and then they assimilate. All of the ranchers on the border say one thing - **The Wall** is *meaningless* unless you have border guards. Read it HERE. personally, I think **The Wall** is a waste. Get a grip **Ann Coulter** and **FOX News**. It works in Israel, but not here. What we need to do is charge the DNC with the above crimes and more. Furthermore, as I document in my book, the **Cloward-Piven Strategy** perfectly interfaces with the broader **Establishment** goal of a **North American Union**. Bewildered **Trump** supporters like Rush, Malkin, Hannity and others have likely dismissed this "conspiracy theory," but a **financial reckoning day** will reveal the end game, and I think this is why **Trump** is failing to deliver. Too many private meetings with **Kissinger in NY**.

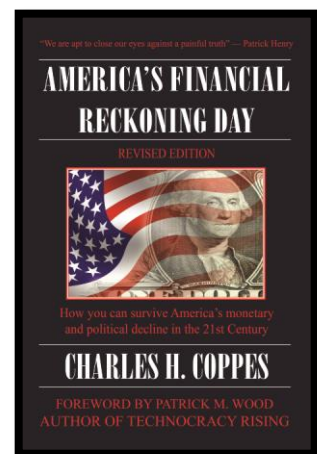
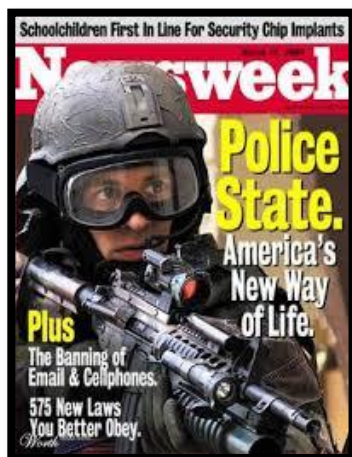
A Financial Reckoning Day & *Loss of Liberties*



"Democracy never lasts long. It soon wastes exhausts and murders itself. There never was a Democracy yet, that did not commit suicide." - **James Madison, *The Federalist Papers***

So, what can we expect going forward? As I mentioned, **the wall idea** could help, but it is not very practical without surveillance. Determined immigrants either climb over or dig under these structures. And then there is the question *whether this is even legal?* **Judge Napolitano** says no, because it involves private property rights and so on. Read [HERE](#). **Trump** may have been exonerated from the release of the [Mueller Report](#), but he will not be exonerated from a **fiscal/monetary crisis** that is fast coming. Something is *seriously amiss* in the economic landscape and loose immigration, moral hazard and **MMT** desperations are converging in such a way that our nation is at risk. As **Thomas Jefferson** said, "The democracy will cease to exist when you take away from those who are willing to work and give to those who would not." **Class warfare** and the politics of **greed and envy** is not a good sign, and **David Stockman** recently said that our [reckoning day](#) is near. In this interview below he shares how unsustainable our debt is, and basically how **Trump** is too late to drain the swamp. **50 minutes.**

Chris Martenson with David Stockman: Trump is Too Late



As I have written in my book (above), a fiscal/monetary crisis will be followed by a Police State. I don't like sharing this rather *depressing scenario*, but all of my research convinces me that this is where things are really heading. This also seems to be global in nature. This week, **Ambrose Evans-Pritchard** concluded in the *Daily Telegraph* that "a mounting weight of evidence suggests the world is *one shock away* from a contractionary vortex that would be extremely hard to control." He is referring to the coming deflation/contraction as **bubble economies burst**, but it will be the same result as the authorities use **brute force** as we are seeing in **France** today. In the **US**, the Democrat (Communist) Party is trying to disarm the **American** people, and [Mike Adams](#) is **sounding the alert below**:

"A day of reckoning is coming in America. We are one spark away from an open civil war, and that spark could be something as simple as the initiation of nationwide gun confiscation laws which would be fiercely resisted by armed patriots, law enforcement officers and both active duty and former military veterans."

