



March 2013

The Impending Financial Collapse

Dear Friend of Radio Liberty,

"It is in vain, sir, to extenuate the matter. Gentlemen cry, Peace, Peace! but there is no peace. The war has actually begun! The next gale that sweeps from the north will bring to our ears the clash of resounding arms! Our brethren are already in the field! Why standeth we here idle? What is it that the gentlemen wish? What would they have? Is life so dear or peace so sweet, as to be purchased at the price of chains and slavery? Forbid it, Almighty God! I know not what course others may take; but as for me, give me liberty or give me death!" Patrick Henry: Virginia Convention: March 23, 1775

"For the leaders of this people cause them to err; and they that are led of them are destroyed. Therefore the Lord shall have no joy in their young men, neither shall have mercy on their fatherless and widows: for every one is a hypocrite and an evildoer, and every mouth speaketh folly. For all this his anger is not turned away, but his hand is stretched out still." Isaiah: 9: 16-17

Bank robbery is a crime that occurs very rarely, but robbery by banks takes place constantly. Through inflation, the Federal Reserve, and its beneficiaries in the fractional reserve banking system, stealthily steal the value of every penny deposited in every bank account. But that system is not sustainable, and its accelerating breakdown means that the people who preside over it are now abandoning any pretense that they are anything other than thieves.

On the morning of Saturday, March 16, owners of bank accounts in Cyprus woke up to discover that their money had been seized to bail out the government of that Mediterranean island. Banking affairs analyst Edward Harrison notes that the bailout deal included a bank holiday followed by what was described as a one-time 9.9 percent tax on deposits of 100,000 euros, which will be deducted from accounts when the banks open on March 19. (1) However, he continued:

“an additional 6.75 percent levy is going to hit deposits below that 100,000 euro level.”

He also points out that the IMF had actually asked the Cypriot government to confiscate all deposits larger than 100,000 euros.

News of the financial seizures in Cyprus sent shock waves across the Eurozone, triggering runs on ATMs by nervous depositors. Many customers found that ATMs were non-operational. Capital controls were also imposed to prevent people from transferring their money overseas to keep it safe.

The U.S. government, as if in anticipation of a Cyprus-style bank holiday and bank account raid, has been quietly imposing capital controls of its own. In recent years, the number of U.S. citizens driven to renounce their citizenship and move abroad for economic reasons has increased dramatically. But, if the prospect of self-exile were daunting enough, some people considering that option are finding themselves trapped in an interesting dilemma: They consider it too expensive to stay here, but it's becoming too expensive to leave, as well. Bloomberg News reports that exit taxes and related costs are making it cost-prohibitive for people to choose the expatriate route.

(2)

Speaking on Fox News, Judge Andrew Napolitano – who has written several hard-hitting books exposing the “progressive movement” and its impact on the world – warns that people with \$100,000 or more in the bank are targets for revenue-hungry ruling elites. (3) This is true not only in the “Euro-Zone,” but wherever the fiat money system is in power – in other words, in practical terms, everywhere in the world.

The raid on bank deposits in Cyprus sent shock waves from that tiny island nation across the Euro-Zone, resulting in ATM raids in many countries. Euro-bureaucrats also began searching for the next victim of “taxation” through bank robbery. Joerg Kraemer, chief economist of Germany's Commerzbank, suggested that private savings in Italy should be appropriated in a similar manner. (4)

Even in Australia, a country that has actually been spared the worst of the recent global economic turmoil, the government is greedily eyeing private bank accounts. Late last year, the government of Australia enacted a measure that allows the Australian Securities and Investments Commission to seize money from any inactive bank account – defined as one that hasn't seen activity over the previous three years. An earlier version of the rule prescribed a seven-year waiting period. The new law will go into effect in May, and banks are urging long-time customers to make sure that they make small transactions in all of their accounts to avoid the possibility that they will be seized by the Australian government. (5)

The U.S. Federal Government isn't confiscating Americans' bank accounts – not yet, anyway. However, the Federal Reserve is stealthily siphoning the financial value out of our bank accounts (via inflation) in order to subsidize foreign banks. While the debate over the federal budget "sequester" continues, the Federal Reserve is quietly

printing and lending huge amounts of money to foreign banks operating within the United States. Economic affairs analyst Tyler Durden at the **Zero Hedge** financial news service reports that in the week of February 27, the Fed injected a record of \$99 billion into foreign banks, most of which are commercial banks operating inside the U.S. This is just one installment in an ongoing project in which the Fed is funding European banks with hundreds of billions of dollars in new cash each week – amounts that eclipse the size of the projected **reductions in budget increases** that are at the heart of the “sequester” debate. (6)

In counterpoint to the increasingly overt criminality of the banking system, a chorus of Obama administration officials is singing a familiar refrain of institutional impunity. On March 6 — the same day that Kentucky Senator Rand Paul was filibustering the nomination of John Brennan to head the CIA over the nominee’s involvement in lethal drone strikes — Attorney General Eric Holder defended the use of his arbitrary power before the Senate Judiciary Committee.

