



MACRO ANALYTICS & TECHNICAL ANALYSIS
MATASII
STRATEGIC INVESTMENT INSIGHTS



A BLACK SWAN PAINTED GREEN!

SUSTAINABILITY: *For Whom?*

Climate Change, Green Energy & ESG

Release 1.0 Version-Draft

Through the Process of Abstraction the 2022 Thesis outlines how the Global Macro is presently on a well defined path towards a global Fiat Currency Failure and the resulting emergence of a New World Order. 2022 will be highlighted by rising tensions between expanding government control with shrinking public freedoms as initiatives are aggressively pushed into the public discourse focused on Climate Change, Green Energy and the corporate adoption of ESG. As economic growth declines and 'livable' employment becomes more broad based on the world stage, Macro Prudential Policies of Financial Repression will accelerate in a major new shift towards Green Financial Repression (or more broadly labeled "Regulatory Repression") through Increasing centralized planning and control by sovereign government. The result will be the continued push towards the advancement of Collectivism and Statism and the erosion of Personal Freedoms

Gordon T Long

1/15/2022

SUSTAINABILITY: *For Whom?*

CLIMATE CHANGE, GREEN ENERGY & ESG

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SUSTAINABILITY: FOR WHOM?

"A Republic If You Can Keep It!"
Benjamin Franklin

EXECUTIVE SUMMARY

The following is both an outline of the key messages of this document as well as what appears to be the Global Elite's current approach to an Implementation Strategy for the creation of what has been referred to for nearly three decades as "The New World Order" (NWO). We focused the advancements in the "NWO" in our [2018 Thesis paper](#) which we encourage readers to read as a companion source.

GOAL

Establish a New World Order (NWO) in the context of a "Great Reset" with which to advance Globalization and a more centralized World Governance System to the next level through the accepted concept of "Sustainability".

OBJECTIVES

1. Maintain western Influence and Power against increasing competing political and financial forces of China, Russia, India, Iran and other increasingly allied powers
2. Address the Global Debt Crisis & the current Monetary Trap of Serial Bubble Blowing,
 - 2.1. Inject \$150T over 30 Years to stabilize the current financial system,
 - 2.2. Advance Financial Repression with a new approach which is less dependent on Interest Rates & Reduced Purchasing Power (Green Financial Repression)
 - 2.3. Modify the nature of Capitalist System
 - 2.3.1. Further movement towards Creditism versus Capitalism
 - 2.3.2. Increasing Government Policies directing Investment
 - 2.3.3. A System of Transfer Payments and Government Subsidies
 - 2.3.4. Build on the recent Minimum Global Corporate Tax with Increasing Global Taxation and the issuance of debt backed by Global Governance Institutions (IMF and UN)

STRATEGY

3. Use the accepted concept of "Sustainability" to implement a system of governance and control that the masses would otherwise likely strongly reject.
4. Use Climate Change as a major catalyst (what can be viewed as the 'Fear Ingredient') for the "Great Reset".
 - 4.1. Build on Science (which is proven) to establish expected consequences (which are not necessarily science but opinion). Opinion which is built through a sphere of interpretation and spin (political narrative)
 - 4.2. Major New Financial Instruments such as Carbon Tax, Carbon Credits & Carbon Offsets.
5. Green Energy
6. Implement processes and funding for Climate Migration as a vehicle for globalized rebalancing of standards of living

IMPLEMENTATION

7. Implementation of central tenants of UN Agenda 21
 - 7.1. A non-binding agreement ratified by the 1995 UN Agenda 21 resolution:
 - 7.2. Public circulation in the form of the World Economic Forum's (WEF) "Great Reset",
 - 7.3. Known to the Green Environmentalists as the Paris Climate Accord

SOCIAL "TROJAN HORSES"

8. ESG – Refocusing capitalism away from profits and towards the development of a changing global social structure.
9. DEI - Rebalancing & creation of a more global "standard of living".

KEY MESSAGES

SUSTAINABILITY

- "UN Agenda 21 is a comprehensive Plan of Action to be taken Globally, Nationally and Locally by Organizations of the United Nations System, Governments and Major Groups in every area in which Humans impact on the Environment."
- Plan of Action paves the wave for extraordinary United Nations Control!
- UN Agenda 21 is about CONTROL. It is about control over all global Land, Natural Resources and entire Populations.
- It calls for control of AIR through Carbon Emissions REGULATIONS,
- It calls for control of LAND through SUSTAINABLE DEVELOPMENT,
- It calls for control over the SEA through ENVIRONMENTAL REGULATIONS,
- Extensive Global Plans have been developed and are well underway ([Link](#))
- Extensive Global Agreements are already in place ([Link](#))
- The UN Agenda 21 has nine key tenants:
 - Move citizens off Private land and into Urban Housing
 - Create vast Wilderness Spaces (Includes the existing Arctic, Antarctica, Africa, Russia, Northern Canada, Amazon Rain forest etc),
 - Eliminate Cars and Create "Walkable" Cities,
 - Support Chosen Private Business with public Funds for "Sustainable Development",
 - Make Policy Decisions that favor the "greater Good" over Individuals,
 - Drastically reduce the use of Power, Water and anything else that creates "Carbon Pollution",
 - Use Bureaucracies to make Sweeping Decisions Outside of Democratic Processes,
 - Increase Taxes, Fees and Regulations,
 - Implement Policies meant to incentivize a Reduced Population.
- Green Bonds: We can expect central banks to begin buying Green Bonds the same as they currently buy Mortgaged Backed Securities to support the Housing & Real Estate market.
- Carbon Streaming: We can expect Carbon Streaming credits to become an investment industry with a broad array of emerging players and instruments.
- Carbon Swaps: Between countries we can expect balance of payments to be offset with Carbon Swaps. This is likely to expand the already \$600T Unregulated OTC Swaps market where global banks will dominate.
- Green Technology: With the amount of money and financing available, mal-investment will run amok and as such Green Energy is likely to supersede High Tech and Bio Tech in the financial equity markets over the course of the 20's.
- Green Services: Will emerge to support the adoption of green technologies. EV charging Stations, Ships and docking to support off shore wind farms, Solar Panel installation, replacement and cleaning, Wind generator "cowboy" technicians and the list goes on.

CLIMATE CHANGE

- Systematic measurements started in the mid-1900s and have shown a steady increase in carbon dioxide, with [the majority of it directly traceable](#) to the combustion of fossil fuels.
- [Roughly half](#) of all carbon dioxide emitted by human activities today stays in the atmosphere — and it [likely will remain there for hundreds of years](#), influencing the climate globally.
- If civilization stopped its carbon dioxide-emitting activities today, it would [still take many hundreds of years](#) for the concentration of carbon dioxide in the atmosphere to fall enough naturally to bring the planet's carbon cycle back into balance because of carbon dioxide's long life in the atmosphere.
- Venus' atmosphere is thick with carbon dioxide, and it is the [hottest planet](#) in our solar system as a result, even though Mercury is closer to the sun.
- Changes are already happening. Studies show that rising temperatures are [already affecting](#) precipitation, glaciers, weather patterns, tropical cyclone activity and severe storms. A number of studies show that the [increases in frequency](#), severity and duration of heat waves, for example, [affect ecosystems, human lives](#), commerce and agriculture.
- The clearest effect of global warming is that a warmer atmosphere holds more water, [leading to more extreme rainfall](#), like that seen during [Hurricane Harvey](#) in 2017. Looking forward, we expect to see hurricane winds and hurricane rains continue to increase. It's still unclear how the overall number of hurricanes will change.
- Over the last decade, global average sea level has risen at a rate of about 4 millimeters per year (1.5 inches per decade). This increase is due to two main factors: the melting of ice in mountain glaciers and at the poles, and the expansion of water in the ocean as it takes up heat.

- 1-QUESTION: Is Climate Change Real
 ANSWER: Yes. The Science supports that it is valid
- 2-REAL QUESTION: Is the Climate Change Underway a Real Threat
 ANSWER: Yes, but not anyway near the degree to which the current narrative is being taken.
- 3-QUESTION: What then is the true purpose of the the current hyped Narrative?
 ANSWER: The justification and basis for a Financial, Economic and Social Reset
- 4-QUESTION: Why is a Reset Needed?
 ANSWER: To avoidance a global Financial Collapse and a major Global Depression, Protect the Power and Wealth of the Global Elite.

THE FACTS ON CLIMATE CHANGE

1- 40 page scientific study by leading scientists (right):

[Climate Change-Physical Science Basis.pdf](#)

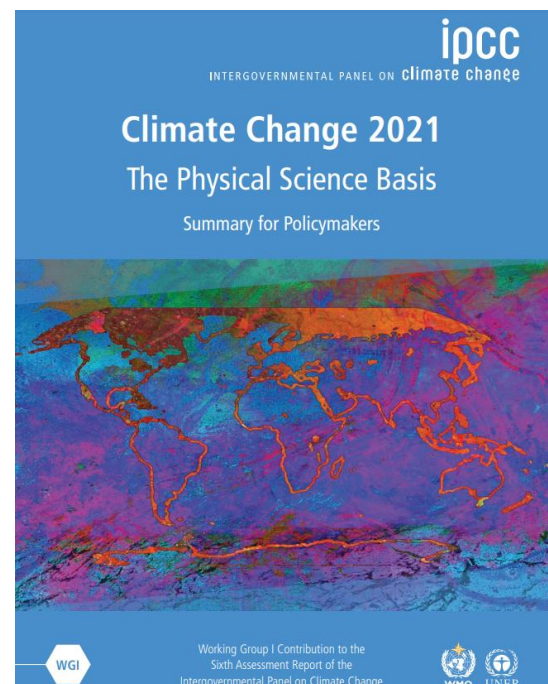
2- [234 scientists read 14,000+ research papers](#) to write the IPCC climate report – here's what you need to know and why it's a big deal

3- [IPCC Climate Report](#): Profound changes are underway in Earth's oceans and ice – a lead author explains what the warnings mean

4- **A Dissenting Voice: David Stockman**: [The 'GreenMageddon' \(And What It Means For You\)](#)

COP 26

- The two clear national winners: China and India. They are also the two biggest global polluters!
 - China by not even showing up and continuing to expand its coal based power generator plants from 500 to over 700, and
 - India by similarly not being impeded with its coal plant usage and even securing \$1T in funding for it all!
- Unfortunately the cop 26 achievement was financially and legally oriented in extracting money from the global economy.
- THE AGREEMENT: "Parties commit to escalating efforts to phase down unabated coal power and phase out inefficient fossil fuel subsidies while providing targeted support to the poorest and the most vulnerable in line with national circumstances and recognizing the need for support towards a just transition."
- GFCNZ: "We must build a financial system entirely focused on net zero" Mark Carney - UN Special Envoy on Climate Action and Finance and former Bank of England Governor.
- "If there's a revenue stream, then the funding is infinite" - Bank of America chief executive Brian Moynihan told the Wall Street Journal's Greg Ip.
- ACHIEVING A REVENUE STREAM:
 - A CARBON CREDIT is a tradable permit or certificate that provides the holder of the credit the right to emit one ton of carbon dioxide or an equivalent of another greenhouse gas - it's essentially an offset for producers of such gases.
 - CARBON OFFSETS are tradable "rights" or certificates linked to activities that lower the amount of carbon dioxide (CO₂) in the



atmosphere. By buying these certificates, a person or group can fund projects that fight climate change, instead of taking actions to lower their own carbon emissions. In this way, the certificates "offset" the buyer's CO₂ emissions with an equal amount of CO₂

- REQUIRES THE IMPLEMENTATION OF:
 - GOVERNMENT REVENUES: A CARBON TAX
 - INCREASED LIQUIDITY: GREEN BONDS
 - REVENUE STREAMS: CARBONS CREDITS, CARBON OFFSETS & CARBON STREAMING
 - LOAN GUARANTEES: CONTINGENT LIABILITIES

MASS MIGRATION

- Almost immediately on being sworn in as President of the US on February 9, 2021, President Biden signed Executive Order (E.O.) 14013, "Rebuilding and Enhancing Programs to Resettle Refugees and Planning for the Impact of Climate Change on Migration,". The Executive Order directed the National Security Advisor to prepare a report on climate change and its impact on migration. This remarkable Order report marks the first time the U.S. Government is officially reporting on the link between climate change and migration.
- A 37 page White House Report believes "that an average of 21.5 million people were forcibly displaced each year by sudden onset weather-related hazards between 2008 and 2016, and thousands more from slow-onset hazards linked to climate change impacts. **Tens of millions of people**, however, are likely to be displaced over the next two to three decades due in large measure to climate change impacts.
- Migration in response to climate impacts may range from mobility as a proactive adaptation strategy to forced displacement in the face of life-threatening risks. This mobility may occur within or across international borders.
- Specifically, one model forecasts that climate change may lead to **nearly three percent of the population (totaling more than 143 million people) in three regions** - Sub-Saharan Africa, South Asia, and Latin America - to move within their country of origin by 2050.
- The accelerating trend of global displacement related to climate impacts is increasing cross-border movements, too, particularly where climate change interacts with conflict and violence".
- In response to a severe and urgent crisis, the President of the United States of America is announcing the President's Emergency Plan for Adaptation and Resilience (PREPARE) to support developing countries and communities in vulnerable situations around the world in their efforts to adapt to and manage the impacts of climate change. These impacts are already being felt, making investments in developing countries' climate resilience more urgent than ever.
- The President will work with Congress to provide \$3 billion in adaptation finance annually for PREPARE by FY2024. It is the largest U.S. commitment ever made to reduce climate impacts on those most vulnerable to climate change worldwide.

US PLANS

- The Biden-Harris Administration has committed the entire US Government to Climate Change as a highest priority. It will take the \$3.5T to \$5T planned budget in addition to the 41.3T Infrastructure Bill to finance the US Climate Change commitments made at COP 26 (this is in addition to the ongoing Fiscal Budget)!

GREEN ENERGY

"CLIMATE CHANGE" IS MOST FUNDAMENTALLY ABOUT "GLOBAL CREDIT & DEBT CREATION"!

- Climate change, "Net Zero", Green Energy and ESG provides an endless stream of taxpayer and debt-funded "investments" which in turn need a just as constant degree of debt monetization by central banks.
- The beauty of this new Credit Spigot is that it fires up activists and left leaning politicians to pump this ideological spigot!
- The global plan currently is being rolled out to initially focus on three structural drivers:

GOVERNMENTS:

- Fiscal Spending Policies
- Regulatory Restrictions & Laws against, and
- Regulatory Advantages & Incentives,

CENTRAL BANKS:

- Monetary policies that monetize debt and
- QE to soon buy new 'Green Bonds'

CORPORATIONS:

- Implementation of an [ESG direction](#),
- [Modify Executive incentives](#)

NUCLEAR: The Economic Solution for Low Carbon Electrical Power GENERATION

- Nuclear power is currently more expensive than solar and onshore wind in key economies.
- While over the next 30 years the LCOEs of renewable plus storage are expected to fall by another 50%, Many don't expect nuclear costs to significantly reduce.
- Long time horizons also need to be built into plans as nuclear power plant projects can have a duration of up to 15 years (and sometimes more).
- The IEA net zero scenario assumes 22GW net incremental capacity coming on stream annually between 2030-40. Given the average time horizons, the approval process for those power plants would need to be starting within the next few years.
- Unlimited Electrical Power Technology (Nuclear Fusion)
- A Changed Public Narrative
- Why is Asia Going Nuclear
- Why are Bill Gates and Warren Buffett Making Major Investments in Nuclear? (Natrium plants use safe liquid sodium)

HYDROGEN – Transportable Power

- Hydrogen is emerging as one of the leading options for [storing energy](#) from renewables with hydrogen-based fuels potentially transporting energy from renewables over long distances – from regions with abundant energy resources, to energy-hungry areas thousands of kilometers away.
- LONG HAUL FREIGHT / HEAVY INDUSTRY. Green hydrogen featured in a number of emissions reduction pledges at the UN Climate Conference, COP26, as a means to:
 - De-Carbonize heavy industry,
 - Long haul freight, shipping, and aviation.

SOCIAL “TROJAN HORSE” INSTRUMENTS

- To achieve the Climate Change Goals a more global Authoritarian and Social Conscious Governance (NWO) is felt to be required.
- There are presently three contending spheres of powers. Sometimes in alignment but never believing anyone but they will eventually believing they will ultimately prevail as the dominant power.
- We are witnessing the evolution of:
 - Education is Morphing Further Towards Effectively Being Socialist Indoctrination Training Centers,
 - Crony Capitalism is Morphing Towards Statism and oligarchy Rule,
 - Government is Morphing Towards Authoritarian / Dictatorial Regimes.
 - GOVERNMENTS MORPHING TOWARDS AUTHORITARIAN /DICTATORIAL REGIMES
- To successfully implement the UN's Global “Sustainability” Goals, The COP 26's Climate Change and the World Economic Forum's (WEF) a more detailed social control system needs to be implemented as effectively “Social Drivers”. This takes the form of ESG and DEI. These social control initiatives are effectively designed as Behavioral Modification programs.

ENVIRONMENT, SOCIAL & GOVERNANCE (ESG)

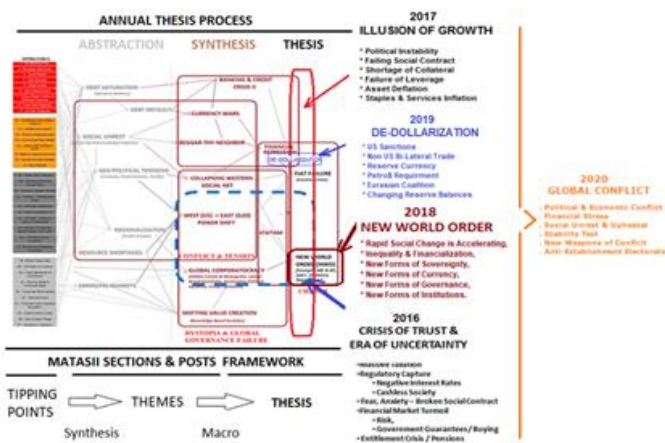
- Understanding Three unavoidable Facts:
 - The potential for ESG Bonds
 - The ESG Index ‘Mirage’ Game
 - ESG Investing is not at all What It Appears.

DIVERSITY, EQUALITY & INCLUSION (DEI)

- Climate Change has been built into the global initiative of what is referred to as programs of Diversity, Equality and Inclusion (DEI).
- Climate Change and Racism are integrated into DEI as well as the importance of Climate Migration.

13 YEARS OF CONTINUALLY EVOLVING THESIS PAPERS

- 2010 - Extend & Pretend
- 2011 - Currency Wars - 'Beggars-thy-Neighbor'
- 2012 - Financial Repression
- 2013 - Statism
- 2014 - Globalization Trap
- 2015 - Fiduciary Failure
- 2016 - Crisis of Trust
- 2017 - Illusion of Growth
- 2018 - New World Order
- 2019 - De-Dollarization
- 2020 - Global Conflict
- 2021 - Social Suppression



What 'We the People' have witnessed throughout the progression of these Annual Thesis papers is the continuous surrender of both Personal and Economic Freedoms to government control. These freedoms have been eroded primarily through the use of fear and our desire for the perceived guarantees of security and safety. This has historically been the roadmap that leads to more authoritarian governance systems such as Socialism and Communism.

ECONOMIC SECURITY

First it was Economic Job Security after the Dotcom Bubble implosion as Corporations:

- Outsourced,
- Downsized / Right-Sized,
- Off-Shored.

Our bedrock "Mom & Pop" employers and local merchants were lost to Corporate Franchisers, Malls and Big Box Stores.

FINANCIAL SECURITY

Then we experienced financial pressures in the form of:

- Skyrocketing College Costs / Student Debt,
- Shift from Defined to Contributory Pensions with the loss of Pensions,
- Benefit Reductions and Soaring Medical Costs with reduced hours worked.