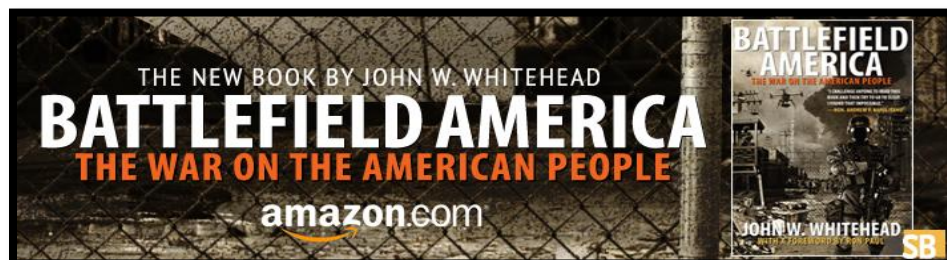
Mike is a friend of mine and he is very focused on our culture wars. He says that perhaps *only 5%* have a real grip on how bad things are going to get. If you have a stomach for it, he really lays it out in [THIS POST](#). And as I always remind people, I am just **the messenger** on these topics. In a [similar post](#), **Robert Gore** at **Straight Line Logic** poses this relevant question for our consideration:

"For America's ruling class failing policies - looming insolvency, rising awareness via the alternative media, their own hypocrisy and corruption, political polarization, and a well-armed populace are a stairway to hell. What happens when the disaffected, many who will have nothing to lose, try to reclaim their lives and liberty and upend the political order that has road blocked their pursuit of happiness?"

The title of the above article was *How Much Longer Will The Middle Class Politely Tolerate Its Own Destruction?* Indeed, how much longer will **Americans** (mostly the deplorables) be *civil* in this looming *civil war* being inspired by failed central bankster policies and **traitors** in our midst? In his [book](#), *The Five Stages of Collapse*, Russian author **Dmitry Orlov** suggests that societies go through **five stages of collapse** as follows. You will note that a **fiscal/monetary issue** is **Stage One**:

- **Stage 1:** Financial collapse. Faith in "business as usual" is lost.
- **Stage 2:** Commercial collapse. Faith that "the market shall provide" is lost.
- **Stage 3:** Political collapse. Faith that "the government will take care of you" is lost.
- **Stage 4:** Social collapse. Faith that "your people will take care of you" is lost.
- **Stage 5:** Cultural collapse. Faith in "the goodness of humanity" is lost.

The author says that these stages are a process, "but what changes rather suddenly is *faith* or, to put it in more businesslike terms, *sentiment*." Ah yes, and **WE** call this **CONFIDENCE** in my business. You can read [MORE AT THIS LINK](#). Nobody has done more research on **Stages 3-5** than Christian attorney/activist **John Whitehead**. We are witnessing a **degradation of our civil liberties** and he has written this **important book below** that really exposes the **Deep State** threat that we all face today.



Is America a law enforcement battlefield and about to become a kinetic battlefield? I'm afraid that the answer is both yes and yes. The book cover is too small to read the endorsement by Judge Andrew Napolitano that is so important. So, here is what he says. *"I challenge anyone to read this book and then try to go to sleep. I found that impossible."* Many of you know where I stand on these liberty issues, and the more I report on the daily news cycle, the more troubled I am in my own spirit. Here is a recent comment by Whitehead at [THIS LINK](#) with hyperlinks that he always provides:

"For years now, the government has worked with the military to prepare for widespread civil unrest brought about by 'economic collapse, loss of functioning political and legal order, purposeful domestic resistance or insurgency, pervasive public health emergencies, and catastrophic natural and human disasters.' For years now, the government has been warning against the dangers of domestic terrorism, erecting surveillance systems to monitor its own citizens, creating classification systems to label any viewpoints that challenge the status quo as extremist, and training law enforcement agencies to equate anyone possessing anti-government views as a domestic terrorist. We're approaching critical mass."

