No Debt Expansion Equals Collapse

By Anna Von Reitz

Sounds counter-intuitive, doesn't it?

The Bretton Woods conference and all the solutions coming out of it depended on an "ever expanding economy" and unfortunately, also depended on fiat currency and central banks and.... ever expanding debt.

If you think about it, it's obvious. If the economy is good, people invest, which means they go into debt and the new debt creates what? New debt notes. This inflates the currency and devalues it, but, if the economy continues to expand, it doesn't matter.

What do you need for a "continuously expanding economy"?

You need a continuously expanding population demanding goods and services, which is what you would expect overall absent a great plague or nuclear war, etc., especially in the post-war Baby Boom Era.

Plus, you need a continuously spending and investing population creating more debt for itself. You have to have a good consumer base of people eager to go into debt to buy things like jet skis and yoghurt makers.

Those two things-- expanding population and expanding debt-- are what are needed to fuel the kind of ever-expanding economy that Bretton Woods depended upon ---and in the post-war 1940's, those were both sure bets.

Where are we now?

The Baby Boomers have topped off; most of them have quit borrowing and are instead paying off loans, finishing mortgages, and going into reduced-spending retirement mode.

The potent economic driver provided by the Baby Boom is winding down.

At the same time, thanks to nut cases in DC, Rome, London, and elsewhere, we are in a deepening population collapse -- which will not only kill our economy, but the entire world economy using the debt-note currency model.

As we pay off debts with debt notes, which causes inflation, the vicious cycle deepens.

Getting people to invest at all requires artificially plunking up places to spend investment money, such as doing what the Fed just did by self-investing billions back into the stock market.

This self-induced bull market generates hyperinflation like its own little storm bottle, and prompts people to invest in stocks in hopes of quick painless profits, but anyone investing in this particular bull market needs to realize that at a certain moment agreed upon by insiders, it's going to crash like a deflated balloon and the same thing is going to happen to the currency supply-- it's going to dry up, and has been quietly drying up since 2017.

This is when Grandma's Investment Strategy comes in handy. You take what you can afford to lose and invest it in the phony baloney stock market. As soon as you start making money, you start reaping it back until you have recouped your original investment amount. You keep doing this so that all you ever risk is that initial amount, and keep the profit safely invested in cash assets.

Then, when the market goes Ka bluey, all you ever have at risk is that initial amount you could afford to lose, and that has been replaced five, ten or however many times over by the run up of the stock market.

If you are disciplined and keep investing this way, you can make substantial gains on a phony bull market and never risk losing your shirt--- but most people get greedy and start investing back their profits instead of rat-holing those in cash investments.

And that is where people become "over-exposed" and lose the whole shooting match, or worse, get tempted into leveraging and betting on the market and end up deep in debt for all their efforts.

The big banks in charge of the printing presses are going to run up the stock market, hyperinflate the economy doing so, and then the whole thing is going to go bust --- if they have anything to say about it.

The Federal Reserve Note will be greatly deflated, which is the opposite of inflated; you will be able to buy more with each FRN but any new money supply will be virtually non-existent, and as the population collapses, both demand for dollars and the size of the world economy will shrink.

Central banks are all in the business of rigging commodities, but the most important commodity they manipulate is the money supply -- or, what passes for money -- the fiat currency.

Debt notes which depend on ever-expanding debt and increasing population willing to invest, are not viable in the current economic environment.

To put it in Goon-ease, "the currency model does not fit current economic and market conditions".

Our population is getting drastically smaller, not larger.

We are paying off debts and not ordering up new loans.

The fiat currency is devaluing rapidly due to inflation caused by the guys with the printing presses self-investing billions in companies and commodities they already own and causing a phony bull market.

Cash supplies are not being replenished and we are in the most draconian cut back on cash supplies in living memory, so, there is far less cash in the marketplace and it is still rapidly losing ground to inflation.

This grotesque cut back in the cash supply will continue during and after the stock market collapse, resulting in a situation where every deflated Federal Reserve Note will be able to buy far more than at present.

Without an ever-expanding population and ever-expanding investment market causing ever-expanding debt, the economy based on the debt-note model collapses.

The Federal Reserve is doing this -- again -- just as they did in the 1920's because in a sense, they don't know what else to do. The politicians are demanding "good news" to prop up their candidates through the campaign season, so the Fed is providing at least the appearance of a booming stock and investment market.

This is the last bonfire before the smoke and ashes.

This is because there is no actual investment expansion, therefore no debt expansion, and no expanding population to drive any of the drivers that the fiat currency model depends upon.

The Fed is busily extracting the last vapors out of the Federal Reserve Note.

And the fiat currency model is all the Fed has to work with, because only the actual States of the Union can issue gold and silver asset-backed money.

If only we had gold and silver asset-backed currency back again, we could trade it against the Federal Reserve Notes and inject value back into the fiat currency as well as pay off debt and kill inflation....

But wait, didn't I say that the actual States of the Union have been in Session for three years? With all their people properly declared, recorded, and published? Provenance and standing established?

And the Federation of States is still here, still able to issue gold and silver currency?

Oh, wait, didn't the States just take a roll call vote and issue a new gold-backed currency, the American Federation Dollar?

So there is no need for any crash after all, no "inevitable" boom and bust, because we now have a different currency model in play, one that uses actual money and pays actual debts and has actual substance.

Lions and tigers and bears!

Oh, my!

Instead of relying on the expansion of debt, we can rely on pre-paid credit, instead. And instead of being limited to commercial debt swapping, we can use real money at our discretion to actually pay debts.

How? Why?

Because we, the living people, and our lawful States of the Union, are the actual owners of both the assets and the credit generated from the assets.