PHYSICAL SAFETY

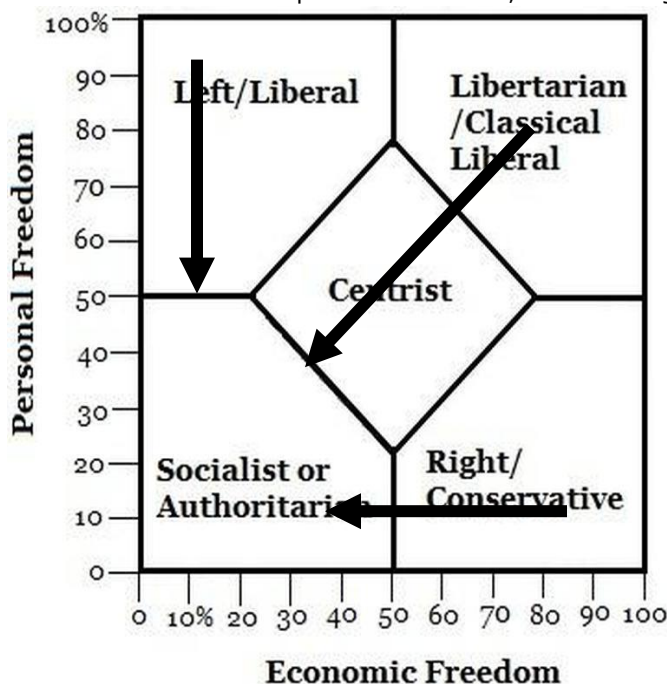
Then after 911, Terrorism and our Physical Safety altered as the world changed due to:

- Bin Laden & El-Quida,
- ISIS,
- Domestic School Shootings

HEALTH SAFETY

Now it is a Pandemic and the safety of the Health of family and friends.

- Covid-19 Pandemic,
- Social Distancing and Lockdowns



The following chronology is how Poor Policy Prescriptions, Expanding Government Control and a Reserve Currency & Risk-Free Benchmark problem have set the stage for a 'Cocktail' of Social Unrest & Shift towards Social Suppression **and now a major accelerated grab for broader political power. All disguised through socially driven words such as "Sustainability", "Climate Change, Green Energy, Environment, Social & Governance (ESG) and Diversity, Equality and Inclusion (DEI).**

WAS THIS AN ORCHESTRATED PROGRESSION?

The above man-made initiatives were as a result of, and contributors to the following list of mounting Globalization problems. In turn these developments have pushed the political landscape further towards the bottom of the Nolan Chart, illustrated to the right.

THE GLOBALIZATION PROBLEM

- I. Lack of Global Growth,
- II. Insufficient Need for Labor (AI Robotics),
- III. Population Becoming Unsupportable,
- IV. Unfundable Entitlements & Pensions,
- V. Unsustainable Global Debt & Leverage,
- VI. Global Trade Imbalances,
- VII. UniPolar to Multi-Polar World.

SPREADING & GROWING GLOBAL FALLOUT

The Global problems listed above have manifested themselves in the form of the following *crisis* (see *schematic at the bottom*):

DOMESTIC: FINANCIAL – 2008-2009

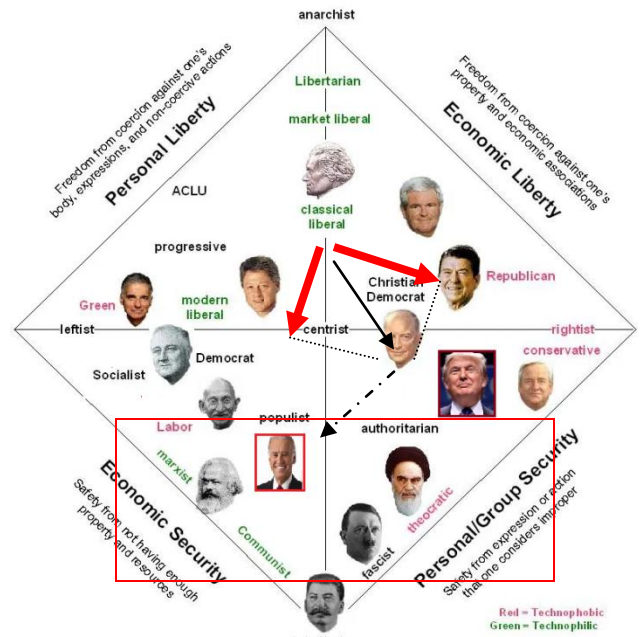
US Mortgage Market – Started as a collapse in Credit Default Swaps (CDSs) underpinning Collateralized Debt Obligations (CDOs) which supported the US Mortgage Market through Fannie Mae and Freddie Mac (which forced both into government guaranteed Conservatorship).

ECONOMIC: REGIONAL – 2012-2014

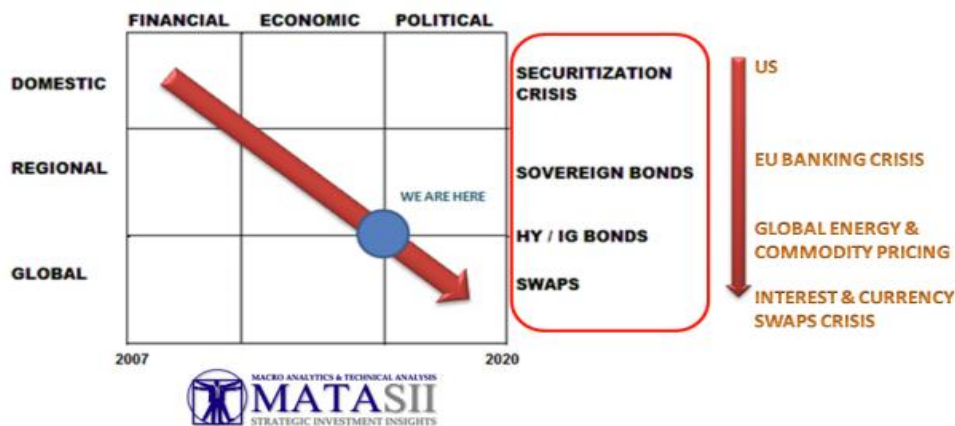
EU Banking Crisis – It started in Greece, spread to Cyprus and then the southern peripheral countries labeled the PIGS (Portugal, Italy, Greece & Spain) before being halted by and exploded in the EU Target2 payment system.

POLITICAL: GLOBAL – 2018-2020

Global Central Banks – An explosion of over \$15T in Global Central Banks' balance sheet to supply liquidity to a collateral short lending edifice unable to maintain credit growth sufficient to continue to rollover debt and fund sufficient debt growth.



A GLOBAL-IZATION PROBLEM

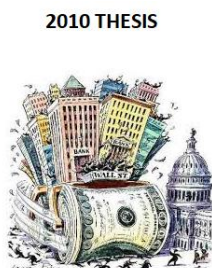


EARLY PART OF LAST DECADE

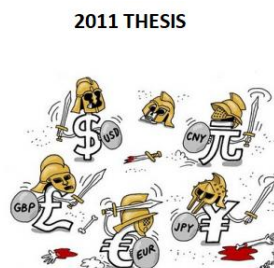
Our Annual Thesis papers documented the above evolution within the context of 'strategic' crisis developments.

In the early part of the last decade we witnessed the following Thesis papers:

- 2010 Extend & Pretend - Rather than address issues, our elected officials chose to avoid the tough decisions and to "Kick-the-Can-Down-The-Road".



EXTEND & PRETEND



CURRENCY WARS



FINANCIAL REPRESSION

- 2011 Currency Wars

The easy way to gain competitive advantage (short term) was to adopt "Beggar-The-Neighbor" policies of Currency manipulation.

- 2012 Financial Repression
 The easy way to solve a lack of productive investment (short term) is to implement macro-prudential policies of Financial Repression which misprices the price of risk and cripples effective market price discovery.

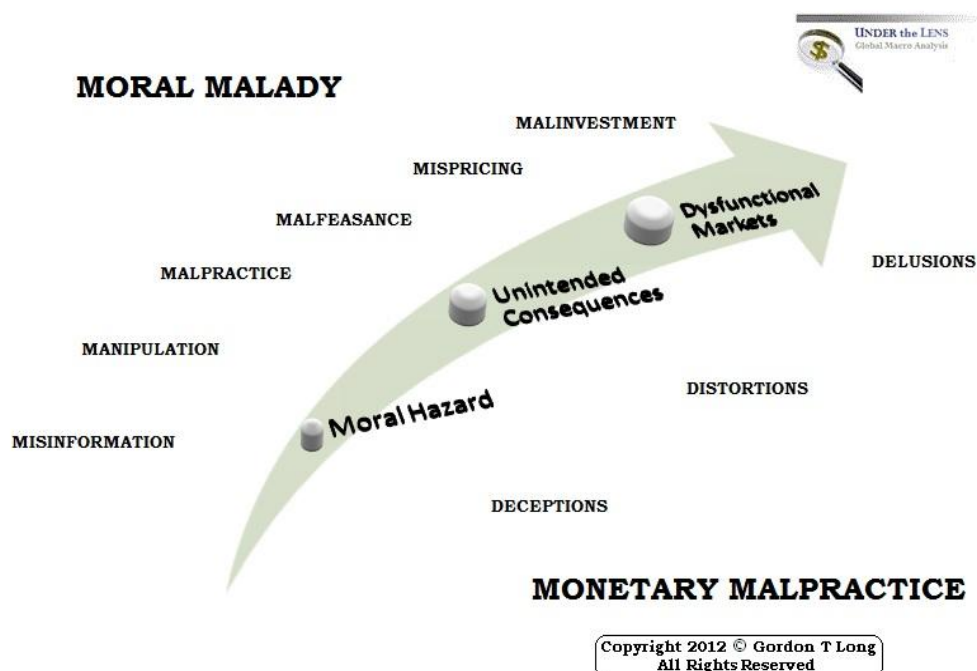
POOR POLICY PRESCRIPTIONS

MORAL MALADY

We witnessed policies that fostered Misinformation, Data Manipulation, Monetary Malfeasance, Mispricing of Risk and other short term "quick fix" approaches, all of which led to Malinvestment.

MONETARY MALPRACTICE

As a result we saw the emergence of Moral Hazard, Unintended Consequences and Dysfunctional Markets. The Deceptions, Distortions and Delusions that occurred can only be labeled as an Era of Monetary Malpractice.



MIDDLE YEARS OF LAST DECADE

In the middle years of the last decade we witnessed with the following Thesis papers:

2013 THESIS

- 2013 Statism
A failing Economic System as a result of Unsound Money forced governments as a consequence to enforce **Control** in lieu of a natural self correcting system.



2014 THESIS



2015 THESIS



2016 THESIS



- 2014 Globalization Trap
Mounting **Trade Imbalances**, as a result of developed economies consuming more than they produced, distorted current account balances and balance of payments resulting in unsupportable debt balances.

STATISM

THE GLOBALIZATION
TRAP

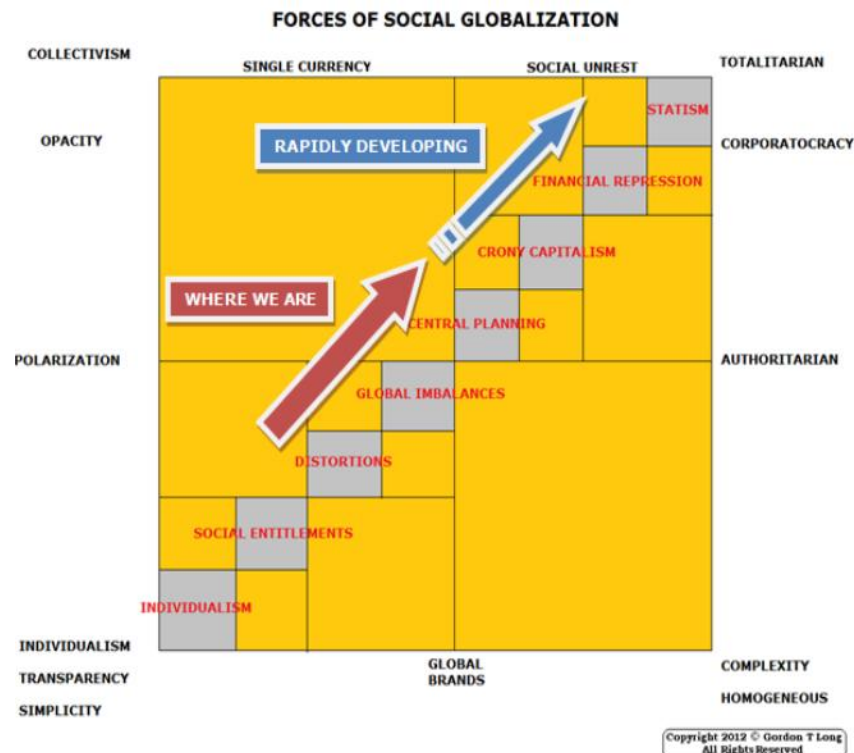
FIDUCIARY
FAILURE

CRISIS OF TRUST

- 2015 Fiduciary Failure
Developed economies became increasingly burdened and trapped by **Unfundable Entitlement** programs which were left to worsen and become the problem of future political administrations.
- 2016 Crisis of Trust
An inevitable **Loss of Trust** of politicians, the government, financial institutions and the Status Quo grew within the electorate as populism grew. With it came new political leaders with socialist, nationalist and anti-government philosophies.

EXPANDING GOVERNMENT CONTROL

The above developments led to a shift towards Statism in the progression outlined below.



LAST PART OF THE DECADE

In the latter part of the last decade we witnessed with the following Thesis papers:

- 2017 Illusion of Growth - Government Deficit Borrowing is being double counted as "G" and "C" in the GDP formula hiding the degree of **Insufficient Real Growth** occurring over the last 3 decades.

2017 THESIS



ILLUSION OF GROWTH
- 2018 New World Order - The US is no longer the Unipolar controlling power in a new significantly changing **Multi-Polar World**

2018 THESIS



NEW WORLD ORDER
- 2019 De-Dollarization - The US' use of economic sanctions has effectively "Weaponized the US\$", thereby forcing targeted countries (and their trading partners) to **reduce their US\$ dependency**. Additionally, BRICS have steadily been reducing their US\$ currency reserves along with many countries adopting bi-lateral trade agreements using their own currencies.

2019 THESIS



DE-DOLLARIZATION
- 2020 Global Conflict

Not since the Cold War have tensions been higher around the world. From the South China Sea, to Taiwan, Hong Kong, India, Iran, Syria, Yemen/Sudan, these conflicts continue to go unresolved with escalating **Power Tensions**.

2020 THESIS

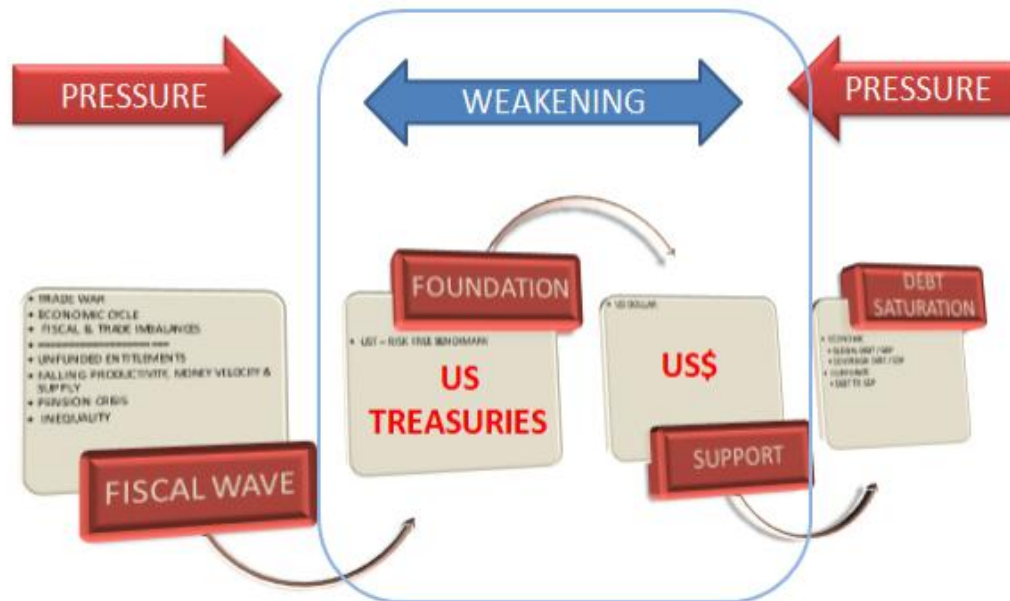


GLOBAL CONFLICT

BOTH A GLOBAL RESERVE CURRENCY & RISK FREE BENCHMARK PROBLEM

The world's modern post WWII financial system is built on two bedrocks which are under assault:

- 1- US DOLLAR: The World's Reserve Currency & Trade Currency is the US Dollar.
- 2- RISK FREE BENCHMARK: The US Long Bond is still considered the benchmark for the pricing of risk.



AN ECONOMIC SYSTEM IN PERIL

Since the USA was forced in August of 1971 to come off the Gold Standard and adopt policies of Unsound Money and a Fiat Currency, the resulting irresponsible and unsustainable growth in global debt now threatens the global economy.

We have written about two competing economic forces "in play" since 2017.

- 1- The End of the Debt Super-Cycle due excess unsupportable debt and financial leverage.

THE END OF THE DEBT SUPER CYCLE COMPLETING A LONG TERM MEGAPHONE TOPPING PROCESS



Chart from 2016

- 2- The Global Central Bankers attempting to delay, mitigate or stop this from occurring though Financial Repression and other forms of increasingly coordinated Global Monetary Policy. This has lead to the predictable Minsky Melt-Up in Financial Markets as money is debasement to fund ever expanding needs for credit and debt..

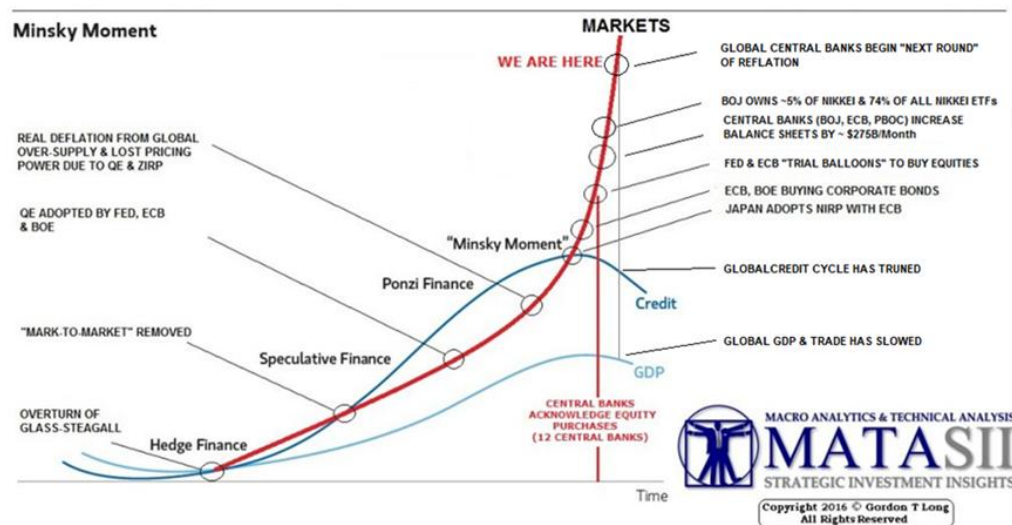


Chart from 2016

URGENCY: A \$3 QUADRILLION PROBLEM

This problem has only gotten worse ... much worse since then!

NEVER BEFORE IN HISTORY has there been a global debt crisis of this magnitude. Never before have we had debt bubbles at this level in Europe, in North and South America, Asia, Africa and Oceania synchronized at the levels we are now experiencing.

The graphic to the right illustrates the magnitude of debt which the world has created since the US (and as a consequence the Eurodollar) came off the Gold Standard in August 1971.

It took:

- A few thousand years to get to a global debt level of \$1.5 trillion in 1971.
- 29 years to grow by 66x to \$100 trillion and
- Since then it is up another 3x to \$300T.

So when the shackles were thrown off by closing the gold window in 1971, there was a free for all between bankers and governments to create unlimited amounts of money.

Un-policed they have succeeded masterfully! Global debt is up 200x since Nixon took away the gold backing of the dollar and all other currencies.