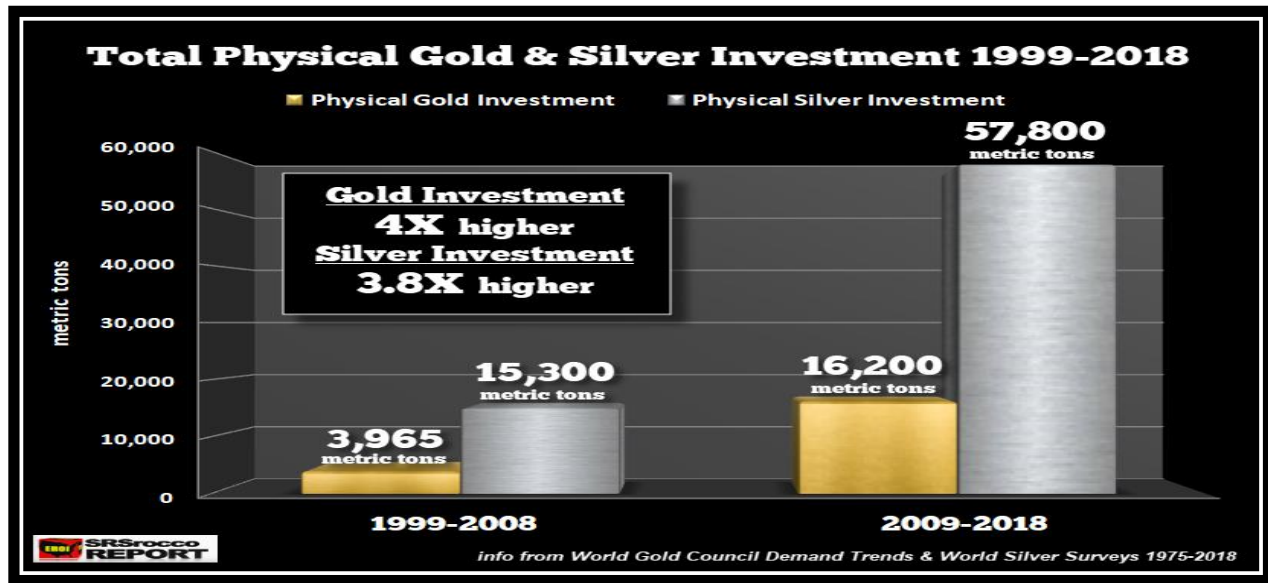
Indeed, this is what also keeps me awake at night. And guess who wrote the Foreward to this book? None other than Dr. Ron Paul. Our vigilant statesman who has been sounding the alarm for many years. Whitehead often compares what slowly happened in Germany as the Nazi Party became more and more powerful until finally they banned gun ownership in 1937. Since 9/11 and the creation of the Department of Homeland Security and USNorthcom in 2002, we have seen the militarization of law enforcement - a topic in his book *A Government of Wolves*. In [THIS ARTICLE](#) he illustrates how we are slowly going down the same path that Germany did. He even shows how the government is labeling our veterans as potential extremists! Mike Adams has [reported](#) that New Jersey has now banned magazines that hold more than 10 rounds and they are willing to go door-to-door and charge gun owners with a felony! This is similar to what happened in Watertown, MA in 2013. Again, we have seen this escalate dramatically since 9/11, with the so-called Patriot Act and so much more.



In a recent article, Whitehead asks [Trump] You Want to Make America Great Again? Start by Making America Free Again! Indeed, and one of my concerns is Trump's use of Executive Orders in his presidency. Again, Whitehead delivers [THIS](#) warning about an Imperial Presidency, and much more at his site: www.rutherford.org. Pastor Chuck Baldwin has penned an [excellent article](#) on this topic, and I was most impressed with [THIS](#) article regarding how executive power has been expanded in the Oval Office since FDR. In his book *The Cult of the Presidency*, Gene Healy concludes, "Trump is the extreme energy drink of what's been on tap for a long time." Seriously, how can America be great if we are all living in a Police State someday? As we now consider the precious metals market, I leave you with this quote from one of Whitehead's many fine articles and true patriotism.