Asked about the fact that the administration has never prosecuted a banking official for corruption, Holder said that some corrupt banks are simply too big to prosecute. According to Holder:

“some of these institutions become so large that it does become difficult for us to prosecute them when we are hit with indications that ... if you do bring a criminal charge, it will have a negative impact on the national economy, perhaps even the world economy. And I do think that is a function of the fact that some of these institutions have become too large.” (7)

Significantly, in the same hearing Holder told the Senate Judiciary Committee that Congress could not pass a law forbidding the president to order the execution of a U.S. citizen he deems to be an enemy of the state. This nicely encapsulates the Obama administration’s worldview: According to Holder, American citizens can be summarily executed without criminal charges, but criminal banks are immune to prosecution.

A few days after Holder’s testimony we were reminded that the top U.S. banking regulator has arranged secret – and unimaginably generous – civil settlements with corrupt banks. Since 2007, the Federal Deposit Insurance Corporation, or FDIC, which supposedly insures bank deposits and closes down failing banks, has repeatedly settled charges of banker misconduct by agreeing to secret settlements covered by a “no press release” clause, reports the *Los Angeles Times*. One particularly egregious case involved Deutsche Bank, which agreed to a \$54 million settlement of charges that its banking mortgage subsidiary knowingly sold bad mortgage loans to the Independent National Mortgage Corporation, or IndyMac. The failure of IndyMac in 2008 was a milestone in the 2008 banking collapse. (8)

When the real estate bubble collapsed six years ago, an economic singularity was created that is slowly but unmistakably drawing our country into the abyss. China will most likely experience a similar implosion within the next year. A recent installment of the CBS news program **60 Minutes** visited China to examine the vast, uninhabited “ghost cities” that have been constructed with the help of the government-controlled central bank. The result is the largest real estate bubble in human history, with the nation’s emerging middle class pouring investment capital into real estate and newly built apartments. This amounts to a \$2 trillion “Stimulus program” sponsored by the Chinese government – one that will inevitably collapse, with potentially ruinous consequences for the world economy. (9)

A similar situation exists in Detroit. It's not unlikely that Detroit – once the showpiece of America’s industrial economy – will soon become a “ghost city” of a different kind. The Motor City has shed roughly half of its population in recent decades, converting a significant portion of its territory into a **No Man’s Land** without municipal services.

The conviction of former Detroit Mayor Kwame Brown on racketeering charges is just the latest in an apparently endless string of setbacks for Detroit. A state review team that inspected the municipal government’s books found that it was borrowing from restricted funds and keeping unclaimed property it was required to turn over to the state. The inquiry also discovered that nobody in city hall knew how many police officers were on patrol, despite the fact that “public safety” accounted for more than half of the municipal budget.

The true significance of Detroit’s degeneration was captured in a remark from John Boyle, who audited the city books several years ago. He describes Detroit as, quote, “a microcosm of what’s going on in America, except America can still print money and borrow.” (10)

Across the nation, many municipal governments are confronting fiscal crises and the prospect of bankruptcy. County governments, too, are reeling – and an unprecedented number of counties are actually dying. Estimates based on the 2012 census show that more than one-third of U.S. counties are literally going extinct as their populations age and economic decline drives young adults to leave in pursuit of employment. Many major metropolitan areas – New York, Chicago, Detroit, Pittsburgh, and St. Louis among them – would have displayed flat or negative growth in the last year were it not for an influx of immigrants, particularly from Latin America. (11)

Despite the fact that the population of many cities and counties is withering, the unemployed population is expanding in unprecedented fashion. In February, according to the U.S. Labor Department, the number of Americans designated as “not in the labor force” was 89,304,000, a record high – and an increase of nearly 300,000 from January. To put that number in perspective: 89 million people is more than the

combined populations of Canada, Guatemala, El Salvador, Honduras, Costa Rica, Belize, and Panama. (12)

If Detroit is America's fiscal **Portrait of Dorian Gray** – a glimpse at the true financial condition disguised beneath multiple layers of cosmetic fraud – Woonsocket, Rhode Island, offers a microcosm of our dependence-driven consumer economy.