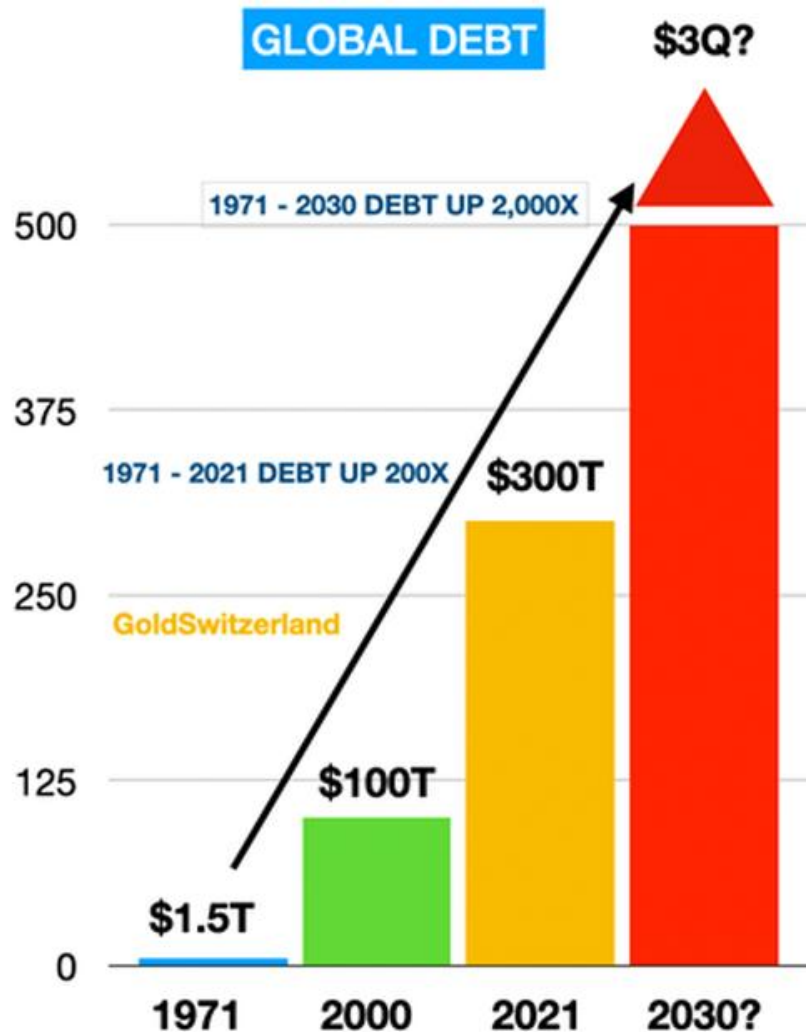
The very final stage of this monetary era started in 2006 with the Great Financial Crisis. Tens of trillions of dollars printed, lent and guaranteed managed to patch up Humpty Dumpty temporarily.

But it was very clear that the patch would not last long. So back in September 2019 the financial system came under severe pressure and central banks panicked in an attempt to save the bankrupt banking system with massive liquidity. Conveniently for the banks, they had an excuse for this money printing since Covid started a few weeks later.

Normally governments need to start a war to have an excuse to print serious money. But a pandemic created in a lab works even better.

The world is now in totally uncharted and very precarious waters. A ship in such danger does not require more than a minor storm to be hit by irreparable damage.

Nobody can forecast what will happen since we have nothing to compare with. But what is very likely is that the creature (from Jekyll Island) that has been created by bankers and governments will reach a terrible fate – a fate that only future historians can tell the world about.



DERIVATIVES

Global derivatives outstanding were reported by the BIS in Basel (Bank of International Settlement) at \$1.4 quadrillion in the mid 2000s. That figure was conveniently reduced by the BIS to around \$600 trillion at the end of the 2000s by netting positions.

Banks like Deutsche or JP Morgan have reported gross outstanding derivatives of \$40-50 trillion.

But all banks net the gross amounts of derivatives down to insignificant levels, arguing that these low and totally misleading amounts are their real exposures.

Well, the bankers can fool some of the people some of the time but in the end we know who the real fools will be!

The problem with netting is that when counterparties fail, gross risk remains gross.

Derivatives have been a most incredible money spinner for banks and other financial entities. There are today so many opaque ways of creating and hiding derivatives from the official reporting that no one has a clue of the real amount outstanding. But it could easily be in the quadrillions of dollars.

Remember that virtually every financial instrument created today consists of derivatives, whether it is ETF stock or bond funds, interest rate swaps, forex swaps, mortgage loans etc, etc, the list is endless.

Derivatives function very well in a manipulated orderly system when there is constant demand. But when the music stops and liquidity dries up, only then will we know the real amounts outstanding.

CHART TO RIGHT:

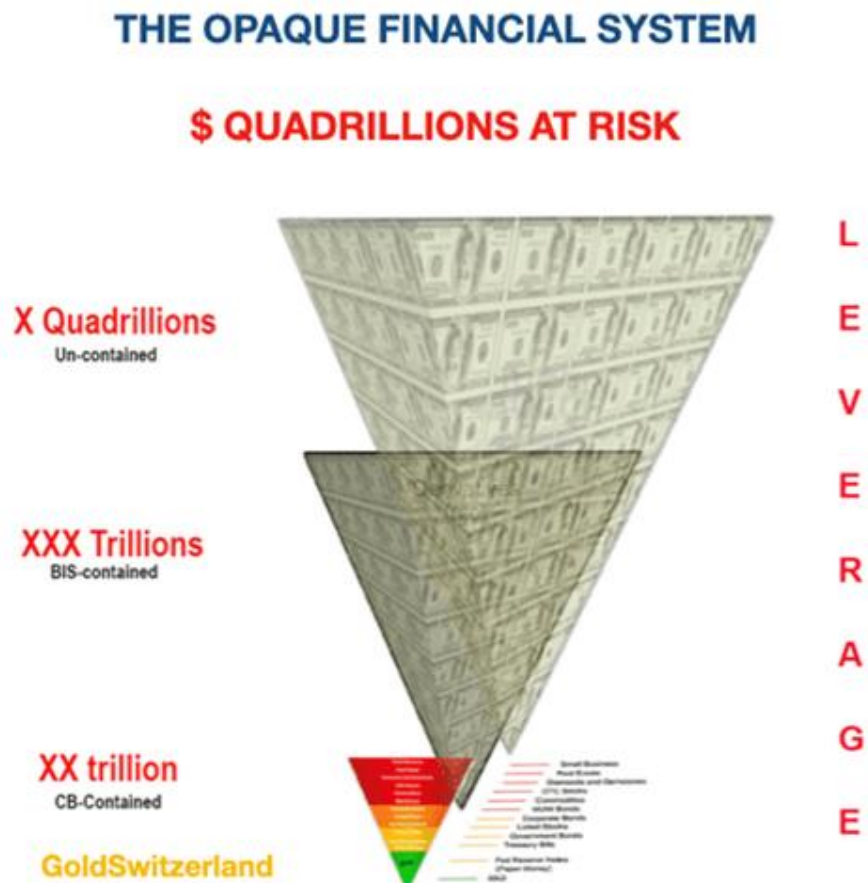
The illustration to the right shows through inverse pyramids that the current financial system at the bottom is resting on a small amount of gold with massive debt on top. Above that we see the known derivatives reported by the BIS of \$600 trillion and on top of that the opaque financial system which is likely to be in the quadrillions of dollars.

No one knows the exact amount but it could easily be \$2 quadrillion and probably more.

So if we look into the next 5-10 years and paint a picture of what could happen to the financial system, the risk the world is facing is horrifying.

Global debt will certainly grow from \$300T to at least \$500T.

That figure is really a gross underestimate.



- We need to add to that the global unfunded liabilities (pensions, medicare etc) which are easily \$500 trillion.
- We need to additionally add the derivatives of \$2 quadrillion – also probably too conservative.



When counterparties fail, central banks will need to print all that money to prevent banks from failing.

So if these assumptions are right, global debt will have grown from \$300 trillion to \$3 quadrillion in the next 5-10 years.

But we will probably be wrong on many accounts! It likely won't take as long as 10 years. We know from history that hyperinflation goes very fast. Also, most of the estimates of debt and derivatives are probably much too low.

Still, let's assume that the world is now facing a time bomb of \$3 quadrillion.

This is a very frightening prospect indeed!

... but it get worse!

EVERY CRISIS ONLY AN OPPORTUNITY TO INCREASE GLOBAL DEBT

The COVID Pandemic has been used as an opportunity to increase:

US Spending by:	\$11T
Global Spending by:	\$30T

In the US, the corona crisis started on January 29, 2020, when the White House initiated its Coronavirus task force. Since then, the US has gone from crisis to crisis and the media and our politicians have been obsessed with this epidemic and its consequences ever since. Amidst all the turmoil, the US government has left no stone unturned to throw money at this disaster.

GLOBAL TIMEBOMB





The Fed kicked off in early March by lowering interest rates to zero and shortly after began rolled out an alphabet soup of emergency programs. From buying high yield debt to bankrolling bailout checks (PPP loans), nothing was left on the table for our adroit stewards at the Fed. The byzantine maze of fiscal stimuli has left everyone confused. Nevertheless, the total amount of support the Fed has pumped into the economy is best measured by the expansion of its balance sheet.

When the Fed finishes its asset tapering program in March of 2022, its balance sheet will have expanded by \$5 Trillion. In less than two years the Fed deployed more money than during, and in the 10 years after, the great financial crisis (\$3.5TR). This monetary support alone is also more than that of the entire GDP of Japan, the third-largest economy in the world.

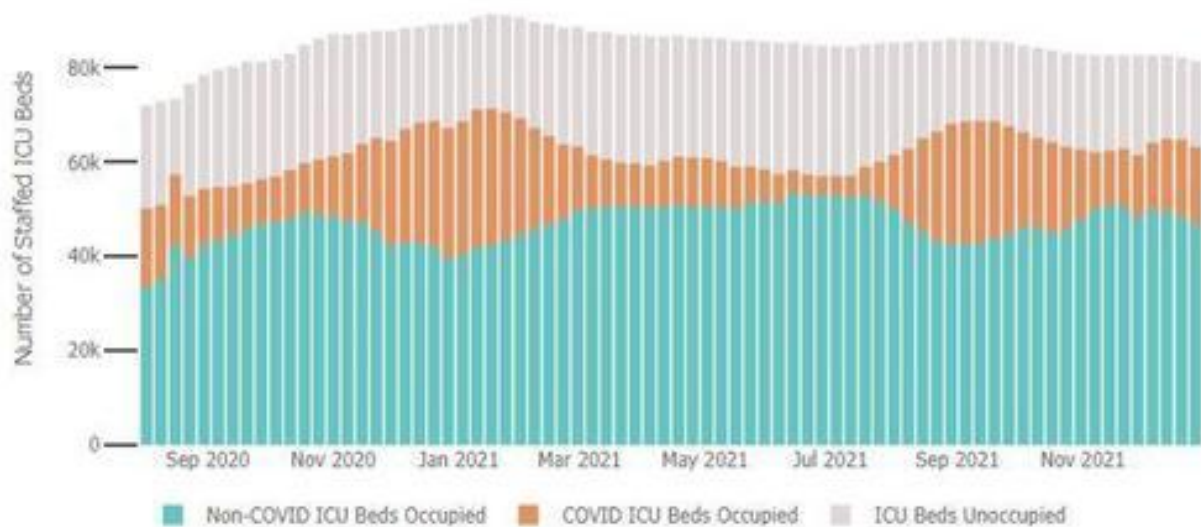
Not to be outdone, the Federal government opened the floodgates by quickly passing spending bill after spending bill. After less than two years, the total amount of fiscal stimulus, as measured by the fiscal deficit spending, has reached a mind-blowing \$6 Trillion. U.S. Federal debt has reached \$29 Trillion and \$32 Trillion if you add State and Local debt. At this point, US debt is a whopping 134% of GDP, giving the U.S. the dubious honor of being among top ten most indebted countries worldwide. This is a spot the erstwhile creditor to the world shares with the likes of Italy and Venezuela.

WHERE DID ALL THE MONEY GO?

And what did we, the American people, get for this colossal \$11 Trillion in a monetary and fiscal deluge? As we find ourselves in the midst of yet another massive outbreak is case count, this seems like a valid question. You would think that the priority for these funds is to bolster essential healthcare needs to address this medical crisis. But even now, the US is still woefully ill-equipped with testing capabilities, almost two years into this crisis. Our friends in Europe tell us testing is quickly done there. They live in urban areas such as Paris where testing is still readily available. France is also in the midst of another outbreak but seems to have no problem providing its citizens with ample testing facilities.

In hospitals, there has apparently been no improvement in available capacity in the critical ICUs, judged by the Johns Hopkins weekly hospitalization trends.

Hospitalizations



Incredulously, ICU beds-in-use compared to overall availability is almost higher now than it was a year ago.

So Where did the Money Go?

According to the Congressional Research Service, \$25 Billion was appropriated for “selected domestic COVID-19 vaccine-related activities”. That sounds like a lot, but it’s a mere 0.5% of the federal emergency spending in the last two years. It turns out that the department of health and human services wasn’t even the biggest recipient of all the emergency spending. It was fourth on the list, which was topped by the Treasury Department, the small business administration, and the department of labor. Other major recipients were the department of education and the agriculture department. Why farmers needed a \$160 Billion windfall during the pandemic is incomprehensible, especially since most crop commodities have been at record highs for a year now.

Reasonable people can agree that small businesses needed support during this crisis, especially during the lockdown. But the Fed’s Term Asset-Backed security Loan Facility (TALF), Primary and Secondary Market Corporate Credit Facilities ((P/S) MCCF), and Municipal Liquidity Facility (MLF) had absolutely nothing to do with small business assistance.

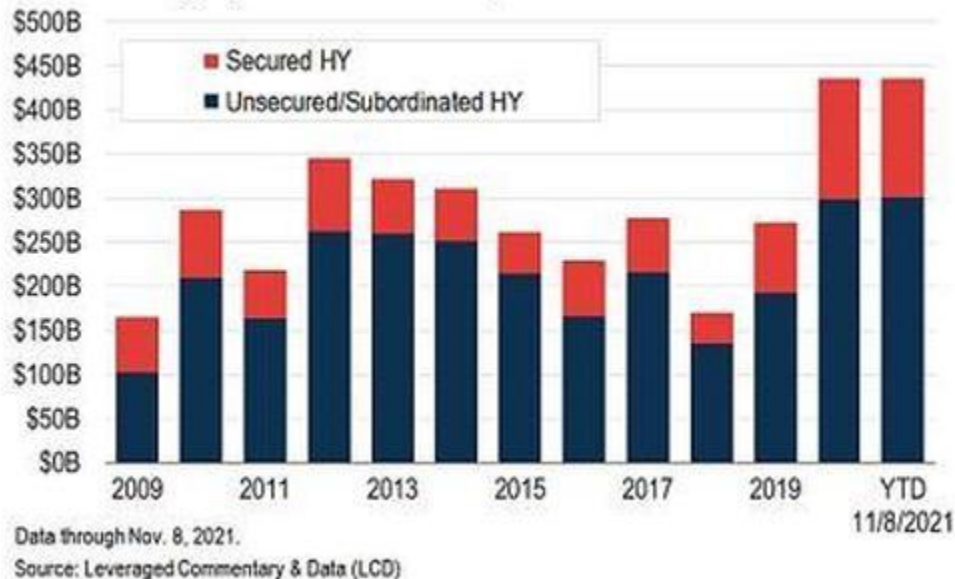
These programs, together with the \$5 Trillion purchases of Treasuries and agency debt, helped to foster an explosion in debt issuance by big business. Fueling stock buybacks – Investment-grade debt issued in this year and last year was a total of \$3.1 Trillion, almost half the size of the total IG market.

High yield issuance was even more baffling, setting issuance records two years in a row amidst a debilitating epidemic.

Junk Bond Bonanza Fueling Stock Buybacks



US high-yield bond issuance, secured versus unsecured



The effect of all this government largesse has had a profound impact on the stock market. The total market value of all stocks has risen from \$34 Trillion to \$53 Trillion; a whopping \$19 Trillion (50%) increase from pre-pandemic levels. The IPO market has been red hot this year, with 1000 deals for the first time in history. Rock bottom interest rates and epic multiple expansion have driven investors into IPOs, as they clamor for excess returns in the most unsavory deals. U.S. junk bonds, we see new supply to plunge as much as 30% in 2022 as refinancing, the driver for almost 60% of issuance this year, will shrink because companies already capitalized on low yields and lengthened maturities. Likewise, a Fed in a hiking cycle should tighten financial conditions – shrink issuance.

Buybacks Driving S&P and Nasdaq Higher – On Leverage

S&P Dow Jones Indices										
S&P 500 20 LARGEST Q3 2021 BUYBACKS, \$ MILLIONS										
Company	Ticker	Sector	Q3 2021 Buybacks \$ Million	Q2 2021 Buybacks \$ Million	Q3 2020 Buybacks \$ Million	12-Months Sep. '21 \$ Million	12-Months Sep. '20 \$ Million	5-Year Buybacks \$ Million	10-Year Buybacks \$ Million	Indicated Dividend \$ Million
Apple	AAPL	Information Technology	\$20,449	\$25,595	\$17,587	\$92,527	\$75,992	\$348,272	\$487,642	\$15,312
Alphabet	GOOGL	Communication Services	\$15,033	\$8,434	\$2,725	\$31,532	\$8,710	\$68,167	\$69,998	\$0
Meta Platforms	FB	Communication Services	\$12,610	\$12,796	\$7,897	\$44,705	\$29,343	\$100,267	\$105,740	\$0
Oracle	ORCL	Information Technology	\$9,914	\$4,209	\$114	\$17,856	\$14,510	\$87,000	\$98,051	\$8,032
Microsoft	MSFT	Information Technology	\$8,815	\$8,045	\$5,423	\$24,992	\$19,809	\$100,488	\$147,180	\$8,057
JPMorgan Chase	JPM	Financials	\$7,684	\$7,177	\$8,743	\$28,326	\$24,799	\$95,727	\$146,272	\$18,637
Berkshire Hathaway	BRK.B	Financials	\$7,632	\$5,980	\$8,973	\$29,186	\$17,755	\$51,094	\$51,181	\$0
Bank of America	BAC	Financials	\$5,318	\$1,593	\$9	\$7,746	\$11,124	\$69,626	\$104,233	\$3,285
Charter Communications	CHTR	Communication Services	\$5,286	\$6,194	\$0	\$10,268	\$13,268	\$84,448	\$108,960	\$11,953
Union Pacific	UNP	Industrials	\$3,666	\$3,516	\$3,361	\$15,183	\$9,173	\$48,152	\$47,093	\$0
Lowe's	LOW	Consumer Discretionary	\$3,628	\$3,018	\$30	\$9,278	\$3,347	\$27,955	\$36,004	\$8,386
Home Depot	HD	Consumer Discretionary	\$3,469	\$3,117	\$0	\$10,374	\$3,847	\$38,438	\$69,917	\$7,018
Morgan Stanley	MS	Financials	\$3,284	\$884	\$1	\$4,684	\$2,248	\$17,436	\$38,132	\$1,687
Procter & Gamble	PG	Consumer Staples	\$3,071	\$2,912	\$1	\$7,779	\$3,333	\$53,366	\$67,956	\$4,135
Citigroup	C	Financials	\$2,969	\$2,202	\$1,544	\$9,820	\$8,274	\$40,065	\$60,675	\$2,531
Walmart	WMT	Consumer Staples	\$2,825	\$3,136	\$562	\$12,442	\$2,192	\$25,053	\$44,543	\$2,262
HCA Healthcare	HCA	Health Care	\$2,750	\$3,000	\$2,000	\$11,759	\$6,405	\$35,872	\$58,385	\$8,447
Visa	V	Information Technology	\$2,710	\$1,688	\$2	\$4,956	\$388	\$9,272	\$17,628	\$1,071
Chubb	CB	Financials	\$2,611	\$916	\$1,028	\$8,011	\$2,799	\$15,417	\$19,050	\$1,360
Mastercard	MA	Information Technology	\$2,596	\$163	\$7	\$3,105	\$245	\$4,235	\$5,414	\$1,485
Top 20			\$126,320	\$104,555	\$58,007	\$389,547	\$257,561	\$1,316,350	\$1,784,034	\$99,658
S&P 500			\$234,640	\$198,843	\$101,786	\$742,209	\$570,753	\$3,321,214	\$5,809,820	\$568,697
Top 20 % of S&P 500			\$3.84%	\$2.58%	\$6.99%	\$2.48%	45.13%	39.63%	30.71%	17.52%

Gross values are not adjusted for float

Congress wants to tax stock buybacks – the implications are sky-high as a colossal equity market bid comes from Fed-induced corporate bond sales- See above with @SamRo – he notes just 20 companies are responsible for half the stock buybacks – this is one enormous – central bank fueled – leveraged Ponzi is driving stock indexes (S&P 500 and Nasdaq) higher. Of course in Q1 – Q2 2020 when stocks were on sale –

few companies were buying back stock. Per Fitch – U.S. dollar-denominated, investment-grade (IG), corporate bond volume, excluding financial institutions, supranationals, sovereigns, and agencies, tallied \$705 billion through Dec. 16, 2021. We saw the second-highest issuance through the first 10 months of the year and are up 27% and 13%, from 2018's and 2019's respective levels. Volume is down 36% versus the record 2020 amount; though that gap could shrink by year's end as the final two months of 2020's issuance was well below 2021's monthly average. The volume disparity between 2020 and 2021 relates to deal size. Last year, there were double the number of transactions done for \$4 billion or more compared with this year (60 in 2020 versus 29 in 2021). Both years featured at least two \$20 billion issuances, with AT&T Inc. and The Boeing Company driving 2020 while Verizon Communications Inc. and AT&T led 2021.