"Let's not confuse patriotism (love for or devotion to one's country) with blind obedience to the government's dictates. That is the first step towards creating an authoritarian regime. One can be patriotic and love one's country while at the same time disagreeing with the government or protesting government misconduct....and if you're prioritizing partisan politics over the principles enshrined in the Constitution, then you're not a true patriot."

Physical Gold & Silver Investment Since 1999



The Financial Crisis of 2008 has been officially been postponed by the central banksters. As noted, it has been **ten years** since they have intervened in a reckless manner to become the **Lender of Last Resort** for the casino operators on **Wall Street**. As seen above, the surge into **gold and silver** is *four times higher* from **2009** to **2018** than the previous decade. Demand may have slowed a bit since *the wealth effect* and **central bank magic**, but a "contractionary vortex" is threatening to pop the over-valued capital markets on a large scale. It is being reported that the central banks bought more **gold** last year than *any year* since **Nixon** decoupled gold from the dollar in **1971**! Banks are aggressively adding **gold**, but we are not being told *why* in the mainstream financial press? In recent newsletters I have been commenting on the coming **Basel III Accord** this year, and **Peter Schiff** alluded to it in his interview earlier (p. 2). The Bank of International Settlements has now made this official **April 1st**.

Basel III Accord: *Gold is Now a Tier 1 Asset!*



The BIS is in Switzerland and sets broad policy for all central banks. This accord has raised **gold** to a **risk-free asset and cash equivalent**. Why are they doing this now? They know very well that the monetary system is about to implode and this is an effort to recapitalize the banks. Simple as that.

Jay Taylor is a financial analyst who has been following this in his [latest newsletter](#), and he mentions how gold will be *repriced* much higher. "The ability to count gold as a reserve from which banks can create monetary inflation is not only to allow gold to become a reserve on the balance sheet of banks but to have a *much, much higher, gold price* to build up equity in line with the massive debt in the system." Nobody has done more reporting on this issue than **London whistleblower** and trader **Andrew Maguire**. The clip below is from **March 20th** with **Greg Hunter** and most insightful:

Greg Hunter: Andrew Maguire - Banks Are Going Long Gold

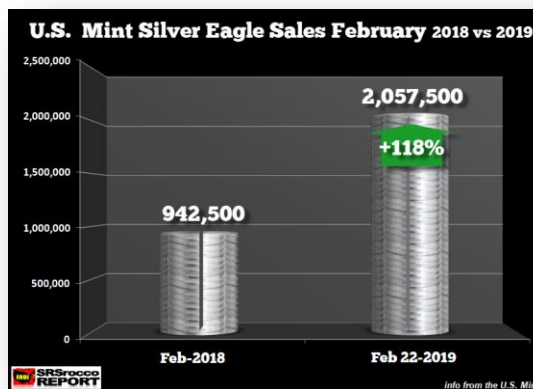
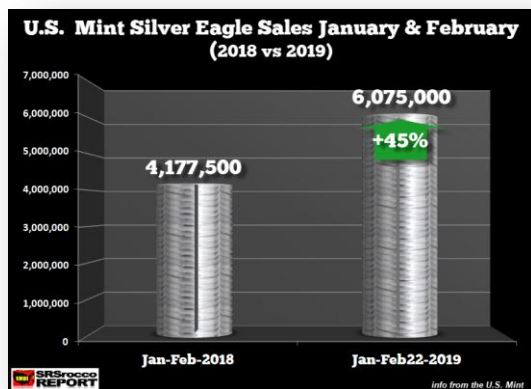
In this interview he discusses the current gold supply/shortage, **China's** demand for gold, expected delivery defaults at the warehouses and how **gold and silver** will be marked-to-market to the upside. His comments on **silver** are very bullish at **27 minutes** and **32 minutes**. He also mentions the **Basel III Accord**, and especially in a **more recent interview** provided below with **King World News**:

