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Folks, our citizenry had better start getting serious with their economics, and they had better start doing it now. The powder that set off the American Revolution paled in comparison to what our nation is now facing. Will we subject ourselves to perpetual economic slavery, or will we stand and say 'ENOUGH!!!!'

I am more concerned about the return OF my money than the return ON my money. --Mark Twain Before I get too far into this, please understand that my writings are solely my opinions. They are not, and should not be taken as, investment advice to anybody for any reason.

I have written for a long time about how the international bankers are collapsing credit intentionally in order to steal the underlying assets. We see more evidence today that the credit destruction is continuing unabated: [Consumer Credit in U.S. Declined in November by Most on Record](#). Existing records go back to 1943. The “expert” consensus was that consumer credit would drop between 3 billion and 7 billion dollars. The actual number was **\$17.5 billion!**

And yet, we have people claiming that our nation is not caught up in a deflationary spiral. What does collapsing credit do to the US government? It destroys it. Our Federal government depends on ever increasing funds to maintain and grow their tyrannical power structure. They don't have those funds anymore. Tax receipts have collapsed. The Social Security “Trust” Fund now has more fiscal year outlays than incoming receipts – so they can no longer steal from that. The Medicare “Trust” Fund is also empty. The Unemployment Insurance “Trust” Fund is depleted. Where is the US government going to get the money it needs to support its unabashedly sinful and greedy ways? They're going to attempt to steal more of it from you – and they're going to pretend like they're doing you a favor in the process.

There are two ways that I see this can all play out – both of which leave those with money in retirement accounts the potential losers. Why do I say potential? Because this could directly affect those that have money sitting in “money market” type holdings.

US Government Steals Retirement Funds

The first way is for the US government to steal the money market funds. Look at this quote from an article today in Business Week: [Americans Oppose Initiatives Limiting 401\(k\) Choices, ICI Says](#)

“The U.S. Treasury and Labor Departments will ask for public comment as soon as next week on ways to promote the conversion of 401(k) savings and Individual Retirement Accounts into annuities or other steady payment streams, according to Assistant Labor Secretary Phyllis C. Borzi and Deputy Assistant Treasury Secretary Mark Iwry, who are spearheading the effort.”

The phrase that should make everybody take notice is “...ways to promote the conversion...”. What do they mean by this?

What if the US government were to decide that they were here to “protect you”, and mandated that a certain percentage of money market funds need to be “protected” in a “safe” way similar to the Social Security “Trust” Fund? Of course, they would agree to pay you a future annuity on **YOUR** money – and they would get to change the laws down the road regarding the size of that annuity – just like Social Security.

What effect would this type of operation have? Well, the first thing that would happen is that all wise people would immediately liquidate all of their retirement holdings and pay whatever penalty is required. This would give the US government a temporary adrenaline injection from the large inflow of penalty funds. It would also decrease the amount of capital from retirement accounts that flows into the stock market, causing a probable

large decrease in the markets. Those that are “stuck” in their various retirement accounts unless they quit their job would probably look at taking out loans against their accounts for as much as possible in order to get physical access to as much of their money as possible.

Please understand, the Federal government mandating that a certain amount of money market funds be directed to US Treasury security purchases is tantamount to theft. The money would simply go to Washington, D.C. and then be spent on increasing political power bases – minus whatever annuity outlays were required for the particular fiscal year. The money that is stolen would be replaced with IOU’s – claims on the future labor of Americans.

Fed Steals Retirement Funds

The second way that all of this could play out is for the international bankers to make deals with the various brokerage houses that hold the majority of money market accounts. The Fed has a **current balance sheet** in the neighborhood of \$2.2 TRILLION dollars. The important components of their balance sheet to consider are: 1) Agency debt purchases in the amount of \$160 Billion; 2) Mortgage-backed Security purchases of \$908 Billion; 3) Maiden Lane LLC purchases of \$65 Billion.