Several prominent companies tapped the IG market in 2021, including Verizon, AT&T, Amazon.com Inc., Oracle Corp., Comcast Corp. and Apple Inc. These six issuers comprised 21% of the year's total volume, with all completing bond transactions of \$15 billion or more. In fact, the 10 largest issuers make up 29% of 2021's volume, highlighting the market's concentration.

The problem is – central banks are fueling unsustainable inequality.

Share of Total Net Worth held by the Top 1%

2021: 32.5%
 2010s: 31.2%
 2000s: 27.2%
 1990s: 26.7%
 1980s: 23.2%

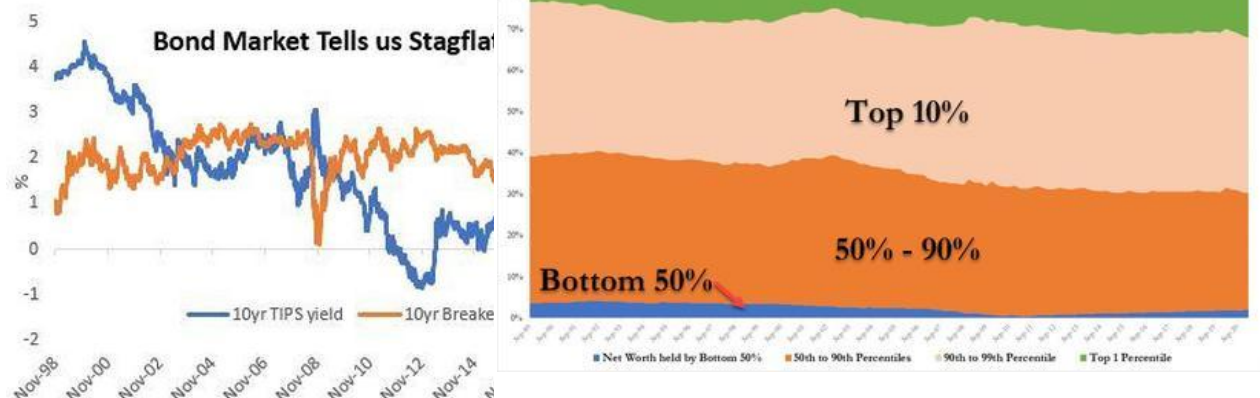
Source: Zerohedge

*Since 2003, the Bottom 50% total net worth held has plunged from 39% to 30%. Federal Reserve data. For 20 years 1990-2010, the top 1% net worth held was range-bound 26-27% – since central bank aggression in balance sheet expansion in 2009, inequality has exploded higher.

The Great Heist at the Taxpayers Expense

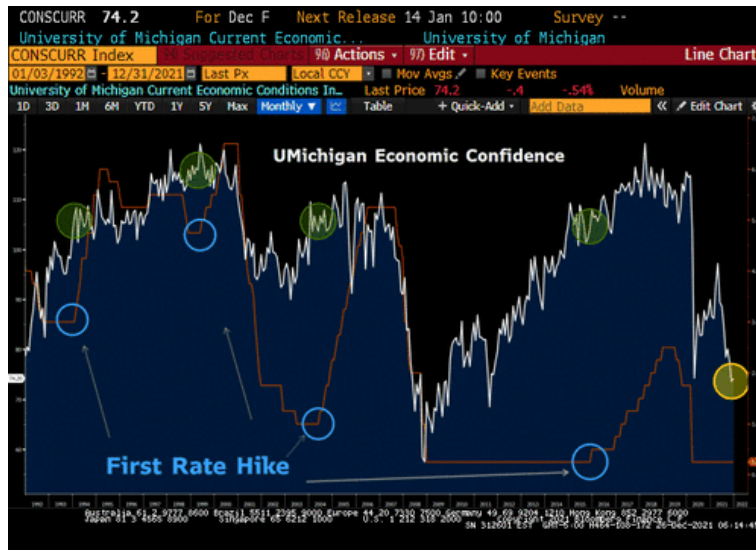
This is all great if you own stocks, or when you are a Fortune 500 company issuing debt to repurchase your own stock, but neither the deluge in debt nor the record number of buybacks (at a run-rate of \$1 Trillion this year) have done anything to bolster our country's medical care or Americans' health. More troubling even is reports showing outright theft of funds earmarked for pandemic emergency spending. The Wall Street Journal quoted the U.S. Secret Service who said that "some \$100 billion has potentially been stolen from Covid-19 relief programs designed to help individuals and businesses harmed by the pandemic." The main culprits are worldwide organized crime networks, who defrauded primarily the pandemic unemployment insurance program. On top of that, as much as 15% of the PPP loans (\$76 billion out of \$800 billion total) may have been fraudulent, according to the New York Times.

The Middle Class is in Pain



After \$11 Trillion of emergency spending and support, the US healthcare system is just as inadequate as it was before the crisis, violent crime is rampant, drug overdoses have never been higher and the economy is showing signs of stagflation, as illustrated by the record spread between Treasury breakevens and TIPS yields¹. What these bond market metrics suggest is that the potential growth rate of the US economy has structurally declined since the pandemic (it already declined a lot since the “great financial crisis”) and that any growth future growth is coming from price increases. The bond market is telling us – all future GDP growth is coming from price increases, but there is little real growth in the economy, that is why TIPS yields are -1%.

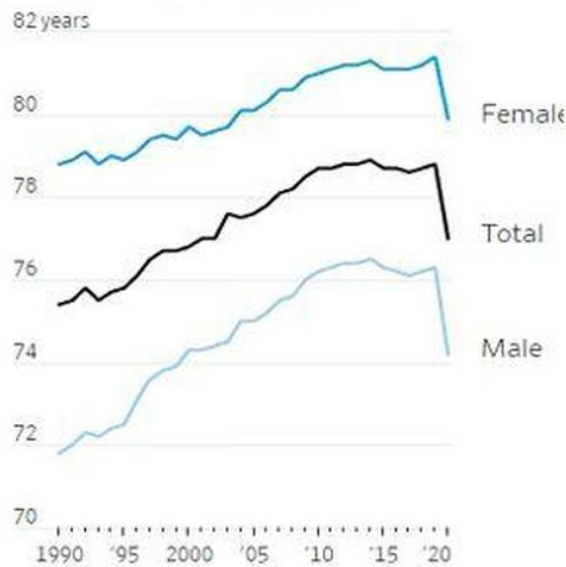
Consumers in Pain



Since August – we have had THREE sub-80 readings from the University of Michigan Consumer Economic Confidence Data. Looking back over the last 30 years – it is HIGHLY unusual for the Fed to hike rates with consumers in this kind of pain. Inflation’s taxing powers over the consumer have already hiked rates 100bps for the Fed in our view – colossal demand destruction has taken place. These stagflationary conditions erode people’s real disposable income, making them worse off. Ultimately, most of the \$11 Trillion ended up benefiting the top wealthiest Americans, by inflating the prices of assets such as bonds and stocks and lowering interest rates for borrowers with the highest credit rating. For the average citizen, this has been a very raw deal.

Loud Covid Narrative Hides Inconvenient Truths

Life expectancy at birth in the U.S., by sex



Source: National Center for Health Statistics

We must look at the big picture. The number one killer of Americans aged 18 to 45 is now Fentanyl overdoses, with nearly 79,000 victims in the age range dying to them between 2020 and 2021.

Inflation is a Regressive Tax on the Middle Class



TIPS: Treasury Inflation-Protected Securities: The principal of a TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index. When a TIPS matures, you are paid the adjusted principal or original principal, whichever is greater. Breakeven yield is calculated by deducting TIPS yields from real yields. Breakeven rates derive the rate of inflation priced in by the bond market for applicable maturity (such as 10-year breakevens express the implied rate of inflation in the next 10 years).

Trillions of Fiscal and Monetary Support

What is so painful is that not only is there no discernible improvement in the healthcare infrastructure to deal with the corona crisis, but other facets of America's healthcare are now even worse off. The CDC

reported this week that Fentanyl is now the leading cause of death among teenagers. These drugs have killed more people between the ages of 18 to 45 than corona, car accidents, and suicides. Data from Families Against Fentanyl suggests that now one person dies from an overdose every 8.5 minutes. The pandemic has pushed drug abuse into overdrive as "the stress of the pandemic has led more people to use these types of drugs, according to experts." The Census Bureau this week reported that America's population grew at the lowest rate in history. In the year that ended July 1, the U.S. recorded only 148,000 more births than deaths, with the balance coming from net immigration.

America's life expectancy last year declined by an unprecedented 1.8 years to 77 years. Besides corona, increases in mortality from drug overdoses, heart disease, homicide and diabetes also decreased life expectancy. Violent crime especially has seen a dramatic increase in the last two years. CDC's National Center for Health Statistics reported that homicide rates rose 30% between 2019 and 2020 and they continue to go up this year. At least 12 major U.S. cities have broken annual homicide records in 2021 — and there's still three weeks to go in the year.

US Annual Population Growth

2021: 0.1%
2011: 0.8%
2001: 1.0%
1991: 1.2%

America is dying – and it's NOT just a Covid narrative. From 1999–2019, nearly 500,000 people died from an overdose involving any opioid, including prescription and illicit opioids -CDC data.

WHAT IS TO BE DONE?

The Global Elite have determined that a coordinated global "Reset" must be implemented if the Global economy is to be saved from near certain implosion.

WHY IS THIS REQUIRED: The Global Economy and Central Banks are trapped in a Credit & Liquidity Crisis that requires the growth of Debt that is significantly larger than global economic growth of credit is capable of generating?

CONSEQUENCES: The current financial system is so massively over leveraged through 100's of Trillions of dollars of derivatives, futures contracts, options and balance sheet gearing that if credit and debt is not increased the system will implode under its own unfundable weight.

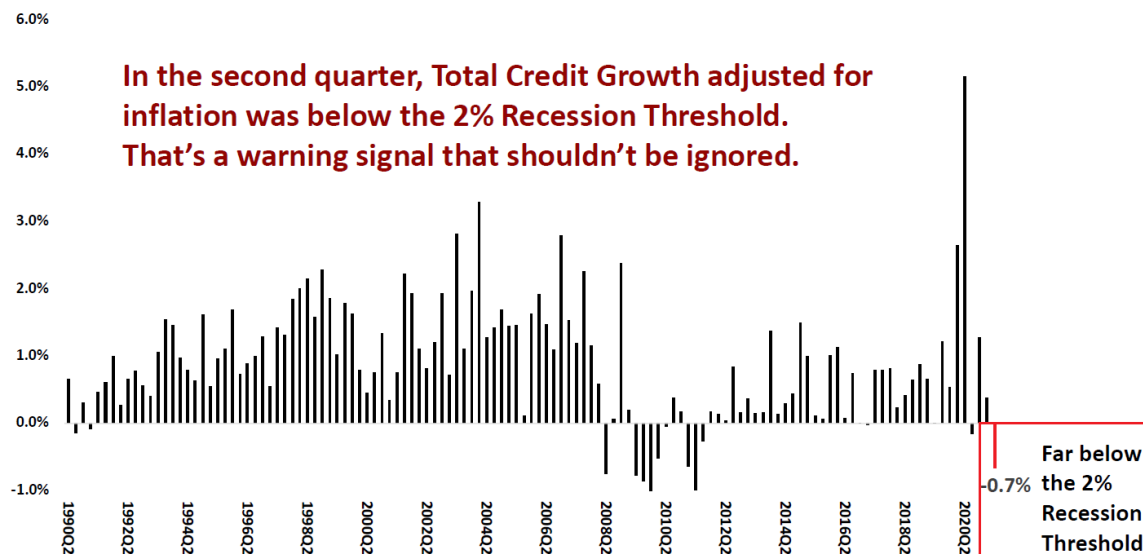
SOLUTION: A Global campaign for Climate Change through an accelerated movement towards Green Energy provides the optimum vehicle for the creation of a stream of taxpayer and debt-funded "investments" which in turn will need a just as constant degree of debt monetization by central banks.

THE FINANCIAL SYSTEM IS RUNNING OUT OF TIME

- | | |
|------------------------------------|--|
| Post 2000 Dotcom Bubble Implosion: | - Reduce Global Interest Rates To Historical Lows to Grow Credit & Debt |
| Post 2008 Financial Crisis: | - Reduce interest rates to the "Zero Bound",
Implementation of "Quantitative Easing" (Central Banks Buys Government Debt Creation). |
| Post 2020 Covid Shock | - Global Banks Create \$30 Trillion in less than two years. |
| Current Sustainable Requirement: | - An Incremental Debt and Credit Run Rate of +\$5T/Annum needed. |

CREDIT AND DEBT CAN NO LONGER BE INCREASED AT A SUFFICIENT RATE

Total Debt: Quarter on Quarter % Change Adjusted for CPI, 1990 to Q2 2021



The 2008 Financial Crisis was a seminal event on a number of fronts. One of which was the emerging importance of the Chinese Economy to the Global Economy.

China's dramatic increase in credit as represented by what is referred to as the Chinese Credit Impulse was a key driver in rescuing the Global Economy from the fallout from the US Mortgage Debacle.

What has transpired over the last 13 years is that China has been forced to do this three more times, as much to protect its own economy as to assist the world. The problems never stemmed from China ... but China was forced to react, whether it wanted to or not!



China and the Chinese Credit Impulse can't (Nor Will) save the Global Economy again!!!

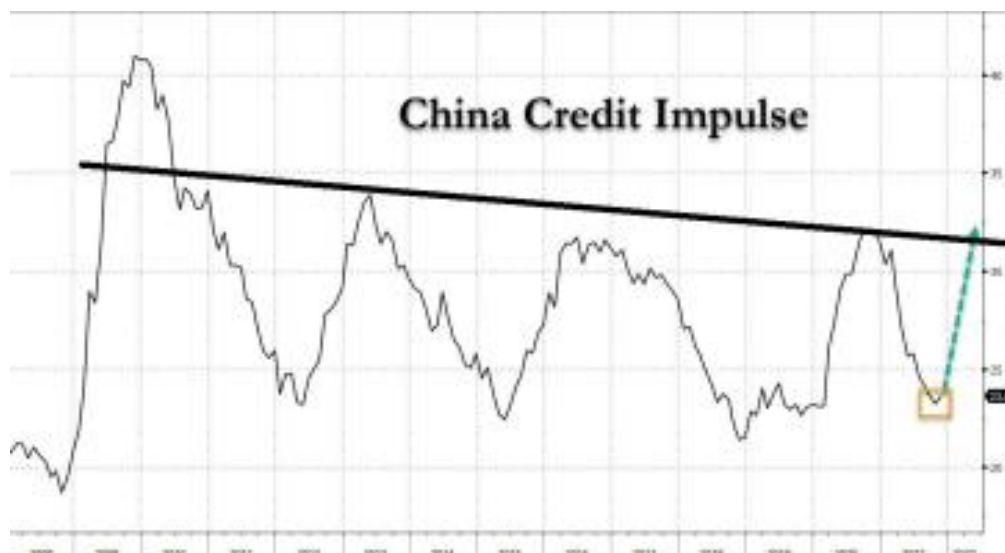
Clearly the global economy faces serious problems ahead. Markets don't react like this in a sound economic environment? Who knows when the next crisis will occur, only that it certainly will!

Will China save the Global Economy Again?

Maybe the real question is can Xi Jinping save China itself, ever mind the global economy again?

Maybe expanded Credit isn't the solution this time and maybe China will be the catalyst itself?

It won't be large enough the next time!!



A PLAN: SUSTAINABILITY

The following is both an outline of the key messages of this document as well as what appears to be the Global Elite's current approach to an Implementation Strategy for the creation of what has been referring to for nearly three decades as "The New World Order". We focused the advancements in the "NWO" in our 2018 Thesis paper which we encourage readers to read as a companion source.

What Is This Really All About?

GOAL

Establish a New World Order (NWO) in the context of a "Great Reset" with which to advance Globalization and a more centralized World Governance System to the next level through the accepted concept of "Sustainability".

OBJECTIVES

10. Maintain western Influence and Power against increasing competing political and financial forces of China, Russia, India, Iran and other increasingly allied powers
11. Address the Global Debt Crisis & the current Monetary Trap of Serial Bubble Blowing,
 - 11.1. Inject \$150T over 30 Years to stabilize the current financial system,
 - 11.2. Advance Financial Repression with a new approach which is less dependent on Interest Rates & Reduced Purchasing Power (Green Financial Repression)
 - 11.3. Modify the nature of Capitalist System
 - 11.3.1. Further movement towards Creditism versus Capitalism
 - 11.3.2. Increasing Government Policies directing Investment
 - 11.3.3. A System of Transfer Payments and Government Subsidies
 - 11.3.4. Build on the recent Minimum Global Corporate Tax with Increasing Global Taxation and the issuance of debt backed by Global Governance Institutions (IMF and UN)

STRATEGY

12. Use the accepted concept of "Sustainability" to implement a system of governance and control that the masses would otherwise likely strongly reject.
13. Use Climate Change as a major catalyst (what can be viewed as the 'Fear Ingredient') for the "Great Reset".
 - 13.1. Build on Science (which is proven) to establish expected consequences (which are not necessarily science but opinion). Opinion which is built through a sphere of interpretation and spin (political narrative)
 - 13.2. Major New Financial Instruments such as Carbon Tax, Carbon Credits & Carbon Offsets.
14. Green Energy
15. Implement processes and funding for Climate Migration as a vehicle for globalized rebalancing of standards of living

IMPLEMENTATION

16. Implementation of central tenants of UN Agenda 21
 - 16.1. A non-binding agreement ratified by the 1995 UN Agenda 21 resolution:
 - 16.2. Public circulation in the form of the World Economic Forum's (WEF) "Great Reset",
 - 16.3. Known to the Green Environmentalists as the Paris Climate Accord

SOCIAL "TROJAN HORSES"

17. ESG – Refocusing capitalism away from profits and towards the development of a changing global social structure.
18. DEI - Rebalancing & creation of a more global "standard of living".

THE REAL QUESTION: FOR WHOM?

ANSWER: The Global Elite as defined as the wealthiest members and participants in the following (by invitation only) groups:

1. [The Bilderberg Group](#)
2. [The Tri-Lateral Commission](#)
3. [The WEF and its Davos Attendees](#)
4. [The Council of Foreign Affairs \(US\)](#), The Round Table (UK), [Le Cercle](#) (France & Germany)
5. [Controlling members of the Bank of International Settlements \(Basel Switzerland\)](#)

First of all let's appreciate that the Federal Reserve does not serve the purposes of the US, it serves the purposes of international banks and the agenda of globalism.

It is openly admitted that national central banks take their marching orders from an entity called the Bank for International Settlements, and this includes the Fed. The BIS is a consortium of central banks from around the world that dictate overall central bank policy. If you have ever wondered how it's possible for most national central banks to change policy in unison the way they tend to do instead of all of them reacting differently to economic problems, this is how.

There is a very interesting article published by Harpers Magazine in 1983 called '[Ruling The World Of Money](#)' which I recommend people read if they want more insight into how the BIS operates and controls the decisions of regular central banks.

Everything the Fed does is to further globalist goals, not American goals or the American economy. The Fed will do as it's ordered to do. And how do globalists benefit from America's decline? Let's not forget about the "Great Reset" agenda which the World Economic Forum, the IMF and other institutions have been so vocal about since the beginning of the pandemic. What the globalists want is to force the public to accept a completely centralized one world system based on socialist ideals, and this will include a one world currency that supplants the dollar. They will use any means at their disposal to get it, whether it be a pandemic crisis or an economic crisis. In fact, they are perfectly willing to engineer both.

It should be noted that the IMF and World Bank recently held a "simulation" (war game) of just such a crisis. The game involved a cyber attack on global financial institutions which would then lead to economic collapse.