King World News: Andrew Maguire - Basel III and Peak Gold

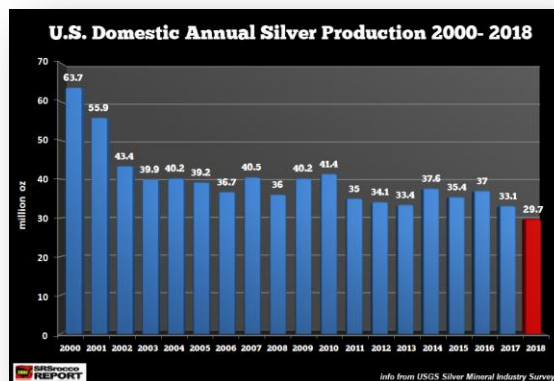
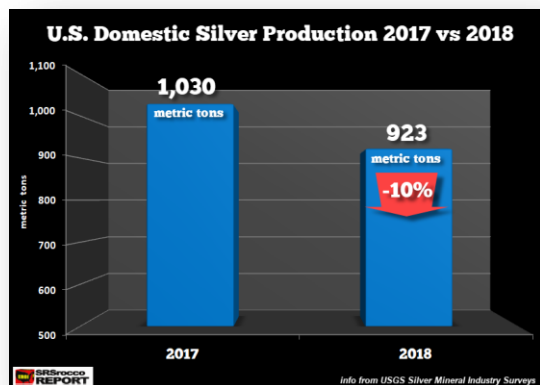
You can start listening at 9:45 to get the gist of all of this. He also mentions that **silver** is now in "backwardation" - a term that essentially means that entities are willing to pay more for **silver** *now* than the lower price at the end of a contract price. This is very bullish **for silver** and **Maguire** explains this in [this article](#) as well. **Gold and silver** are traded in the futures markets and this is where the "price" is determined, but this is not a physical market! The **Basel III Accord** will discourage the trading of unallocated metals and both **gold and silver** will finally break out of the artificially low prices we see today. The world is facing a **monetary reset** that will restructure sovereign debt. This will be very disruptive, and this is why **the banksters** are moving into metals. [A recent article](#) in **Fox Business** has even encouraged governments to *default now* instead of later, because it is only going to be worse the longer it is postponed! They call this a "soft default" and explain it this way:

"The Treasury would peg the dollar to gold, oil, natural gas or silver -- or perhaps a basket of those commodities. By choosing a weak valuation, for instance, \$10,000 per ounce of gold, compared to the current market price of roughly \$1,290 per ounce, much of the debt could be paid down thanks to a much weaker dollar."

This scenario is being anticipated by the **BIS** and **IMF** as they promote the **SDR** as a new unit of account to serve as a new reserve currency with a **gold component**, and likely much higher than **\$10,000/oz.** It is almost certain that authorities will not wait to do things in an orderly manner. So what about **silver**? Well, I am glad you asked. At the current gold/silver ratio of **85:1** (not a normal **15:1** or lower) **silver** is the *most undervalued asset*. As you can see it is trending higher than last year.



Interestingly, US silver production at the mining level has been declining in a rather steady fashion as seen in these charts. Domestic mining has dropped **50%** in the past **20** years. **Steve St. Angelo** says this is due to lack of silver deposits in the **US** and too many environmental regulations by the government. It should also be noted that only about **20%** of **silver** is mined by primary silver miners, the rest of the **silver** is a byproduct of lead, zinc and copper mining. The reason we like **silver** is that it is a hedge in **deflationary times**. If base metal mining declines this makes the **silver supply** scarce as an investment. In **inflationary times** only **silver** (and gold) will protect your wealth.



So, what is the upside potential for silver? In **April 2011**, **silver** almost hit **\$50/oz.** and was ambushed by the banksters to short **the white metal**. At the center of this *price suppression* has been **JP Morgan Chase** since **2008**. As many of my readers know, it was precisely at that time that **JP Morgan** started acquiring silver, and now they have **800,000,000 ounces** of **physical silver**! Folks, this is more than an annual production of **US** silver mining today. Why have they done this? They are playing both sides of the trade. They are the naked shorting silver while they buy it on the cheap. Isn't this a crime? Yes, but they know that **silver** is going to the moon and their cronies at the **CFTC** are looking the other way. **Ted Butler** has been following this. Traders at **JP Morgan** got busted for "spoofing" last **November** and the **DOJ** and **FBI** are now hot on their case. **Butler** says, "What I think this reflects is **JP Morgan's** move *to be done with manipulating the price of silver* and quietly passing the **hot potato** to the other big commercial shorts. I further believe this could prove to be the ruin of the other big commercial shorts that will soon be evident in an explosive price move higher."

