Inflation lessens the perceived value of money or credit by making it more plentiful. The more money or credit there is, the less people think it is worth, and the less it will buy. This is the reason why a house that sold for $30,000.00 in 1974 now sells for $180,000.00, even though the house is older and is still the same house. What happened?

Fiat debt notes naturally self-destruct because nobody has any incentive to save them. Instead, we have incentive to get rid of them as quickly as possible. This leads to an "ever-expanding" money supply and that leads to inflation ---- and does so even if the incredibly unrealistic expansion theories of the Bretton Woods agreements could be realized.

Pundits call it "inflationary creep" --- over time, people press the limits of the pricing structure. The apples that sold for seventy cents a pound in 1974, now sell for $4.60 a pound --- same apples, but wildly inflated price. "Everything costs more" and nobody knows why, but it's inflationary creep caused by the devaluation of the fiat currency.

Look at the present situation. Does EXXON care if it sells a million gallons of gas at five bucks a gallon or half a million gallons at ten bucks a gallon? It's all the same to EXXON, and in fact, from their perspective, they'd prefer selling less product for more profit than making their same profit by selling more gas at a lower price. It's just economics and plain to see, but at least half of America still thinks that Joe Biden is against Big Oil.

Uh-huh, Honey, you just keep on sucking on that thar' Blue Pill....

At some point, this loss of a currency's buying power results in consumers no longer being able or willing to pay the higher prices, partially because their wages and salaries never keep up, and partially because at some point they start looking at the sticker price and thinking.... OMG!

Sales for apples (or cars or computers or houses) goes flat and stalls at that OMG Tipping Point, ,as people shake their heads and walk away --- so the apple pies don't get made, the car lots are over-supplied and then the supply of cars dries up as the manufacturers cut back to
match the lower sales, same thing with houses, millions stand empty while the former inhabitants pour out onto the streets, evicted by banks that are cutting their own throats.

The job market goes bust, too.

The governments that caused the problem institute emergency measures using whatever excuses they can come up with and start handing money out to farmers not to produce crops and paying people to sit at home in front of their television sets, so suddenly there is no market, and no workers, and after this situation kills off all the small businesses, only the government controlled box stores are left. And then, there's no food. Surprise, surprise.

All the victims are now dependent on the government that caused the problem, but most of them don't know that the government caused the problem, and the government is busy blaming a host of never-heard-of pathogens that either (a) don't exist or (b) are being mass produced and distributed as a cover story.

Blame it on God --- as usual.

These same idiots in suits will also amp up taxation, attempting to squeeze more and more property and credit and cash assets out of the victims. Alarmed by all this and pushed to the mattresses by the inflation and stagnation and taxation, everyone will be trying to sell off at the same time, and as a result, the housing and commercial business markets will tank, tank, tank.

Inflation and taxation will predictably kill any economy, no matter how robust.

But remember --- inflation of the currency also functions as a silent, insidious tax. Whether you save your money or spend it, it is worth less and less in the marketplace everyday. As a result, the inflation plus overt taxation increases to double or triple taxation, above and beyond what everyone is already suffering. How many people can afford that? Raise your hands?

The dollars that my friend put into his IRA in 1986 were worth vastly more than the dollars he continues to sock away, and he recently called me to laugh at himself and tip his hat.

I had just looked at a 1986 Monte Carlo SS in pristine shape, being sold for $16,500 --- an increase in value of $1,500 over its original sales price back in 1986. Think about it. He was giggling hysterically into the phone and gasping and saying, "How did you know? How did you know?"

I refused to set up an IRA way back when and spent my money on my own investments. My rationale? Pay the taxes now, I said, because they will be higher later, and have the use of your money to make investments now in hopes of getting ahead of inflation and staying ahead of inflation as long as possible. Besides, I said, by the time I am ready to retire, the Government will have added severe penalties for early withdrawals and will have added more years before you can withdraw funds from an IRA without penalty.
Was I wrong?

Did I have a crystal ball?

No, I observed the Government at work and used my horse sense. I had no doubt that IRA's were just another means, like Federal Income Taxes, to keep money out of the marketplace and put another stop-gap on the inexorable inflation of the fiat currency---- and I reasoned that everyone with an IRA would eventually pay for it. Literally. Fine enough for the Government, but of no help to Joe Average, as usual.

I spent my money and spent it well a long time ago; this may seem unpatriotic, but from an individual standpoint, it was the only logical thing to do. I could see the present situation coming like a freight train over thirty years ago. Why didn't everyone else?

They were depending on Pundits. Talking Heads. Experts. "My stock broker...." "My banker....." and "My financial advisor....." all took the place of common sense. People weren't actually thinking and observing things for themselves, because their public school indoctrination trained them to rely on Authorities instead of their own ability to observe and reason through things. My friend thinks I am a genius, but no, I'm not.

When the House is betting on Blackjack, I'm playing Roulette. When everyone is buying Tech Stocks, I'm buying Blue Chips. When Bitcoin and Digital Currencies are the rage on every BBC Anchor's lips, I am headed full bore for cash and coins instead.

It isn't hard to see, if you teach yourself to look. And when you do, you soon notice that you are being herded like sheep or goats. Each new fad, even Pet Rocks and Finger Spinners, have a dark side, a reason for being, that isn't just silliness. "The Market" is testing you at all ages and stages of your life cycle, endlessly prodding to find out what amuses you, what comforts you, what scares you ---- how much will you pay? What attracts you visually? How gullible are you? What will you do next?

And all this ceaseless analysis is motivated by the desire to control you and make more sales --- and find new ways to profit off of you.

So you want me to look into my crystal ball? Really? Okay, Aunt Mammy Whammy Big Swamp just put on her Economic Indicator Hat, and this is what I predict:

The IMF and Federal Reserve still believe that we are all endemically stupid and trusting to a fault, and therefore, we will accept a Fed or "Treasury" --- that is, IMF offering of "gold-backed" digital currency "notes" ---- which would allow them to continue to pull the same old scam with even less investment and more profit for them.

Those of us that already fully realize that "money" ----as a commodity, has been reduced to digits entered in a ledger --- are not impressed.
They will try their best to convince us that a picture of a hamburger is a hamburger.

They will fail.

No wonder they are all out in numbers, publicly praying to their Money God, Mammon.

My advice? Start using cash, cash, cash, for all your small transactions and trades. Use cash as much as possible and keep as much as possible on hand. Buy it up, slap it down, throw handfuls up in the air and dance around as it falls around you like the falling leaves. Rejoice.

Keep those printing presses running and the banks sweating as we round our way into the fall season.

If you are cringing and sitting on a pile of lifetime savings all painfully scraped together "for the future" --- spend it. Spend it now. Take it out of the banks as cash. The "future" is now, and everything you have saved is worth less and less and less by the hour. Take that long planned trip to the far islands off Tahiti. Make all the house repairs. Batten down the hatches. Buy the extra food and water. Indulge in good sheets and soft toilet paper. Live large. And use cash. Lots of cash.

The banks are afraid of bank runs, so gear up slowly ---- don't all run down the street and take everything out all at once. Just start using cash more. And next week, more cash. And the week after, more cash. Transfer things around. Convert cash into money orders. Remember that Postal Money Orders are NOT credit instruments. They are money instruments. You want cash that will last? Buy Postal Money Orders.

When they start touting all the benefits of "digital currency" ---- ask yourself, what are the odds of Clif High and Grandma both being wrong?

Wake up, people, the Game is On.

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