There is a propensity for globalist simulations to play out in real life –An article supporting this:

['Cyberpolygon: Will The Next Globalist War Game Lead To Another Convenient Catastrophe?'](#)

Even the Covid pandemic seems to have been simulated only a couple of months before the real thing happened, as we saw with [Event 201](#) held by the WEF and the Bill And Melinda Gates Foundation.

The Covid panic that the establishment has tried to create is waning, at least in the US. There is evidence of their plan failing in America as almost half of all states are now blocking the mandates and Biden's executive orders are meeting stiff resistance in the courts. Any attempt to actually enforce vax passports or forced vaccination here will lead to a war that the covid cult will lose, it's that simple. So, the globalists are going to need a different crisis to create further "opportunities", and an economic crisis would definitely fit the bill.

We need to STOP looking at the Fed as a self serving institution struggling to keep the US economy propped up. This is not reality. It is also time to stop pretending as if the Fed is bumbling about and doesn't have a clue. These people are not stupid, they know exactly what they are doing. The Fed will destroy our economy if they believe the timing is right to create a new world order out of the chaos. When they pull the plug (and they will one way or the other), they need to be held accountable as conspirators seeking to sabotage, not as dunces that "made mistakes."

Isn't it strange that no matter how many financial catastrophes central bankers have their hands in they never seem to face any consequences and always seem to enjoy more power afterwards instead of less? Even when the institutions they operate collapse, the bankers themselves always land on their feet with the goals of globalism intact.

SUSTAINABILITY

KEY MESSAGES

- "UN Agenda 21 is a comprehensive Plan of Action to be taken Globally, Nationally and Locally by Organizations of the United Nations System, Governments and Major Groups in every area in which Humans impact on the Environment."
- Plan of Action paves the wave for extraordinary United Nations Control!
- UN Agenda 21 is about CONTROL. It is about control over all global Land, Natural Resources and entire Populations.
- It calls for control of AIR through Carbon Emissions REGULATIONS,
- It calls for control of LAND through SUSTAINABLE DEVELOPMENT,
- It calls for control over the SEA through ENVIRONMENTAL REGULATIONS,
- Extensive Global Plans have been developed and are well underway ([Link](#))
- Extensive Global Agreements are already in place ([Link](#))
- The UN Agenda 21 has nine key tenants:
 - Move citizens off Private land and into Urban Housing
 - Create vast Wilderness Spaces (Includes the existing Arctic, Antarctica, Africa, Russia, Northern Canada, Amazon Rain forest etc),
 - Eliminate Cars and Create "Walkable" Cities,
 - Support Chosen Private Business with public Funds for "Sustainable Development",
 - Make Policy Decisions that favor the "greater Good" over Individuals,
 - Drastically reduce the use of Power, Water and anything else that creates "Carbon Pollution",
 - Use Bureaucracies to make Sweeping Decisions Outside of Democratic Processes,
 - Increase Taxes, Fees and Regulations,
 - Implement Policies meant to incentivize a Reduced Population.
- Green Bonds: We can expect central banks to begin buying Green Bonds the same as they currently buy Mortgaged Backed Securities to support the Housing & Real Estate market.
- Carbon Streaming: We can expect Carbon Streaming credits to become an investment industry with a broad array of emerging players and instruments.
- Carbon Swaps: Between countries we can expect balance of payments to be offset with Carbon Swaps. This is likely to expand the already \$600T Unregulated OTC Swaps market where global banks will dominate.
- Green Technology: With the amount of money and financing available, mal-investment will run amok and as such Green Energy is likely to supersede High Tech and Bio Tech in the financial equity markets over the course of the 20's.
- Green Services: Will emerge to support the adoption of green technologies. EV charging Stations, Ships and docking to support off shore wind farms, Solar Panel installation, replacement and cleaning, Wind generator "cowboy" technicians and the list goes on.

UN AGENDA 21

So what is the UN's AGENDA 21 and why should a care?

"UN Agenda 21 is a comprehensive Plan of Action to be taken Globally, Nationally and Locally by Organizations of the United Nations System, Governments and Major Groups in every area in which Humans impact on the Environment."

It paves the wave for extraordinary United Nations Control!

At its core, UN Agenda 21 is about CONTROL.



It is about control over all global Land, Natural Resources and entire Populations.



It calls for control of AIR through Carbon Emissions REGUALTIONS



It calls for control of LAND through SUSTAINABLE DEVELOPMENT



It calls for control over the SEA through ENVIRONMENTAL REGULATIONS




WHERE THE FACTS ARE LAID OUT

Everything that needs to be understood is all thoroughly laid out on the UN's web site for "SUSTAINABILITY".

GO TO: <https://sustainabledevelopment.un.org/outcomedocuments/agenda21>

Along with a list of books beginning here: <https://www.amazon.com/Behind-Green-Mask-U-N-Agenda/dp/0615494544>



The screenshot shows the UN Sustainable Development Goals Knowledge Platform website. The header includes the UN logo, 'SUSTAINABLE DEVELOPMENT GOALS KNOWLEDGE PLATFORM', and navigation links: HOME, SDGS, HLPF, STATES, SIDS, UN SYSTEM, STAKEHOLDERS, TOPICS, PARTNERSHIPS, RESOURCES, ABOUT. A left sidebar lists various topics, with 'Agenda 21' highlighted. The main content area is titled 'Agenda 21' and 'UNCED, 1992'. It contains two paragraphs of text and a 'DOWNLOAD PDF' button. To the right is a graphic for 'EARTH SUMMIT AGENDA 21'.

Agenda 21
 UNCED, 1992

Agenda 21 is a comprehensive plan of action to be taken globally, nationally and locally by organizations of the United Nations System, Governments, and Major Groups in every area in which human impacts on the environment.

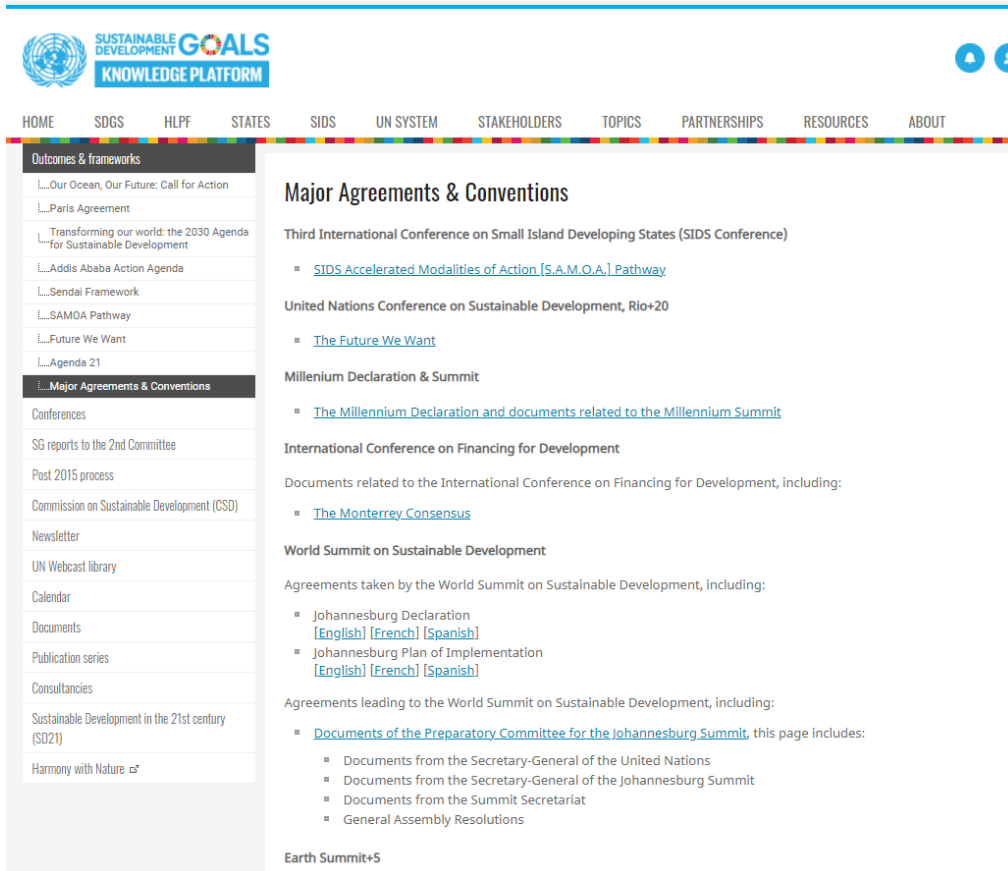
Agenda 21, the Rio Declaration on Environment and Development, and the Statement of principles for the Sustainable Management of Forests were adopted by more than 178 Governments at the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil, 3 to 14 June 1992.

The Commission on Sustainable Development (CSD) was created in December 1992 to ensure effective follow-up of UNCED, to monitor and report on implementation of the agreements at the local, national, regional and international levels. It was agreed that a five year review of Earth Summit progress would be made in 1997 by the United Nations General Assembly meeting in special session.

The full implementation of Agenda 21, the Programme for Further Implementation of Agenda 21 and the Commitments to the Rio principles, were strongly reaffirmed at the World Summit on Sustainable Development (WSSD) held in Johannesburg, South Africa from 26 August to 4 September 2002.

DOWNLOAD PDF

GLOBAL AGREEMENTS IN PLACE ([LINK](#))



Major Agreements & Conventions

Third International Conference on Small Island Developing States (SIDS Conference)

- [SIDS Accelerated Modalities of Action \[S.A.M.O.A.\] Pathway](#)

United Nations Conference on Sustainable Development, Rio+20

- [The Future We Want](#)

Millennium Declaration & Summit

- [The Millennium Declaration and documents related to the Millennium Summit](#)

International Conference on Financing for Development

Documents related to the International Conference on Financing for Development, including:

- [The Monterrey Consensus](#)

World Summit on Sustainable Development

Agreements taken by the World Summit on Sustainable Development, including:

- Johannesburg Declaration [\[English\]](#) [\[French\]](#) [\[Spanish\]](#)
- Johannesburg Plan of Implementation [\[English\]](#) [\[French\]](#) [\[Spanish\]](#)

Agreements leading to the World Summit on Sustainable Development, including:

- [Documents of the Preparatory Committee for the Johannesburg Summit](#), this page includes:
 - Documents from the Secretary-General of the United Nations
 - Documents from the Secretary-General of the Johannesburg Summit
 - Documents from the Summit Secretariat
 - General Assembly Resolutions

Earth Summit+5

Earth Summit+5

- [Documents related to Earth Summit+5: Special Session of the General Assembly to Review and Appraise the Implementation of Agenda 21](#)

Conference on Environment & Development

Agreements taken by the United Nations Conference on Environment and Development, including

- [The Rio Declaration on Environment and Development](#)
- [Agenda 21 - Global Programme of Action on Sustainable Development](#)
- [Statement of principles for the Sustainable Management of Forests](#)
- [Declaration of Barbados and the Programme of Action for the Sustainable Development of Small Island Developing States](#)
- [Declaration of the United Nations Conference on the Human Environment \(1972\)](#)

Other Major Agreements

- [The Universal Declaration of Human Rights](#)
- [Convention on the Elimination of All Forms of Discrimination Against Women](#)
- [UNESCO Convention Concerning the Protection of the World Cultural and Natural Heritage](#)
- [Convention on the Rights of the Child](#)
- [Documents related to the United Nations Special Session on Children](#)
- [Convention on Environmental Impact Assessment in a Transboundary Context](#)
- [The Beijing Declaration and Platform of Action](#)
- Gender, Equality, Development and Peace for the 21st century - 23rd Special Session of the General Assembly ([A/RES/S-23/2](#))

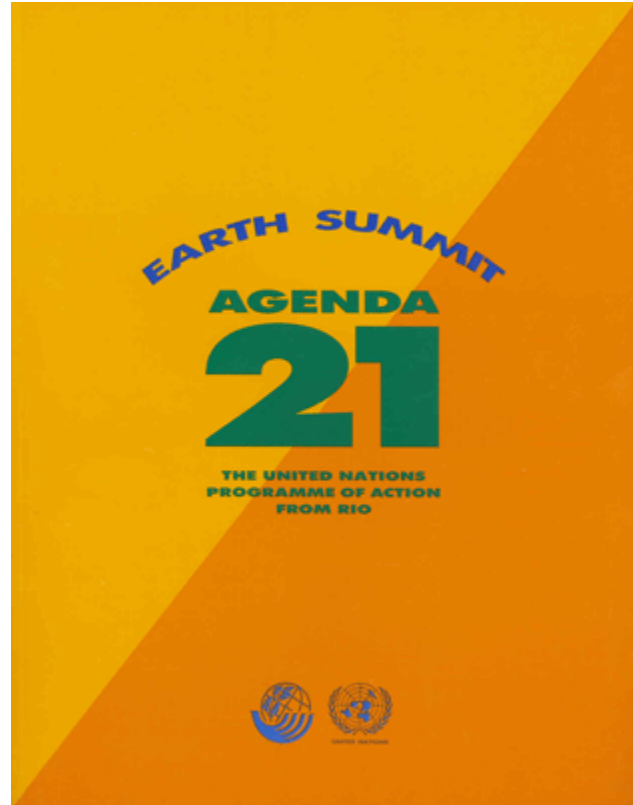
The 351 page pdf document is a long document that could only have been drawn up by a bureaucratic structure. It has lots of words but says nothing by design that could be considered neither controversial nor “quotable”.

However there can be no denying what it is intended to achieve.

"UN Agenda 21 is a comprehensive Plan of Action to be taken Globally, Nationally and Locally by Organizations of the United Nations System, Governments and Major Groups in every area in which Humans impact on the Environment."

It paves the wave for extraordinary United Nations Control!

When you boil it down there are Nine key tenants.

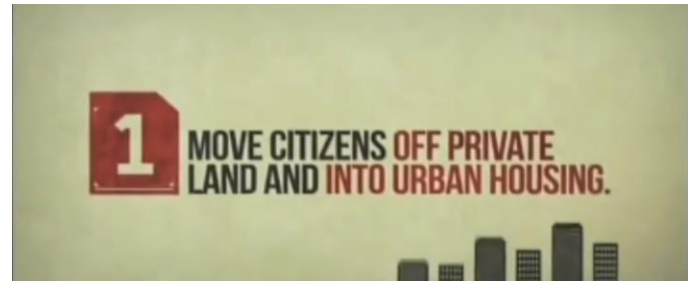


NINE KEY TENANTS

1. Move citizens off Private land and into Urban Housing
2. Create vast Wilderness Spaces (Includes the existing Arctic, Antarctica, Africa, Russia, Northern Canada, Amazon Rain forest etc),
3. Eliminate Cars and Create “Walkable” Cities,
4. Support Chosen Private Business with public Funds for “Sustainable Development”,
5. Make Policy Decisions that favor the “greater Good” over Individuals,
6. Drastically reduce the use of Power, Water and anything else that creates “Carbon Pollution”,
7. Use Bureaucracies to make Sweeping Decisions Outside of Democratic Processes,
8. Increase Taxes, Fees and Regulations,
9. Implement Policies meant to incentivize a Reduced Population.

A PERSPECTIVE – Urban Housing

Considering its policies are woven into all of the General Plans of the cities and counties in the United States, it's important for people to know where these policies are coming from. While many support the United Nations for its peacemaking efforts, few know that it has very specific land use policies that it wants implemented in every city, county, state and nation. The specific plan is called United Nations Agenda 21 Sustainable Development, which has its basis in Communitarianism.



In a nutshell, the plan calls for governments to take control of all land use and not leave any of the decision making in the hands of private property owners. It is assumed that people are not good stewards of their land and governments will do a better job if it is in control.

Individual rights in general are to give way to the needs of communities as determined by a global governing body.

In case you think this all a little farfetched then you need to understand that a non-governmental organization called the International Council of Local Environmental Initiatives, the ICLEI, is tasked with carrying out the goals of the US Agenda 21 locally. Over 600 cities and counties in the US are members. I bet you didn't know that and the costs are being paid by you, the taxpayer.

OK, you say, interesting - but I don't see how that really affects my investing thinking?

Here are a few.

No matter where you live, I'll bet there have been hundreds of condos built or planned in the center of your town recently. Over the last 10 years there has been a 'planning revolution' across the US.

Your commercial, industrial and multi-residential land has been quietly rezoned to "mixed use".

Most of your towns provided funding and or infrastructure development for these projects. They used Redevelopment Agency Funds. Your money. Specifically, your property taxes.

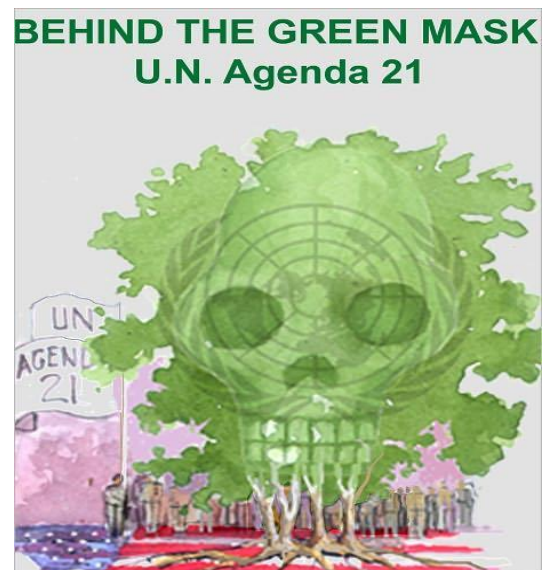
Notice how there is very little money in your General Funds now, and most of that is going to pay Police and Fire? Your street lights are off, your parks are shaggy, your roads are pot-holed, your county hospitals are being downsized or closed.

The money that should be used for these things is diverted into the Redevelopment Agency for 30 years. It's the only agency in government that can float a bond without a vote of the people. And they did that, and now you're paying off those bonds for the next 30 to 45 years with your property taxes. Did you know that?

So, what does this have to do with Agenda 21?

Redevelopment is a tool used to further the Agenda 21 vision of remaking America cities. With redevelopment, cities have the right to take property by eminent domain – against the will of the property owner, and give it or sell it to a private developer.

By declaring an area of town 'blighted' (and in some cities over 90% of the city area has been declared blighted) the property taxes in that area are diverted away from the General Fund.



The constriction of available funds is impoverishing the cities, forcing them to offer less and less services and thereby reducing your standard of living.

I could go on extensively but due to space must leave this here for you to investigate further.

I suggest on this topic of LAND use that a read of Rosa Koire's book "[Behind The Green Mask – UN Agenda 21](#)" is a good place to start.

If the nightly news of violence, defund the police, illegal immigration etc makes no sense then you need to read more to understand what is really going on by design and strategy!

A PERSPECTIVE – Eliminate CARS and Create Walkable Cities.

In case you think some of these goals make no sense then you need to watch the new more closely. Here is a recent headline from the UK that appears to make no sense. However, the bureaucrats in charge of regulations are making it is happening!



A PERSPECTIVE - Support Chosen Private Businesses with Public funds for Sustainable Developments

- [Bill Gates: Nuclear Energy Investment.](#)
- [Larry Fink: ESG Funds,](#)



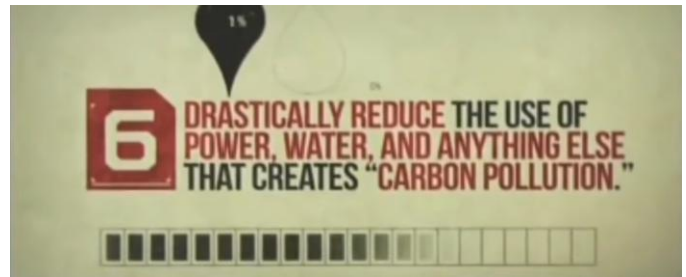
A PERSPECTIVE – Policy Decisions that favor the "Greater Good" over Individuals

- Collectivism – Central to the advancement of Socialism and Communism,
- Climate Migration – Balanced Standard of Living and Security,



A PERSPECTIVE – Drastically reduce anything that creates “Carbon Pollution”

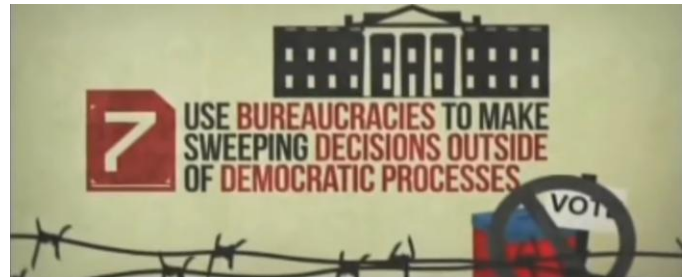
- Shuttering of the US Fossil Fuel Industry,
- Canceling Keystone XL,
- Suspension of oil drilling [leases](#) in the Arctic National Wildlife Refuge (ANWR),
- [Pausing](#) new oil and natural gas leases on U.S. federal lands,
- Proposing [red line](#) discriminatory tax hikes on energy companies — singling them out from every other sector of the economy for higher taxes.



