The FED Says That Inflation Isn't Real....

By Anna Von Reitz

That is a tough sell for someone standing in a lumberyard anywhere in America this morning, because they are paying anywhere from 30% to 130% more for the same product this year over last year.

Those who are building, remodeling or repairing wooden structures are thinking that inflation is real enough.

So is your Honorary Great-Grandma from Big Lake, Alaska.

Obviously, I have been a homemaker for a long time, and one of my peculiarities is to observe the prices of basic commodities. I even jot them down. So I am in a position to tell you that the very same loaf of bread that cost me $1.69 in 1992 now costs me $4.39 if I buy two loaves at once, and $5.08 if I buy a single loaf. That's not "real" inflation? Funny. I could have sworn....

The minimum wage in 1992 was $4.25 per hour, which is, with phantom inflation included, the equivalent of $8.01 today, when the minimum wage is $10.30 per hour. So there has been a significant gain in wage per hour, however....

I could buy 2.5 loaves of bread for an hour of work in 1992, and only 2 loaves for the same hour in 2021. That's a loss of half a loaf to inflation, or 20% of the total transaction, no matter how you slice it.

Just to keep even, the minimum wage would have to increase to $12.36 per hour, but then, that in itself is inflationary.... and so you see the vicious cycle of inflation and how it perpetuates itself.

You have to make more money to buy the same amount of any commodity, and then the commodity prices increase, so you have to make more money to keep even.... and that, my friends, is what I call inflation and it feels real enough to my pocketbook, even if the FED is telling me that it is an illusion.

The prices of bread, milk, eggs, and hamburger are my "Leading Price Indexes" as a homemaker, and I can tell you for sure that the losses on hamburger relative to the price in 1992 are about the same --- a 20% loss in buying power, and if you care to run your calculator all across the board you will find that despite the gains in wages, consumers have lost a whopping 20% of their buying power on average.

But that's not inflation, according to the FED. It's a mirage. And it's supposed to be all fixed by the end of the year.

By what, we may ask? Certainly not the runaway spending and printing of Federal Reserve Notes (I.O.U.s) that the Municipal Congress and the FED are indulging in. But you don't have to take Grandma's word for it. She's not a world famous economist. So here's a famous economist saying the same thing:

“The Fed has been creating money at a pace that has never been seen before. You are basically up 75% (in money creation) year over year. This is unprecedented. Normally, it might be up 1% or 2% year over year. The exploding money supply will lead to inflation. I am not saying we are going to get to 75% inflation—yet, but you are getting up to the 4% or 5% range, and you are soon going to be seeing 10% range year over year. . . . The Fed has lost control of inflation.” Economist John Williams, founder of ShadowStats.com.

So, using my soon-to-be-famous Bread and Hamburger Index, we've lost 20% of our buying power in the past 30 years, but from now on, thanks to the idiots in Congress, we'll be seeing 5% to 10% losses per year.

But, it's not real according to the FED.... which makes absolutely no sense until and unless you factor in the legal meaning of "real" which means "royal", and then the FED's utterances make perfect sense. Guess what happens when out-of-control inflation occurs?

The value of "royal" ---gold, silver, platinum, etc., commodity assets enjoy astronomical gains.

So now with that little insight cutting away the veil of what is otherwise unctuous nonsense, let's review the soon to be finalized "Basel 3" agreements that were put in place following the 2008 meltdown to prevent bank collapse due to lack of liquidity.

The New York and London Stock Exchanges keep "unallocated" bullion on their books as inventory. This inventory can be used over and over to short sell the paper currencies via Futures Commodity Trading ---on an institutional level, which is why people call it "the Fix".

Put simply, constantly expanding the supply of paper money via manipulation of the unallocated bullion has served to artificially suppress the value of the "real assets" --- meaning precious metals.

Basel 3, which kicks in on June 28 for Euro Banks and January 2022 for banks in Britain, will force the banks to reduce their unallocated precious metals stashes to provide themselves with liquidity insurance.

This means that the supply of paper money will dry up at precisely the same time that the new spiral of inflation caused by current rampant FED spending gets geared up to full steam. So prices will be sky-high and there will be far less paper money available-- at the same time.

Imagine having to pay $10 for a loaf of bread, an "exchange rate" of basically one hour of minimum wage of labor per loaf of bread--- a loss of 60% of your buying power in 1992, at the same time as supplies of paper money dry up.

The phrase "not for love nor money" comes to mind --- if the bankers have their way. It is clearly the intent of the Bank of International Settlements to reduce the unallocated bullion stores by an estimated 10,800 tons of gold, by forcing the other banks to assign that gold as a liquidity guarantee.

The unallocated gold futures market will be effectively shut down, and gold prices will no longer be "fixed" by this mechanism ---with the result that gold prices will skyrocket in real time trading that is mostly controlled by China, and at the same exact moment, the ever-expanding supply of paper money will cease to exist.

People dependent on the western banking system will be left with a doo-dad in their hair, and the banks themselves will be hunkered down hoarding every scrap of gold in hopes that the increase in the price of gold will be sufficient to float them over their own unavoidable liquidity crisis, which results from unbridled spending of fiat currencies.

Fat chance. Grandma's calculator says that gold prices would have to increase to $10,000.00 per ounce, minimum, for the banks to clear that hurdle, and the suffering and death inflicted on the living people of this planet to achieve that dubious goal would wipe out seventy percent of the world population due to starvation, rioting, warfare, and disease caused by all the disruption.

Most of the suffering, of course, would fall on those least able to bear it. As usual.

Now, the interesting question is --- how to avoid all this unpleasantness?

Well, obviously, we have to rebalance the gold supplies and find new means of providing liquidity to the banks and find other options to replace fiat currency.

Bitcoin and other so-called digital currencies will not be able to provide that, because the embattled commercial banks are on the warpath and forcing the politicians and bureaucrats to shut down those competing currency sources which would otherwise provide a means to escape the sudden "chopping block" restriction on cash supplies.

Literally, you will go to your bank and ask to draw out $100 (which you need to pay for ten loaves of bread) and they will tell you that they inexplicably ran out of cash and you will have to use your bank card instead to make purchases.

Under these conditions, it will become more and more obvious to people that "money" has become entirely arbitrary digital "money of account" and that they are being cheated in the accounting.

Moreover, everyone here has been cheated for a long, long time.

Our Federation of States holds the key to overcoming all of this chaos, death, and deceit --- and it's really quite simple. We tap the Slush Funds the bureaucrats have been hoarding "in our names" and issue pre-paid credit certificates to sop up the debt. That greatly reduces the liquidity demand on the banks, at the same time that it provides a viable cash-value substitute to use as currency.

We carefully re-assign our gold assets deposited worldwide and bring forward the stunning amounts of natural gold we have rat-holed away to collapse and/or greatly moderate the Chinese Run Up based on the disappearance of unallocated gold in the stock market.

We issue our traditional domestic currency, the American Silver Dollar, which will be able to assert its true trading parity of .67 of gold value.

Between the reintroduction of silver and the issuance of pre-paid credit, the gold balloon being caused by the Basel 3 arrangements will pop without a great deal of suffering and the world can get back to something approaching sanity.

By opening up our International Trade Banks, the collapse of banking services can be avoided entirely---- and in fact, new banking services can be extended to countries and to people all over the globe who currently need access.

All of which also buys time to deal with the cartel represented by the Bank of International Settlements and the corrupt World Bank, too.

To all the hard-pressed governmental services organizations reading this -- it's time for you to wake up, too. We live in a world of infinite abundance. There is no reason to allow this pending debacle to happen.

Anna Maria Riezinger, Fiduciary
The United States of America