We see that the Fed has about \$1.13 TRILLION dollars of toxic assets that it is sitting on. It gave the banks 100 cents on the dollar when it purchased these (why wouldn’t they, since the international banks control the Fed). How is the Fed (a.k.a . International Bankers) going to pawn off well over a trillion dollars onto the taxpayers?

The first requirement is to find a source for that money. Where is that kind of money stored in one place that the Fed could take advantage of? The only answer is “money market” funds. These funds have over \$3 trillion dollars sitting in them. What if the Fed were to make a deal with the brokerages where money market funds were used to purchase the toxic assets from the Fed? The Fed would then be able to use that incoming money to cancel out over \$1 trillion in excess reserves that it’s holding on its balance sheet. In other words, the Fed’s balance sheet would immediately shrink to a manageable \$1.1 trillion – and the American people invested in money market funds would be left holding the bag of toxic assets.

Conclusion

Let me repeat, yet again, that I am not an investment advisor of any sort, shape, or occupation. What I have written is my opinion – and it could very well be wrong. Pray about your economic situation, and seek God for His direction alone.

With that said, I’ll give some more opinion of where I believe the greatest “safety” lies.

I believe retirement funds could turn out to be a very disadvantageous place to store one’s “wealth”. If money market funds get used either to purchase US Treasury securities, or to purchase toxic assets, then those holdings will be greatly endangered. Even investment in the equities markets would be in trouble, since a lot of the money that had sat in money market funds would now be going to either the US government or the Fed – instead of to publically traded companies.

There’s also the issue of whether retirement funds are even biblical whatsoever. I won’t get into that in this tutorial, but I don’t see where “retirement” is an option for Christians. The best debate that I can think of is “We’re retiring so that we can have more time to serve God’s Kingdom”. Does that really make any sense? I’m not sure that it does. Also, we often hear the words: “We don’t want to be a burden to our children”.

That’s another topic for an interesting biblical discussion.

Anyways, where does economic freedom lie? The answer, of course, is that true liberty and freedom is attained through following God’s economic model of labor – not gold – labor. This means that any excess funds that somebody has would best be converted to “true capital” – meaning assets that are not encumbered in any way, shape, or form with a person’s labor, or claims on the future labor of others. “True capital” is completed labor. This can only be achieved outside of our debt-based banking system. Our currency can still be used in this type of model, but the currency would begin to represent “completed labor”, with nothing encumbering it. There would be no servitude or slavery associated with the capital. This capital could then be used to God’s glory!

Here’s an interesting aside – and I really don’t want to step on any toes, but it’s something to mull around in your head:

Are the current tithes and offerings given at churches across our nation truly giving God the “first fruits” of our labor? I believe the answer to be ‘no’. Why? Because those tithes and offerings are not unencumbered capital. They are not based on a person’s completed labor. Instead, they are encumbered by the future

labor of others. How can God have “first fruits” if that “fruit” is based on something that hasn’t even been completed yet?

Hopefully, this demonstrates the importance of working to move towards a biblically based economic system. Can we move everything over to a proper economic system right now? No. We will still have many financial dealings that can only occur in our present debt-based system – such as taxes, purchases from retailers who do not share the same vision, and other types of transactions.

However, there is nothing stopping Christians from using a portion of their money in a Godly economic system. If it was started with a reliance on God and a generational vision then our progeny could very well see the day when the evil overlords of our current servitude and slavery crumble, and they would lose the grip of the chains around our necks.

It begins by asking and trusting in God to deliver us from our evil masters.

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If you are not currently on the Economic Update email list you can email me at: economics@datatogo.com to be added.

These reports come from Brad Hamill and his *Economic Update*.

Brad Hamill is a Christian homeschooling father that has been involved in the financial industry for the last ten years. His primary involvement was working in the field of accreditation for senior level management of major financial institutions. Brad is currently working in the field of residential and commercial real-estate asset management.

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