A PERSPECTIVE – Use Bureaucracies to make Sweeping Decisions outside of Democratic Processes

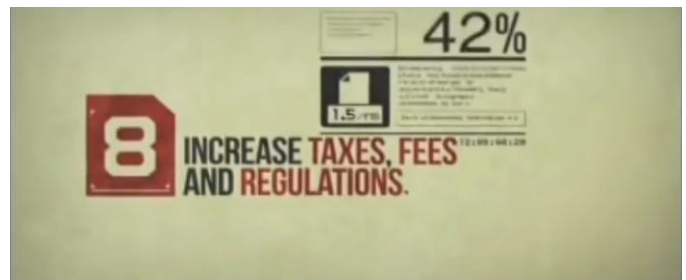
- [The Chevron Deference](#)

This is presently being challenged in the US Supreme Court as unconstitutional and is being debated as part of Biden’s recent Vaccine Mandate.



A PERSPECTIVE – Increase Taxes, Fees and Regulations

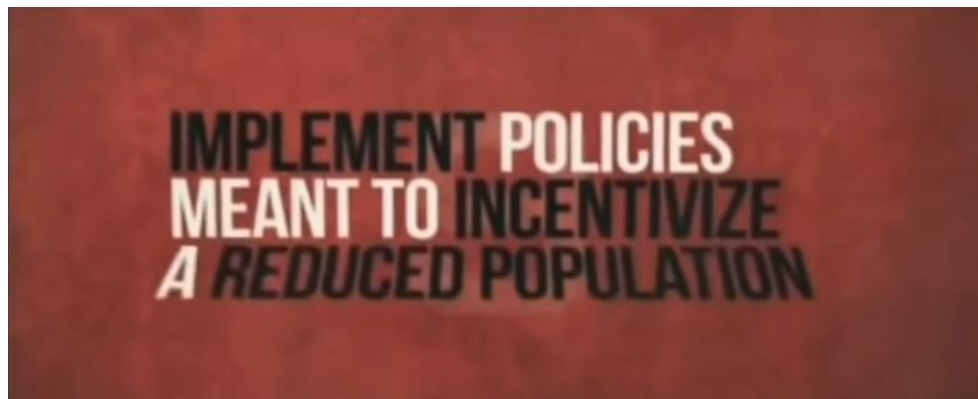
- Global Corporate Tax just enacted led by US Treasury Secretary Janet Yellen,
- Global Carbon Tax in Process of being enacted



COVID ????

AN ACCIDENT: *LIKELY*

THE GOVERNMENT DEBACLE IN CONTROLLING IT AND [THE POLICIES TAKEN WAS NOT](#)



UN AGENDA 21, Climate Change, Green Energy, ESG, DEI are all parts of larger policy frameworks that fit within what is referred to by the "Davos Global Elite" as the Great Reset.

The US Agenda 21 has broad initiatives that come under what they refer to as the three "E"s. Economy, Ecology and Equity.



They are about creating a balanced Global Standard of Living, Mass Migration & Rebalancing and Collectivism centering government policies.

A major catalyst for change and a social binder is Climate Change.

The solution that it fosters with the biggest financial ingredient is the advancement of Green Energy.

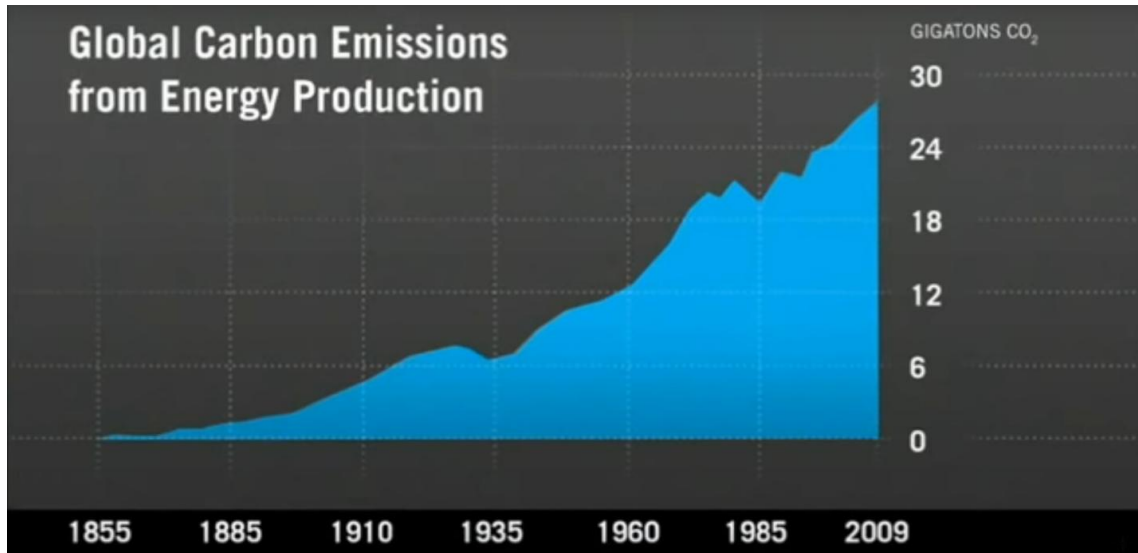
The Social Drivers for this are centered on the policies of ESG for organizations and DIE for social entities.

Major Behavioral Modification is achieved through rewards and penalization.



These have to include the Financial Sector, Country Governments and Consumers and Corporations.

The Net Zero Multi Trillion Carbon Swaps Market, Carbon Trading and Streaming as well as Carbon Taxes are all important pillars of the incentive reward system.



$$\text{CO}_2 = P \times S \times E \times C$$

PEOPLE SERVICES PER PERSON ENERGY PER SERVICE CO₂ PER UNIT ENERGY

In general the public is unaware and not particularly interested in the Financial Elements of all this but for Investors it is critical important in isolating where major emerging investments will appear. Of particularly interest is in the area of Green Bonds, Carbon Streaming and Carbon Taxation.

Green Bonds: We can expect central banks to begin buying Green Bonds the same as they currently buy Mortgaged Backed Securities to support the Housing & Real Estate market.

Carbon Streaming: We can expect Carbon Streaming credits to become an investment industry with a broad array of emerging players and instruments.

Carbon Swaps: Between countries we can expect balance of payments to be offset with Carbon Swaps. This is likely to expand the already \$600T Unregulated OTC Swaps market where global banks will dominate.

Green Technology: With the amount of money and financing available, mal-investment will run amok and as such Green Energy is likely to supersede High Tech and Bio Tech in the financial equity markets over the course of the 20's.

Green Services: Will emerge to support the adoption of green technologies. EV charging Stations, Ships and docking to support off shore wind farms, Solar Panel installation, replacement and cleaning, Wind generator "cowboy" technicians and the list goes on.

The adoption process will be culturally changing and something all investors should prepare for!

CLIMATE CHANGE

KEY MESSAGES

- Systematic measurements started in the mid-1900s and have shown a steady increase in carbon dioxide, with [the majority of it directly traceable](#) to the combustion of fossil fuels.
- [Roughly half](#) of all carbon dioxide emitted by human activities today stays in the atmosphere — and it [likely will remain there for hundreds of years](#), influencing the climate globally.
- If civilization stopped its carbon dioxide-emitting activities today, it would [still take many hundreds of years](#) for the concentration of carbon dioxide in the atmosphere to fall enough naturally to bring the planet's carbon cycle back into balance because of carbon dioxide's long life in the atmosphere.
- Venus' atmosphere is thick with carbon dioxide, and it is the [hottest planet](#) in our solar system as a result, even though Mercury is closer to the sun.
- Changes are already happening. Studies show that rising temperatures are [already affecting](#) precipitation, glaciers, weather patterns, tropical cyclone activity and severe storms. A number of studies show that the [increases in frequency](#), severity and duration of heat waves, for example, [affect ecosystems, human lives](#), commerce and agriculture.
- The clearest effect of global warming is that a warmer atmosphere holds more water, [leading to more extreme rainfall](#), like that seen during [Hurricane Harvey](#) in 2017. Looking forward, we expect to see hurricane winds and hurricane rains continue to increase. It's still unclear how the overall number of hurricanes will change.
- Over the last decade, global average sea level has risen at a rate of about 4 millimeters per year (1.5 inches per decade). This increase is due to two main factors: the melting of ice in mountain glaciers and at the poles, and the expansion of water in the ocean as it takes up heat.

1-QUESTION: Is Climate Change Real
ANSWER: Yes. The Science supports that it is valid

2-REAL QUESTION: Is the Climate Change Underway a Real Threat
ANSWER: Yes, but not anyway near the degree to which the current narrative is being taken.

3-QUESTION: What then is the true purpose of the the current hyped Narrative?
ANSWER: The justification and basis for a Financial, Economic and Social Reset

4-QUESTION: Why is a Reset Needed?
ANSWER: To avoidance a global Financial Collapse and a major Global Depression,
Protect the Power and Wealth of the
Global Elite.

THE FACTS ON CLIMATE CHANGE

1- 40 page scientific study by leading scientists (right):

[Climate Change-Physical Science Basis.pdf](#)

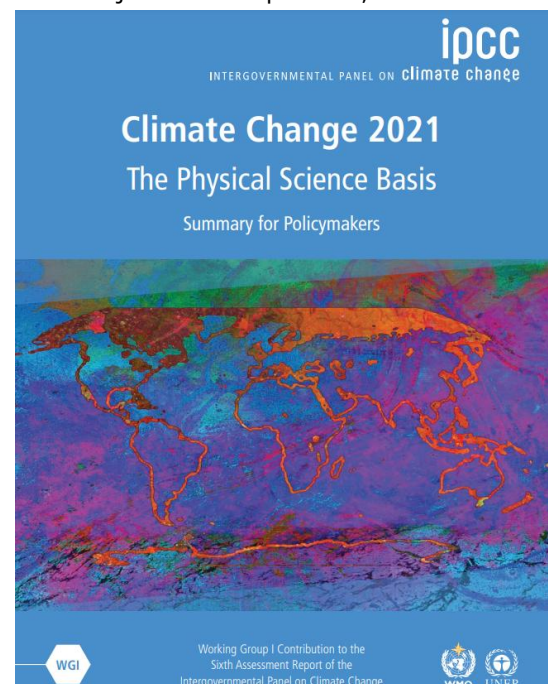
2- [234 scientists read 14,000+ research papers](#) to write the IPCC climate report – here's what you need to know and why it's a big deal

3- [IPCC Climate Report](#): Profound changes are underway in Earth's oceans and ice – a lead author explains what the warnings mean

4- **A Dissenting Voice: David Stockman: [The 'GreenMageddon' \(And What It Means For You\)](#)**

COP 26

- The two clear national winners: China and India. They are also the two biggest global polluters!



- China by not even showing up and continuing to expand its coal based power generator plants from 500 to over 700, and
- India by similarly not being impeded with its coal plant usage and even securing \$1T in funding for it all!
- Unfortunately the cop 26 achievement was financially and legally oriented in extracting money from the global economy.
- THE AGREEMENT: "Parties commit to escalating efforts to phase down unabated coal power and phase out inefficient fossil fuel subsidies while providing targeted support to the poorest and the most vulnerable in line with national circumstances and recognizing the need for support towards a just transition."
- GFCNZ: "We must build a financial system entirely focused on net zero" Mark Carney - UN Special Envoy on Climate Action and Finance and former Bank of England Governor.
- "If there's a revenue stream, then the funding is infinite" - Bank of America chief executive Brian Moynihan told the Wall Street Journal's Greg Ip.
- ACHIEVING A REVENUE STREAM:
 - A CARBON CREDIT is a tradable permit or certificate that provides the holder of the credit the right to emit one ton of carbon dioxide or an equivalent of another greenhouse gas - it's essentially an offset for producers of such gases.
 - CARBON OFFSETS are tradable "rights" or certificates linked to activities that lower the amount of carbon dioxide (CO₂) in the atmosphere. By buying these certificates, a person or group can fund projects that fight climate change, instead of taking actions to lower their own carbon emissions. In this way, the certificates "offset" the buyer's CO₂ emissions with an equal amount of CO₂
- REQUIRES THE IMPLEMENTATION OF:
 - GOVERNMENT REVENUES: A CARBON TAX
 - INCREASED LIQUIDITY: GREEN BONDS
 - REVENUE STREAMS: CARBONS CREDITS, CARBON OFFSETS & CARBON STREAMING
 - LOAN GUARANTEES: CONTINGENT LIABILITIES

MASS MIGRATION

- Almost immediately on being sworn in as President of the US on February 9, 2021, President Biden signed Executive Order (E.O.) 14013, "Rebuilding and Enhancing Programs to Resettle Refugees and Planning for the Impact of Climate Change on Migration,". The Executive Order directed the National Security Advisor to prepare a report on climate change and its impact on migration. This remarkable Order report marks the first time the U.S. Government is officially reporting on the link between climate change and migration.
- A 37 page White House Report believes "that an average of 21.5 million people were forcibly displaced each year by sudden onset weather-related hazards between 2008 and 2016, and thousands more from slow-onset hazards linked to climate change impacts. **Tens of millions of people**, however, are likely to be displaced over the next two to three decades due in large measure to climate change impacts.
- Migration in response to climate impacts may range from mobility as a proactive adaptation strategy to forced displacement in the face of life-threatening risks. This mobility may occur within or across international borders.
- Specifically, one model forecasts that climate change may lead to **nearly three percent of the population (totaling more than 143 million people) in three regions** - Sub-Saharan Africa, South Asia, and Latin America - to move within their country of origin by 2050.
- The accelerating trend of global displacement related to climate impacts is increasing cross-border movements, too, particularly where climate change interacts with conflict and violence".
- In response to a severe and urgent crisis, the President of the United States of America is announcing the President's Emergency Plan for Adaptation and Resilience (PREPARE) to support developing countries and communities in vulnerable situations around the world in their efforts to adapt to and manage the impacts of climate change. These impacts are already being felt, making investments in developing countries' climate resilience more urgent than ever.
- The President will work with Congress to provide \$3 billion in adaptation finance annually for PREPARE by FY2024. It is the largest U.S. commitment ever made to reduce climate impacts on those most vulnerable to climate change worldwide.

US PLANS

- The Biden-Harris Administration has committed the entire US Government to Climate Change as a highest priority. It will take the \$3.5T to \$5T planned budget in addition to the 41.3T Infrastructure Bill to finance the US Climate Change commitments made at COP 26 (this is in addition to the ongoing Fiscal Budget)!

IS CLIMATE CHANGE REAL?

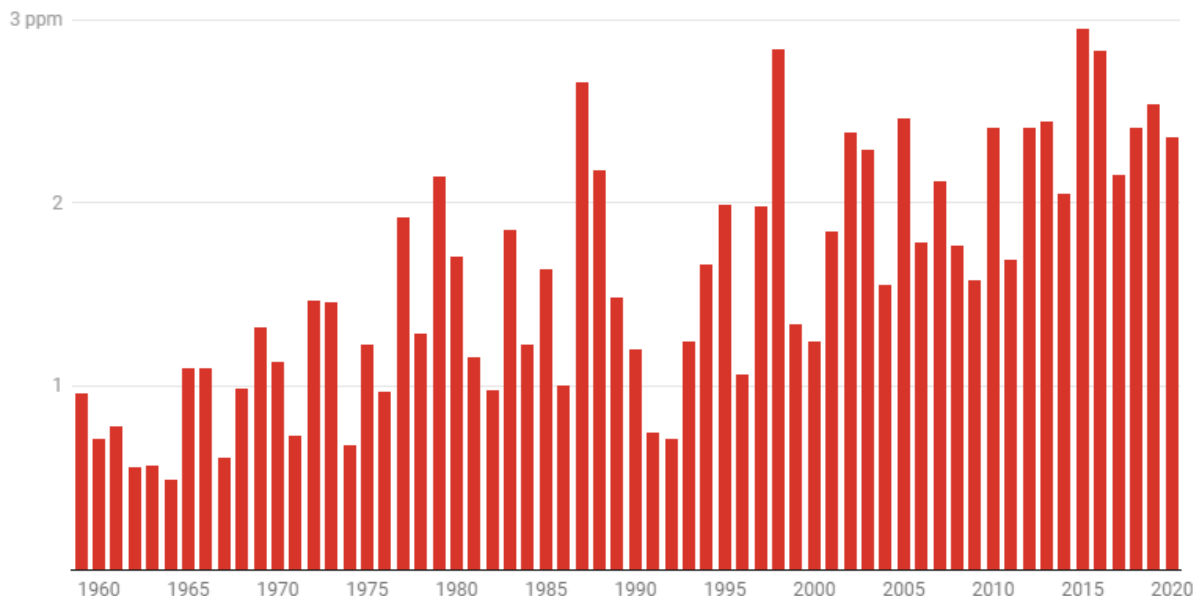
WHAT'S DRIVING CLIMATE CHANGE

The primary focus of the negotiations is on carbon dioxide, a greenhouse gas that is released when fossil fuels – coal, oil and natural gas – are burned, as well as by forest fires, land use changes and natural sources.

The Industrial Revolution of the late 1800s started an enormous increase in the burning of fossil fuels. It powered homes, industries and opened up the planet to travel. That same century, scientists [identified carbon dioxide's potential](#) to [increase global temperatures](#), which at the time was considered a possible benefit to the planet. Systematic measurements started in the mid-1900s and have shown a steady increase in carbon dioxide, with [the majority of it directly traceable](#) to the combustion of fossil fuels.

How much the CO2 concentration increased each year

When human activities release more carbon dioxide than nature can remove, the atmospheric CO2 concentration rises. In 2020, despite lower emissions during the pandemic, the concentration still rose by 2.4 parts per million. The chart shows by how much the concentration increased each year over the past six decades.



These yearly increases add up. CO2 concentration today is around 415 ppm, up from 280 before the industrial era.

Chart: The Conversation/CC-BY-ND • Source: [NOAA Global Monitoring Lab](#) • [Get the data](#) • [Download image](#)

Once in the atmosphere, carbon dioxide tends to stay there for a very long time.

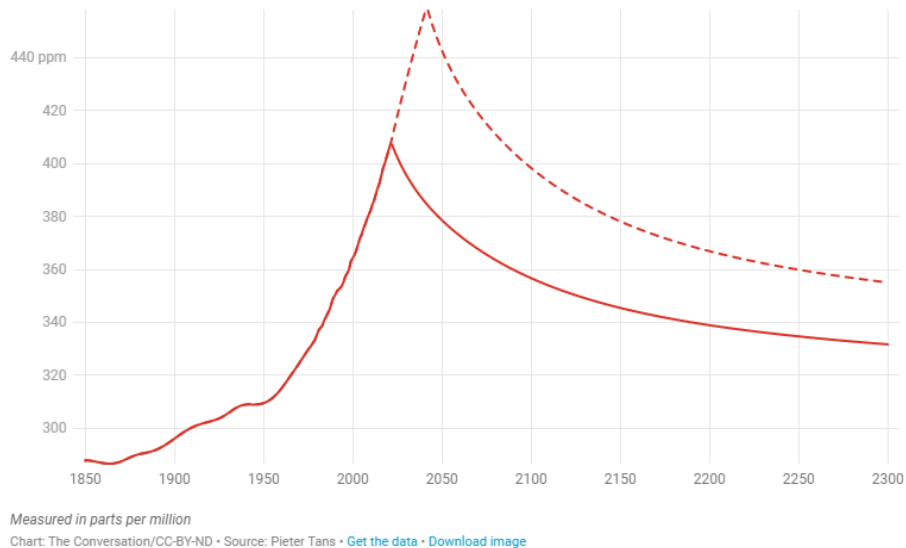
A portion of the carbon dioxide released through human activities is taken up by plants, and some is absorbed directly into the ocean, but [roughly half](#) of all carbon dioxide emitted by human activities today stays in the atmosphere — and it [likely will remain there for hundreds of years](#), influencing the climate globally.

