

Dan Celia

The following is taken from my 1/18/10 article, "**Reset Button**" with revisions for today - Fri, 2/25/2011



When is it going to reach a point of no return?

The big question this year is the same as last year - "the dollar" - as we see some enthusiasm in the markets and people ready to believe that the Recession is coming to an end (*as opposed to postponing the inevitable*). This has me a bit concerned. I have seen numerous articles written by various people, some of whom are economists, others are theologians or CFOs, and yet others are those who have *never* worked in the financial markets at all. Since the "Economy" is on the minds of most people, we are seeing commentary from every quarter.

The question I am hearing increasingly more these days is whether the dollar is going to collapse. I don't think the true question is whether the "dollar" is going to collapse ...or even whether the Country is going to collapse. I believe the real question (*if we stay on this path*) is: When is this going to happen? America (*we taxpayers*) will pay close to \$855 billion in interest payments on our debt. That is based on 4% interest. In the next four or five years, that will easily be a Trillion Dollars. A Trillion Dollars in *interest*! Can you imagine adding a trillion dollars to the *trillions* of dollars we are *already* in debt - every year?



There is one thing that this government has not yet figured out. More *regulation* will not fix the problem, and certainly more *stimulus* is not going to fix the problem. The only way this problem *would have* gotten fixed is to have taken a stance of NO STIMULUS/NO BAILOUTS/NO BIGGER GOVERNMENT - starting back at the Bear Stearns' bailout after March 17, 2008 (when the share price was \$2.00 off its peak of \$169.00). On the verge of collapse, Bear Stearns was bought by JP Morgan for a fraction of its former value, with backing of the US Federal Reserve - the *first* bailout.

This was the beginning of what ushered in the ideology that will go down in history as

the start of the collapse of America - *if* we don't change course. Look at Jeremiah 18:10-12: ***If it (a nation: my words) does evil in My sight so that it does not obey My voice, then I will relent concerning the good with which I said I would benefit it. "Now therefore, speak to the men of Judah and to the inhabitants of Jerusalem, saying, "Thus says the LORD: "Behold, I am fashioning a disaster and devising a plan against you. Return now everyone from his evil way, and make your ways and your doings good."'" And they said, "That is hopeless! So we will walk according to our own plans, and we will every one obey the dictates of his evil heart."***



I am aware that, even though there are *parallels* today, Jeremiah was actually prophesying about what we now know eventually happened. My point is to observe the *nature* of God. He does not want us to forfeit our preferred status as a Nation under God. He wants us to turn back to *good* for the sake of the blessed status He has given us. We must not be like the world that would say, "That is hopeless." If we give up, it *will* be hopeless. We, as God's people, cannot stop fighting.

Back to the Topic - A Stimulus Package, without the creation of smaller government and without giving incentives for growth, will always lead to *another* stimulus package. And *that* stimulus package (*with the same ideology*) will lead to *another* stimulus package, and another. The latest was the 2.2% temporary cut in our SS Tax - costing us billions. The government will continue to try to spend their way out of this economy, but it is *not* going to happen. The only thing that will change this economy is a *major* change in Washington DC...a change in *ideology* and a change in the majority of the politicians who are making rules, laws and regulations and creating more spending - *against* the will of the people. It is interesting how they believe that ***they know*** what is best for the Country, when they are clearly the *least* in tune with what is going on in this Country.

The questions we need to ask are: *Is this "near-collapse" the end? Are we recovering? ...or was this collapse in 2008 merely a prelude to what is to come?* Make no mistake about it - what we have just gone through in the past three years is not a collapse of the economy or simply a bad recession. What we have just gone through is a *small picture of what is to come*. In 5 to 10 years, if we do *not* do something VERY QUICKLY, we will look favorably on a mere 10% Unemployment.

There will be a point when the printing of money and the constant spending of money will lead to a collapse such as we have never before seen. There will be a time when the dollar simply does not *work* anymore. When that happens, don't go running to your gold, or your foreign currencies or precious metals. Most of those things will be illegal or you will be selling them on the black market. We will, at that time, experience what real poverty is.

It is the Federal Reserve, the government and their policies and regulations, which have distorted this market. If WE, the AMERICAN VOTERS, do not do something *quickly* to change those policies - we are going to see devastation beyond description. I *thought* we did that in November? *Apparently not* - as we continue to see *politics as usual*.

At some point in time, the government *will* wake up (if we continue down this road), and then realize that none of the stimulus has worked, none of the spending worked, none of the debt has worked, none of the printing more dollars (QE2) has worked; none of the increased regulation on the banking/financial sector has worked. *None* of that *will* work and the only thing that will be left to do is an attempt to *inflate* our way out of this. At that point, our economy will be so far down the road that, along with our debt problem, it will be impossible to inflate our way out of it. However I do believe they will have *no choice* but to try, so it is very likely that, whether we want it or not, inflation will be here.



There will only be two other options at that point. One option will be for us to go into a world war. Economists can believe what they want, but that is what pulled us out of the Great Depression. Hopefully this will not be the option that will happen. The other option is for us to go to the G20 - who are waiting anxiously to start a One World Government. The attitude among the G20 is going to be very simple. The United States of America is "too big to fail" (*I think we have heard that before*). When that happens, someone will come up with the brilliant idea to push the currency RESET BUTTON.

It may be hard to believe that America, as part of the G20, has the largest GDP of any country. Of course, that will be one reason why we will be considered *Too Big to Fail*. The Reset Button will be very simple - take a worthless dollar, along with all the major world currencies, and create *one currency*. Then they will make everything even, and *reset* - starting all over again under one currency. One thing the EU learned from the Euro is that it does *not* work without a governing *authority* which can accurately govern and set policy.

Obviously there are going to be billions of dollars and thousands of plans requiring regulation within this One World Currency. That will, of course, lead to World Courts of Law, a World Congress, and of course, a One World Government. (*Have you read that somewhere before?*)

As to the question about *whether* the dollar is devaluing - QE2 is doing a fine job of that. The big question should be: ***WHEN is it going to reach a point of no return?*** I am relatively certain that, if we continue down the path we are on right now, it will happen within the next three to ten years. This is not some disaster that our grandchildren will have to live with. This is a disaster that we - *most of us* - will

have to live with.

Remember, the G20 has already called for a *universal form of regulation and by-laws* which will govern the *Global Financial World*. The Financial Stability Board, made up of Central Banks from each of the G20 nations, has already begun setting the wheels in motion to create a global financial system to *supposedly* prevent this kind of catastrophe from happening again. At the G20 Summit in Pittsburgh last September of 2010, President Obama declared "*all nations*



must come together to build a stronger global regime." I cannot imagine any nation in the G20 thinking there is anything better than finally bringing the United States of America - this economic powerhouse - to their knees, and onto the same level where they are. Can you? I believe that is called *Redistribution of Wealth* - only on a *global* scale. The Fed could begin to lose control of low rates by the end of this year - which could begin this process.

I am purely looking at the mathematics of the situation. It is very simple. When we look at the income stream that this government has created, there is no way that this or any income stream could possibly support the kind of debt which we have. If you took *all* of the profits from *every* company in the S&P500, it would not be enough to pay our debt. Therefore, increasing taxes, though likely, is clearly not a solution. Remember, the entire time that we are creating this incredible debt, we are also continuing to spend and *INCREASE* the size of government. It has never and *will* never work.