“At precisely one second after midnight, on March 1, Woonsocket would experience its monthly financial windfall — nearly \$2 million from the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps,” narrates a recent *Washington Post* report. **“Federal money would be electronically transferred to the broke residents of a nearly bankrupt town, where it would flow first into grocery stores and then on to food companies, employees and banks, beginning the monthly cycle that has helped Woonsocket survive.”** (13)

The monthly gusher of welfare subsidies sustains every element of the town's economy. So obvious is the town's dependence on federal aid that the local community bank marks the beginning of every month with a message on its electronic marquee: **“Happy shopping! Enjoy the 1st.”**

The *Washington Post*, ever eager to promote the **Official Party Line** even as it reports news that undermines it, observes that the SNAP program, which:

“began as a last resort for a few million hungry people[,] has grown into an economic lifeline for entire towns. Spending on SNAP has doubled in the past four years and tripled in the past decade, surpassing \$78 million last year. A record 47 million Americans receive the benefit – including 13,752 in Woonsocket, one-third of the town's population....” (14)

All of this is happening, the *Post* insists, “three years into an economic recovery” – a phrase that it recites in the humorless, non-ironic fashion of a Soviet commissar explaining that the government's annual wheat harvest was “increased” **from 200 million metric tons to 130 million metric tons.**

Visit a Wal-Mart in any city at the stroke of midnight on the first of the month, when the EBT cards are loaded up and you will see a spectacle practically identical to the one that unfolds in Woonsocket. Now imagine what will happen when – not “if,” mind you, but when – the day comes that those funds aren't available.

The United States of America, once a land of self-reliant individuals and self-supporting families, has become a nation of dependents ruled by an utterly amoral criminal clique. Our country is one significant financial hiccup away from becoming

post-meltdown Greece – on a continental scale. If (or when) that happens, the U.S. and the European economy will collapse, and chaos will spread throughout the world.

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Written by William Grigg

I believe the Brotherhood of Darkness is orchestrating the financial crisis that is devastating the banking system on Cyprus and in Europe, and I believe the crisis will eventually spread to the United States. When will that happen? I don't know, but the BOD controls 6 major banks that hold almost 70% of the assets of our nation, the banks have lent far more money than they have on deposit, and sooner or later the current monetary system will collapse.

What can you do to protect yourself and your family? I suggest you read (or reread) Ed Griffin's excellent book, "**The Creature from Jekyll Island**", and learn how banks create money. How can you prepare for the coming devastation? Get out of debt, and purchase physical assets.

What lies ahead?

(1) I believe there will be another senseless conflict in the Middle East in the coming months. What will happen. Either Israel, NATO, or the U.S. will invade Syria under the pretense the West must prevent the rebels (primarily armed, funded, and trained by U.S. Special Forces units) from gaining control of Syria's chemical weapons. How did President Assad obtain chemical weapons? He got them from Saddam Hussein who obtained his chemical weapons from the United States....but that is never mentioned today.

(2) I believe the Brotherhood of Darkness is going to precipitate a major war in the Middle East (World War III?) after they topple all of the moderate governments in that region, and replace them with radical regimes controlled by the Muslim Brotherhood. Where did the Muslim Brotherhood come from?

MI6 (the British Intelligence agency), organized the Muslim Brotherhood in 1928 (see the book "**The Devil's Game**"), and the CIA took control of the movement in 1951. Why did the CIA finance the Muslim Brotherhood, and why is the CIA financing radical Islamic organizations in the Middle East today? The BOD wants to incite a war with the Muslim world because they believe the conflict will kill millions of people, create havoc, and help them establish a world government. Will the BOD succeed? I don't know, but I believe we are living in prophetic times, and I believe we are engaged in a spiritual battle for the souls of men and the survival of Christian civilization.

What can you do? You can tell your friends what lies ahead, you can help them prepare for the imminent financial collapse, you can discuss the spiritual aspect of the struggle that is taking place, and you can encourage them to establish a personal relationship with our Lord.

I strongly recommend Pastor Billy Crone's DVD presentation, "**The Final Countdown**." There are 5 DVDs in each pack, and 5 sets. The DVDs are available from Radio Liberty by calling 800-544-8927.

Radio Liberty's sales and contributions were down in 2012 because many listeners are having financial problems. If you can help, please call 800-544-8927, and if you can't support us financially, please pray for Radio Liberty, for our provision and our protection.

Barbara and I appreciate your loyal support, and your faithful prayers.

Yours in Christ,

Stanley Monteith