During the [first year of the pandemic in 2020](#), when fewer people were driving and some industries briefly stopped, carbon dioxide emissions from fuels fell by roughly 6%. But it [didn't stop the rise in the concentration of carbon dioxide](#) because the amount released into the atmosphere by human activities far exceeded what nature could absorb.

If civilization stopped its carbon dioxide-emitting activities today, it would [still take many hundreds of years](#) for the concentration of carbon dioxide in the atmosphere to fall enough naturally to bring the planet's carbon cycle back into balance because of carbon dioxide's long life in the atmosphere.

How long does CO₂ stay in the atmosphere?

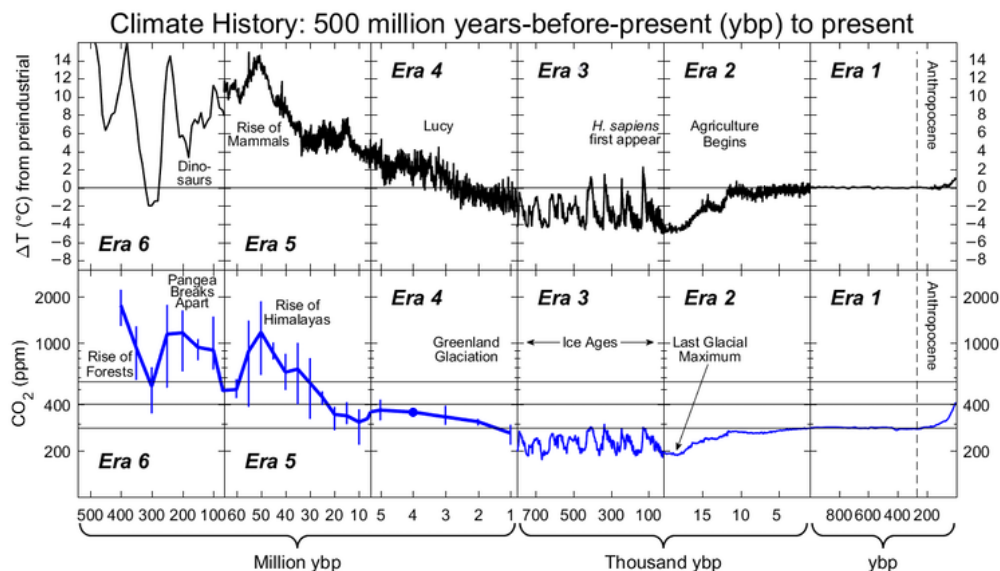
If people completely stopped burning fossil fuels in 2021, models estimate the atmospheric CO₂ concentration would decline slowly, taking over a century to return to even 1980s levels. Waiting 20 years to stop all emissions would take much longer, as the dashed line shows.



HOW WE KNOW GREENHOUSE GASES CAN CHANGE THE CLIMATE

Multiple lines of scientific evidence point to the increase in greenhouse emissions over the past century and a half as a driver of long-term climate change around the world. For example:

- Laboratory measurements [since the 1800s](#) have repeatedly verified and quantified the absorptive properties of carbon dioxide that allow it to trap heat in the atmosphere.
- [Simple models](#) based on the warming impact of carbon dioxide in the atmosphere [match historical changes in temperature](#).
- Complex climate models, recently acknowledged in [the Nobel Prize for Physics](#), not only indicate a warming of the Earth due to increases in carbon dioxide but also [offer details of the areas of greatest warming](#).



When carbon dioxide levels have been high in the past, evidence shows temperatures have also been high. [Based on Salawitch et al., 2017, updated with data to the end of 2020, CC BY](#)

- Long-term records from [ice cores](#), [tree rings](#) and [corals](#) show that when carbon dioxide levels have been high, temperatures have also been high.
- Our neighboring planets also offer evidence. Venus' atmosphere is thick with carbon dioxide, and it is the [hottest planet](#) in our solar system as a result, even though Mercury is closer to the sun.

TEMPERATURES ARE RISING ON EVERY CONTINENT

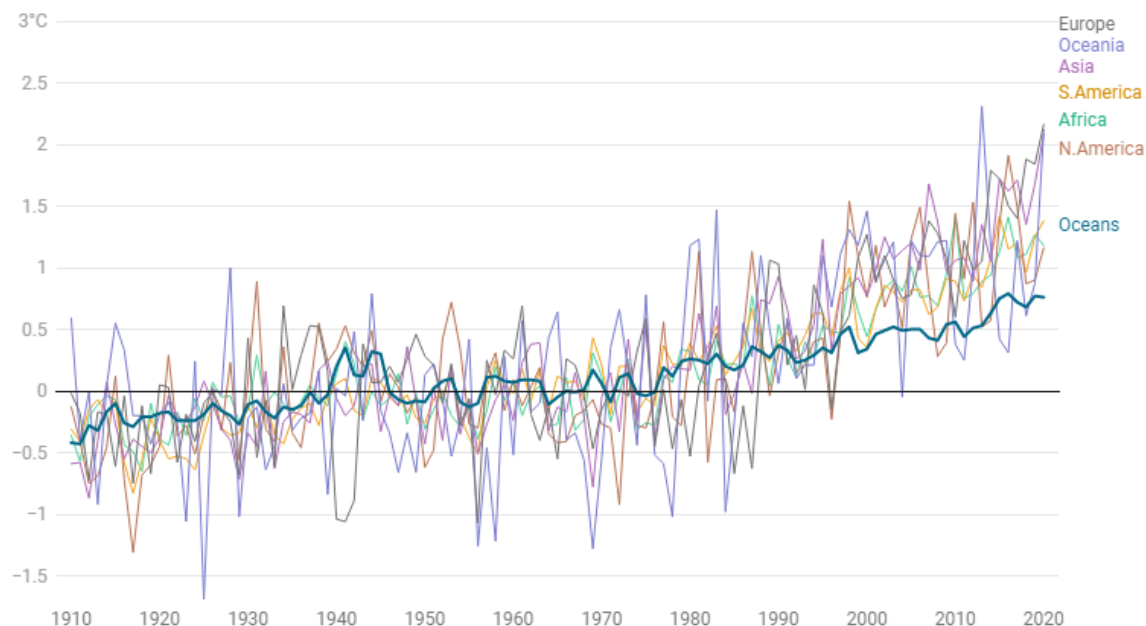
The rising temperatures are evident in records from every continent and over the oceans. The temperatures aren't rising at the same rate everywhere, however.

A variety of factors affect local temperatures, including land use that influences how much solar energy is absorbed or reflected, local heating sources like [urban heat islands](#), and pollution.

The Arctic, for example, is warming about [three times faster than the global average](#) in part because as the planet warms, snow and ice melt makes the surface more likely to absorb, rather than reflect, the sun's radiation. Snow cover and sea ice recede even more rapidly as a result.

How temperatures have risen over time around the world

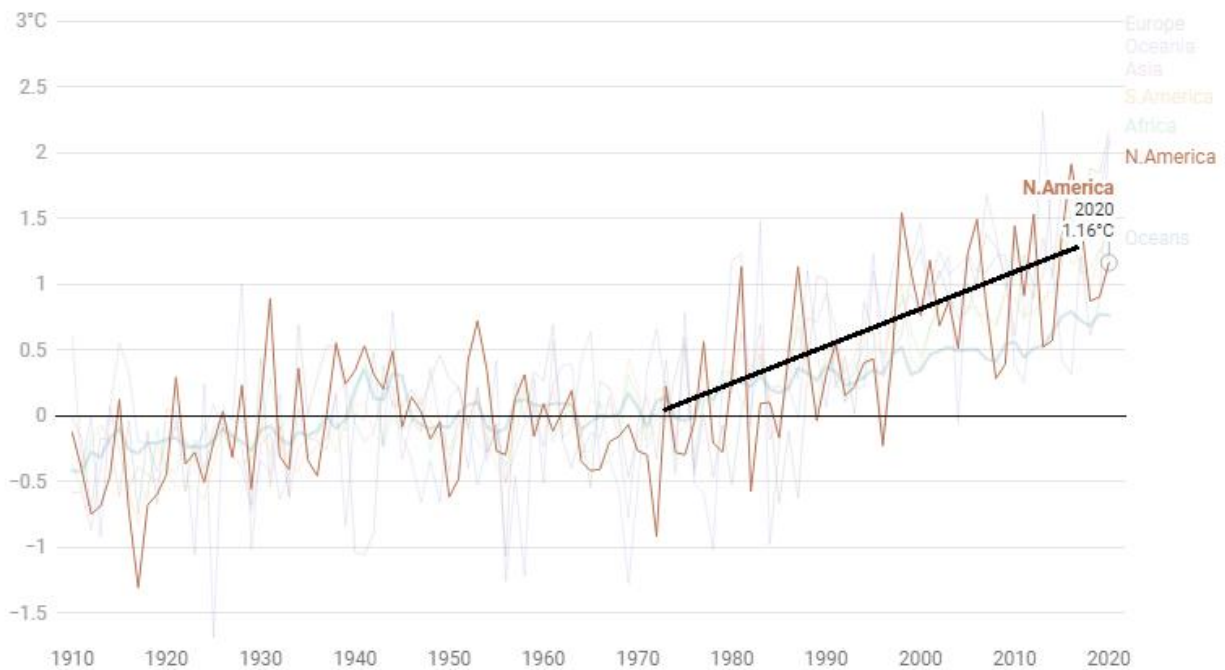
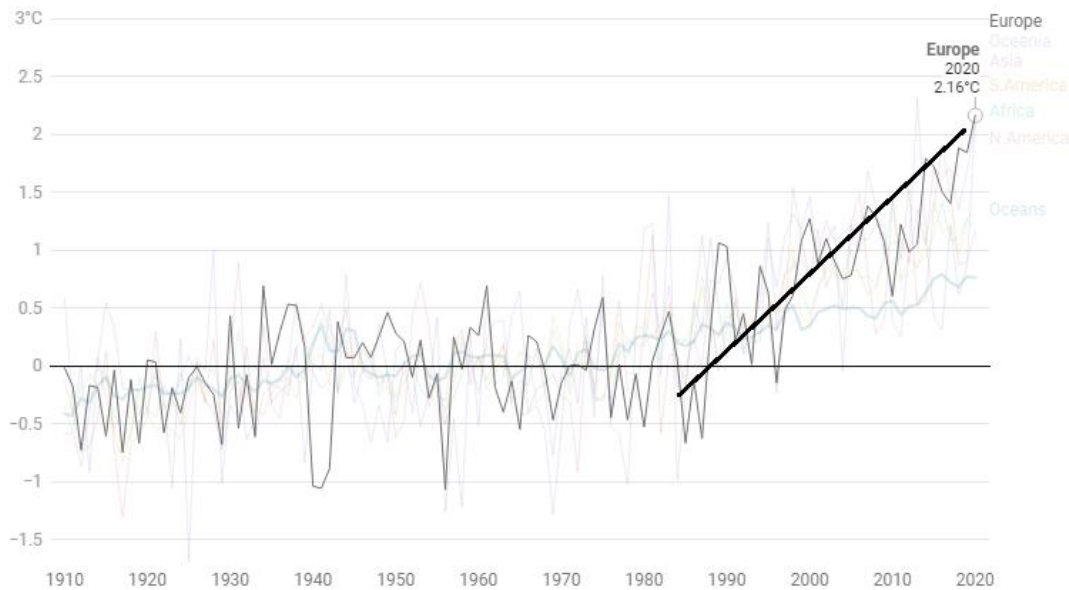
Every continent has warmed over the past century, though not at the same rate. The lines show the difference between each continent's average annual temperature and the 1910-2000 average. The oceans are also warming but not as quickly.



Baseline is the 1910-2000 average.

Chart: The Conversation/CC-BY-ND • Source: NOAA • [Get the data](#) • [Download image](#)

MUCH MORE PREVALENT AROUND THE WORLD THAN IN NORTH AMERICA
 (BELOW)



WHAT CLIMATE CHANGE IS DOING TO THE PLANET

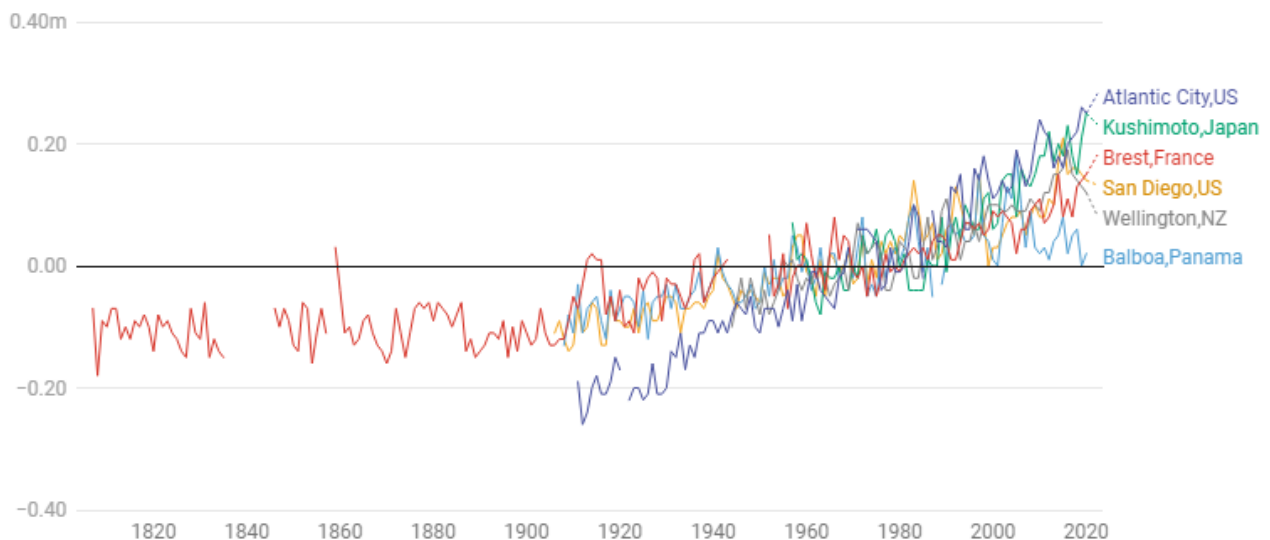
Earth's climate system is interconnected and complex, and even small temperature changes can have large impacts – for instance, with snow cover and sea levels.

Changes are already happening. Studies show that rising temperatures are [already affecting](#) precipitation, glaciers, weather patterns, tropical cyclone activity and severe storms. A number of studies show that the [increases in frequency](#), severity and duration of heat waves, for example, [affect ecosystems, human lives](#), commerce and agriculture.

Historical records of ocean water level have shown mostly consistent increases over the past 150 years as glacier ice melts and rising temperatures expand ocean water, with some local deviations due to sinking or rising land.

Sea level has risen in coastal cities around the world

Melting glaciers and the thermal expansion of ocean water are causing sea level to rise. Rising and sinking local land masses can also affect the apparent sea level.



In meters relative to each site's local 1961-1979 average.

Chart: The Conversation/CC-BY-ND • Source: [Permanent Service for Mean Sea Level](#) • [Get the data](#) • [Download image](#)

While extreme events are often due to complex sets of causes, some are exacerbated by climate change.

Just as coastal flooding can be made worse by rising ocean levels, heat waves are more damaging with higher baseline temperatures.

Climate scientists work hard to estimate future changes as a result of increased carbon dioxide and other expected changes, such as world population. It's clear that temperatures will increase and precipitation will change. The exact magnitude of change depends on many interacting factors.

A FEW REASONS FOR HOPE

On a hopeful note, scientific research is improving our understanding of climate and the complex Earth system, identifying the most vulnerable areas and guiding efforts to reduce the drivers of climate change.

Work on renewable energy and alternative energy sources, as well as ways to capture carbon from industries or from the air, are producing more options for a better prepared society.

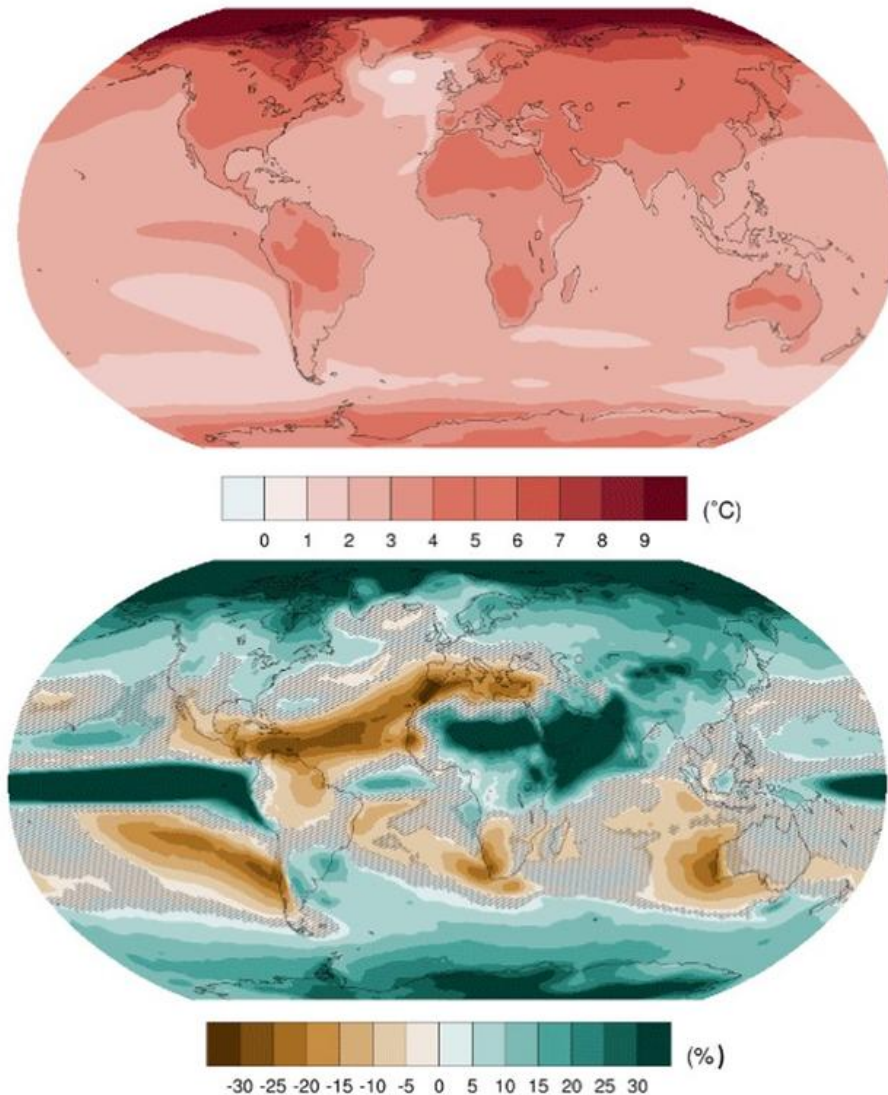
At the same time, people are learning about how they can reduce their own impact, with the growing understanding that a globally coordinated effort is required to have a significant impact. [Electric vehicles, as well as solar and wind power, are growing](#) at previously unthinkable rates. More people are showing a [willingness to adopt new strategies](#) to use energy more efficiently, consume more sustainably and choose renewable energy.

Scientists increasingly recognize that shifting away from fossil fuels has [additional benefits](#), including [improved air quality](#) for human health and ecosystems.

Temperature and precipitation in a changing world

If the world doesn't take strong actions to reduce greenhouse gases, models indicate there will be higher temperatures worldwide, as the first map shows. The second map shows some areas will see more precipitation, while others see less, notably some regions important for agriculture.

2081-2100 relative to 1995-2014



Based on SSP3-7.0, a high-emissions scenario. [Claudia Tebaldi, et al., 2021](#)

THE COP26 FACADE

Although disappointing headlines such as the *"Glasgow Climate Summit Ends in Tears, Failure, And Kicking-The-Can on Commitments"* were quite common, there were major winners that came out of the cop26 summit.

The two clear national winners: China and India. They are also the two biggest global polluters!

- China by not even showing up and continuing to expand its coal based power generator plants from 500 to over 700, and
- India by similarly not being impeded with its coal plant usage and even securing \$1T in funding for it all!



No wonder both are happy, even though they have a serious contentious border problem.



This was the least-green climate summit to date and ended in a huge win for coal - after India and China forced last minute language changes into the final text of the Glasgow Climate Pact to *"Phase down"* instead of *"Phase out"* unabated coal power.