READ IT HERE. If you have been holding **silver** for a good while, hang on my friends. In a **VERY RECENT** interview with **Butler** he said this, "I'm hopeful the Justice Department will be all over this. How can they not be? That would end the manipulation and set the price of silver free. That in itself will be something to behold....People who own **silver** will be glad they waited. *The coming price rise in silver will be talked about for decades.*" **Andrew Maguire** ended his interview with **Hunter** above, "Silver is going to break out. I think **\$50 per ounce** is a joke. I think it's going to be substantially higher than that. It's not going to be a question of how you can run into resistance with silver. It's going to be how much physical is available! It's going to be a heck of a lot higher when you start to have a run on the price." Yes indeed. **Peter Schiff** said the very same thing at the end of his interview with **Greg Hunter**. And if you are not familiar with **Greg Hunter**, he features **2-3** guests a week at his website and you NEED to watch/listen often at [THIS LINK](#). You will be glad you did, and I leave you with **one more interview** that he did with **Ron Kirby**. This is great stuff, and I pray that I can be a new guest on his program soon. I will keep you posted on this. **Listen** if you have time.

Greg Hunter: Ron Kirby - Money Printing Will Shoot Metals Higher

Summary & Conclusion. Well, I have covered lots of information as always, and I am going to stop here. The impact of the **Basel III Accord** is placing more emphasis on actual **physical metals** (not paper futures) and these artificially low prices will not last much longer. If you are holding gold and silver you will be glad you waited. **The Fed** only has one trick and that is to create currency out of thin air. **The Modern Monetary Theory** (endless debt and wealth effect) is creating a fiscal/monetary crisis on a **global scale**, and the banksters know it, but they must **obfuscate**. The term "obfuscate" means "to be evasive, unclear, or confusing...to darken, bewilder or stupefy." This is the world of fake financial news and cryptic utterances from these semi-supernatural beings operating behind the curtain. All they have created is massive "income inequality" that is being exploited by **collectivist forces** in our society. **Socialists** today are reacting to *crony capitalism*, not capitalism noted by [this blogger](#):



"We live in an imperfect world. Capitalism does not guarantee riches. It only promises the opportunity to pursue a better life. Wealth is created through hard work and incentives. By its nature, some people will pursue success more ardently than others, thus creating income inequality. But individuals still have a choice. Under socialism, any pretense of choice is removed. Misery and poverty will be distributed equally. Wealth is destroyed instead of created. Imperfect though it may be, capitalism is the only economic system to offer the incentives to pursue success through market forces. By contrast, socialism everywhere has destroyed its wealth and financial markets."

There is an old saying that free men are not equal, and equal men are not free. Get it? Name me one Socialist/Communist experiment in history in which there was *actual equality*. It is **Animal Farm** repeated over and over. For a little insight [watch this short clip](#) in which **college students** are asked to share their high grades with others - Not! Unfortunately, **Group Think** prevails today and mass immigration (Cloward-Piven) is only making things worse as we go through the stages of collapse. This is not **Norman Rockwell's America** any more. Indeed, we live in an imperfect world, but a **perfect world is coming** if we have our faith and trust in the **Lord**, Amen? "Righteousness exalts a nation, but sin is a disgrace to any people" (Pro. 14:34). The world has a **sin** problem, but there is a **cure**, and His name is **Jesus**. I have much more in my book, but you can read about this **Good News** at my site by clicking [HERE](#). This newsletter ran a bit late because of the intense news cycle. My next mailing will focus on the epistemological matrix that we are all living in. So, stay tuned!

Until Next Time, Your Messenger from Pinetop 🙏

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