The language changes were dramatically introduced on the last Saturday night during the last half-hour of the final session, when India swooped in with the demand, as well as adding a clause which reads *"while providing targeted support to the poorest and the most vulnerable."* India of course being one of the most vulnerable countries.

Specifically, the 197-nation pact would be forced to agree to – and I quote:

"Parties commit to escalating efforts to phase down unabated coal power and phase out inefficient fossil fuel subsidies while providing targeted support to the poorest and the most vulnerable in line with national circumstances and recognizing the need for support towards a just transition."



Previously, the text read: *"including accelerating efforts towards the phase-out of unabated coal power and inefficient fossil fuel subsidies, recognizing the need for support towards a just transition."*

So - India and China just kicked the door back open on what was already going to be a near-impossible task to eliminate coal, and Western nations are now committed to 'targeted support' in the form of taxpayer dollars for poorer nations.

While the beneficiaries of these changes took a victory lap, India said *(with a straight face no less)* that it would "call upon parties to escalate development and deployment" of green technologies and a transition towards lower energy use - while China issued an even less specific support for the call "according to what India, China, South Africa and Bolivia delegates, and like-minded countries and other developing countries, expressed [as] concerns."

The main public outcome was the Glasgow Climate Pact, which calls on 197 countries to accelerate climate-friendly actions and report their progress on the green agenda at COP27, which is set to take place in Egypt in November 2022.

Over 120 countries, representing about 90% of the world's forests, pledged to halt and reverse deforestation by 2030. More than 40 countries, including major coal-users such as Poland, Vietnam and Chile, agreed to shift away from coal.

Aside from fancy pens, COP26 attendees likely return to their countries with a most serious task - kick the can down the road for now, then come back next year with plans to strengthen their 2030 emissions reductions targets.

Rich nations have the added bonus to "at least double" the amount of money they give developing countries in exchange for adapting to climate change.

As always, there are no specifics underpinning a commitment to transfer gobs of money from rich nations to poor.

If ever, climate change activist Greta Thunberg should be pissed over 'empty words', now's the time!



Laughably, in response to the last minute changes, COP26 president Alok Sharma offered his apologies, saying he was "deeply sorry" for how the event wrapped up.

"May I just say to all delegates I apologize for the way this process has unfolded and I am deeply sorry," he told the crowd, adding "I also understand the deep disappointment but I think as you have noted, it's also vital that we protect this package."

As much of a joke as this was, it can't be underestimated what was actually achieved.

Unfortunately the achievement was financially and legally oriented in extracting money from the global economy.



GLASGOW FINANCIAL ALLIANCE FOR NET ZERO (GFANZ)

“We must build a financial system entirely focused on net zero”

Mark Carney - UN Special Envoy on Climate Action and Finance and former Bank of England Governor.

Mark Carney, former Goldman Sachs banker and both a former Governor of the Bank of Canada and Bank of England, was the UN Special Envoy for Climate Action and Finance at COP26. Carney assembled the [Glasgow Financial Alliance for Net Zero](#), a group of bankers, insurers and investors committed to making climate change a top priority.

It is important to fully appreciate that Carney has also previously supervised the BIS Global Swaps policies for a period of time for the infamous Bank of International Settlements in Basel Switzerland. He is one of only a few people including former ECB president & now President of Italy Mario Draghi, who have had purview to, and hands on the inside workings and actual flows of the mysterious & unregulated OTC \$600T global swaps market that in my opinion glues the global financial markets together.

\$130 TRILLION IN PRIVATE CAPITAL

Carney’s assembled Alliance [agreed](#) to devote \$130 trillion in private capital funding – around 40% of the world’s financial assets – to hit net zero emission targets by 2050.

Its members represent over 450 financial institutions from 45 countries. From the US, banks that participated included Bank of America, Citi, JPMorgan Chase, Morgan Stanley, Goldman Sachs and Wells Fargo. [Full List of Pledges](#) (pages 97-102)

[Progress Report Summary](#)
[Full 104 page GFANZ Report](#)

Members of the alliance pledged to report every year on their lending practices, disclosing the carbon emissions linked to where their capital is going.

However, these promises were taken with a pinch of salt by many activists who [argued](#) that the pledges were insufficient and demanded more immediate climate action.

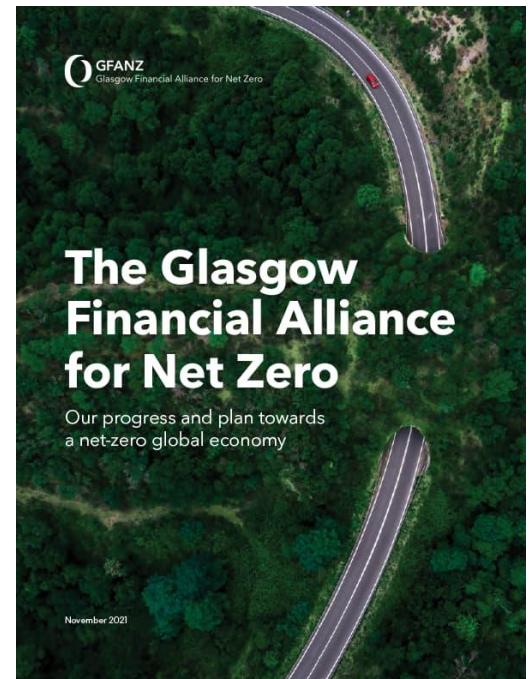
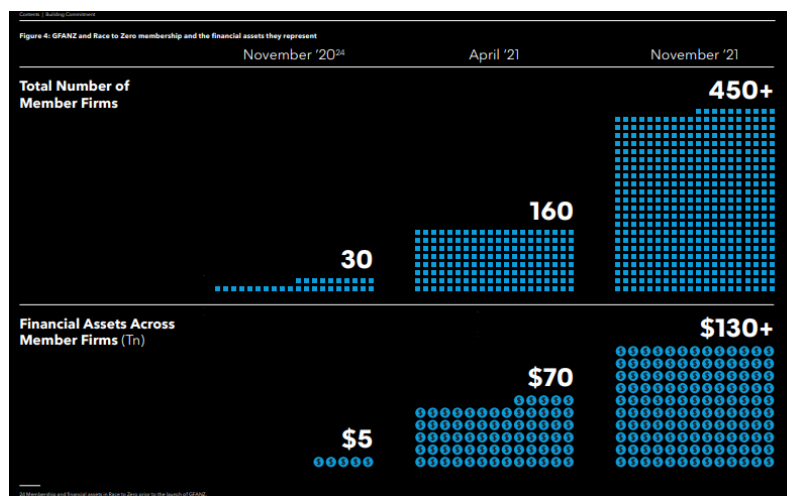
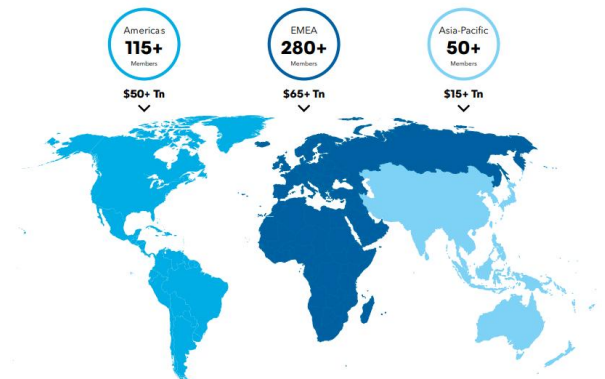


Figure 5: GFANZ global reach – members and assets represented by region²³



"It is not green finance, nor is it all dedicated in the slightest to tackling climate change as long as financiers have large interests in fossil fuel expansion," said one observant activist critic.

"REWIRING OF THE ENTIRE FINANCIAL SYSTEM"

The big message from the Glasgow climate conference was the role of finance in decarbonizing the global economy. It's a dangerous development and financial pivot. In his speech to the 26th Conference of the Parties (COP26), Britain's chancellor of the Exchequer, Rishi Sunak, pledged action to **"rewire the entire financial system for Net Zero."**

Until now, central banks and financial regulators – particularly the Fed and the SEC in the U.S. — have been maintaining the pretense that their involvement in climate policy is motivated by concern about climate financial risk. Climate financial risk is a smoke screen for what can only be seen to be an aggressive Green Financial Repression power grab.

"If there's a revenue stream, then the funding is infinite"

Bank of America chief executive Brian Moynihan told the Wall Street Journal's Greg Ip.

ACHIEVING A REVENUE STREAM

A **CARBON CREDIT** is a tradable permit or certificate that provides the holder of the credit the right to emit one ton of carbon dioxide or an equivalent of another greenhouse gas - it's essentially an offset for producers of such gases.

CARBON OFFSETS are tradable "rights" or certificates linked to activities that lower the amount of carbon dioxide (CO₂) in the atmosphere. By buying these certificates, a person or group can fund projects that fight climate change, instead of taking actions to lower their own carbon emissions. In this way, the certificates "offset" the buyer's CO₂ emissions with an equal amount of CO₂.

FORCED ESCALATING CARBON PRICING THROUGH REGULATORY PRICE SETTING

The Intergovernmental Panel on Climate Change estimates a minimum of \$135 a ton, rising up to \$14,300 a ton in order to hit net zero in 2050.

Rupert Darwall is the author of "[Climate-Risk Disclosure: A Flimsy Pretext for a Green Power Grab](#)," and a senior fellow at RealClearFoundation observed:

It should set alarm bells ringing when bankers stop talking about risk and prudence and start talking like Buzz Lightyear. These revenue streams don't currently exist, but one way or another, they will be created — juiced up and supported by governments and multilateral aid agencies such as the World Bank.

On the other side of the ledger, returns on investment in the production of hydrocarbon energy needed to keep the lights on and economies moving are to be suppressed, pushing up their cost. Ultimately, the revenue streams Moynihan and other bankers lend against come from taxpayers and consumers. Higher energy costs and supply disruptions would make it harder to service purportedly low-risk net zero financing.

When bankers talk of the social value of bank lending, it has all the makings of a systemic financial crisis. In 1987, shortly after the Reagan administration's botched Savings & Loan (S&L) deregulation, University of Chicago economist Sam Peltzman warned of the dangers to bank capital when banks are induced by governments to channel credit to socially "worthy" sectors like housing. There followed the S&L meltdown, which cost American taxpayers up to \$124 billion. Two decades later came an order-of-magnitude larger financial crisis, also with its origins in housing finance. Using the global banking system to cross-subsidize net zero risks a financial crisis that would make 2008 look comparatively minor — much the way the S&L meltdown looks to us today.

TRANSITION PLANS POLICED BY AN INDEPENDENT AUDITORS

The Glasgow COP's host, Britain's chancellor of the Exchequer, Rishi Sunak, singled out British business for special treatment and announced that the U.K. will become the first ever "Net Zero aligned financial center." That vision will see businesses being forced to file net zero transition plans policed by an independent task force. This was intended to set the model for all UN countries to adopt in some form.

NOW REQUIRES THE IMPLEMENTATION OF:

GOVERNMENT REVENUES: A CARBON TAX

A carbon tax places a fee on the carbon emissions content of fossil fuels, and the market then determines the resulting quantity of emissions reductions

INCREASED LIQUIDITY: GREEN BONDS

A green bond is a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects. These bonds are typically asset-linked and backed by the issuing entity's balance sheet. So they usually carry the same credit rating as their issuers' other debt obligations.

Green Bond purchasers are typically institutional investors, often with either an ESG (environment, social and governance) mandate or an environmental focus. Other buyers include investment managers, governments and corporate investors.

In addition, there are often tax benefits for investing in green bonds.

According to the Climate Bonds Initiative, the issuance of green bonds reached \$269.5 billion in 2020. The United States was the largest player, with \$50 billion in new issuance. The same analysis found that the cumulative issuance of green bonds had reached over \$1 trillion.

REVENUE STREAMS: CARBONS CREDITS, CARBON OFFSETS & CARBON STREAMING

These tradable financial instruments foster the expansion of the securities markets and the broadening use of financial leverage, derivative adoption and ETF products.

LOAN GUARANTEES: CONTINGENT LIABILITIES

We can expect many governments to guarantee Climate Change investments. The US Fiscal Gap which includes Contingent Liabilities is currently already in excess of \$212T and no doubt will grow to assist in accelerating Climate Change and the rapid adoption of Green Technologies.

Indirect climate policies are not a substitute for direct government action to suppress consumer demand for greenhouse gas-emitting activities. Using the financial system as the principal policy instrument of de-carbonization will have unintended consequences and create immense distortions that threaten global financial stability and the functioning of a commercial society. The climate crisis enters a new, dangerous phase as finance ministers, central bankers, and financial leaders all look to save the planet — with other people's money.

A NEW FORM OF DELIVERING THE MACROPRUDENTIAL POLICY OF FINANCIAL REPRESSION

As successful as Financial Repression has proven to be, through new untested major variant policies such as Quantitative Easing (QE), it has already been found to be insufficient in effectively reducing the government's debt burden. Additionally, as an Unintended Consequence it has become a major contributor to growing wealth inequality and Moral Hazard. Debt growth in the developed economies continues to expand at an ever accelerating rate which now requires even further aggressive policy accommodations.

Policy setters have only recently accepted that sustained expansion of the money supply has delivered what it normally and eventually always does - Inflation! Sustained low rates are now contributing to not only malinvestment, but exploding inflation which threatens to become a political problem for elected policy setters.

The dilemma suggests the following is on the horizon:

Suspected Targets

- ~4.7%: Expecting Higher Inflation Rates,
- ~2.2%: Will Require Higher UST Bond Rates,
- ~-1.5%: To still achieve High Real Negative Rates.

The goal of this new form of Financial Repression is to effectively reduce the financial burden of debt expanding faster than economic growth. Green Financial Repression takes a fundamentally different approach. Instead of trying to solve the problem through Monetary Policy and restrictive Fiscal Policy (including Taxation with their individual consequences) it uses the government's regulatory powers.

This will require a major policy transition as well as new methods of delivering massive increases in debt creation while managing currency stability.

COP26 was a major globally coordinated step towards that goal!

WHAT IS GOING ON HERE

Governments' regulatory powers have always included broad ranges of Fees, Licenses, Toils and Assessments. The new approach uses Time & Level Assessments.

By setting Carbon Emission Levels and Time frames it forces compliance which can only be achieved through forced investment or in some cases de-investment. Additionally, it is using the policies of ESG in gaining investor approval to incentivize Voluntary Compliance and participation.

WHAT THIS GREEN EXPANDED FINANCIAL REPRESSION DELIVERS

Investment is expected to not only come in the form of Capital Investment but also to foster growth in the capital markets for tradable permits, rights and certificates for carbon emissions. Carbon Credits and Carbon Offsets therefore create taxable profits, but most importantly the massive Investments required is **projected to materially expand Global GDP**.

The Global GDP is presently ~ \$84T/year. \$150T over 30 Years is \$5T. That is an annual increase of 6% which is dramatic when the global economic growth approximates 3% or less.

However, it is expected to be much larger than that because the \$5T/year is only the planned amount of investment capital being raised. Additionally, it is expected to result in dramatically increasing competitive & regulatory driven Carbon pricing which will outstrip overall Inflation.

Remember, it is centrally Inflation and economic growth that Financial Repression is targeted at. What we have here is more appropriately termed "Regulatory Repression". Instead of penalizing Savers with reduced purchasing power it penalizes Carbon Emitters & Users achieving the same end.

... at least that appears to be their plan?

MASS MIGRATION

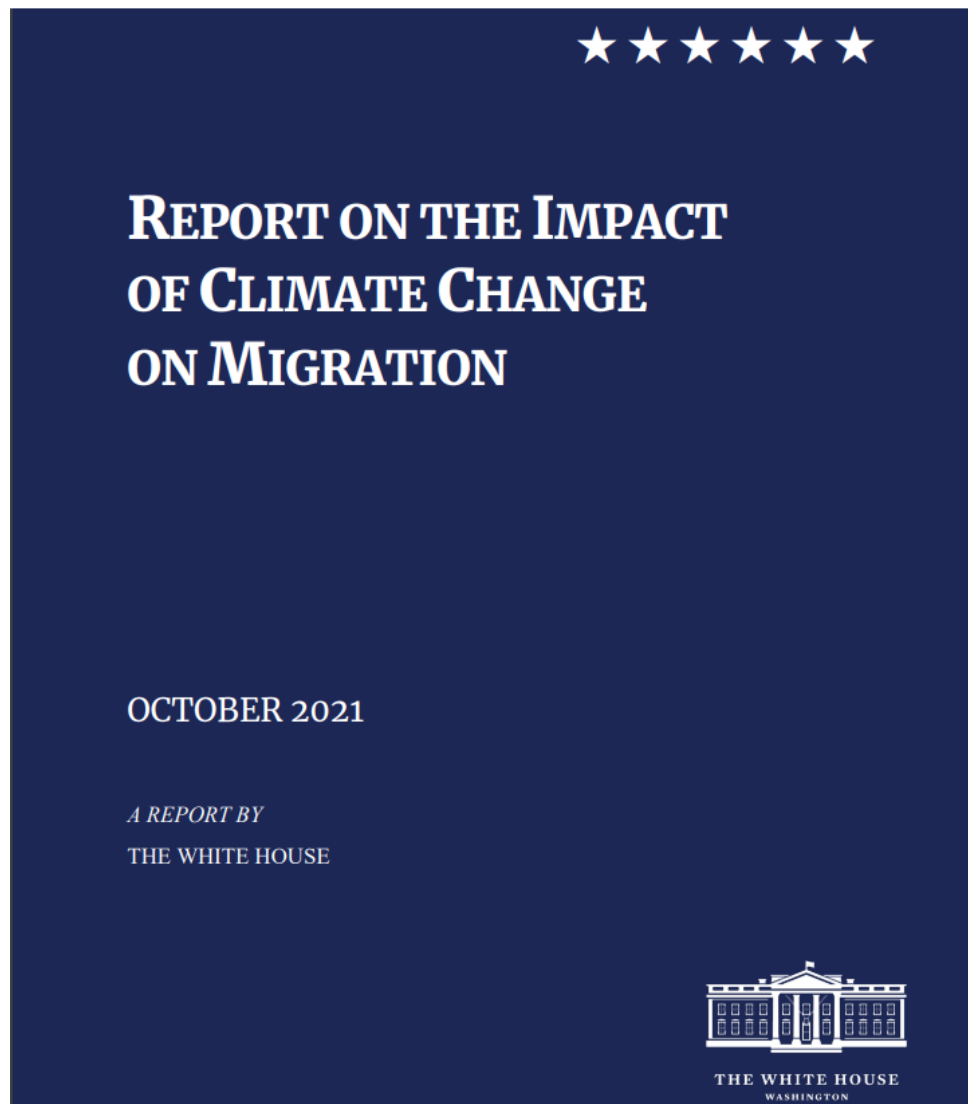
US GOVERNMENT: SELLING & PLANNING FOR CLIMATE MIGRATION

Almost immediately on being sworn in as President of the US on February 9, 2021, President Biden signed **Executive Order (E.O.) 14013, "Rebuilding and Enhancing Programs to Resettle Refugees and Planning for the Impact of Climate Change on Migration,"**. The Executive Order directed the National Security Advisor to prepare a report on climate change and its impact on migration. This remarkable Order report marks the first time the U.S. Government is officially reporting on the link between climate change and migration.

According to a just released "[Report On The Impact of Climate Change On Migration](#)",

"The climate crisis is reshaping our world, as the Earth's climate is now changing faster than at any point in the history of modern civilization. 1 Defined by changes in average weather conditions that persist over multiple decades or longer, climate change includes changes in temperature, precipitation patterns, the frequency and severity of certain weather events, and other features of the climate system.

When combined with physical, social, economic, and/or environmental vulnerabilities, climate change can undermine food, water, and economic security. Secondary effects of climate change can include displacement, loss of livelihoods, weakened governments, and in some cases political instability and conflict".





ANNEX 2: EXAMPLES OF CLIMATIC TRENDS AND EXTREMES THAT INFLUENCE MIGRATION

Manifestations of climate change	Environmental change	Pathways/effects that influence human security	Observed or potential influence on migration
Increasing warm days and nights	Decreases in surface and groundwater; desertification	Arable/grazing land degradation; drought stress on flora and fauna; lack of water for human settlements and agriculture; local economic decline; limitations to outdoor activities under extreme temperatures	Decline in pastoral land use, African Sahel; rural to urban migration in Malawi concurrent with increasing frequency and severity of drought since 1970
Heat waves increasing over land and ocean	Increase in temperature extremes, exceeding heat stress tolerance level of humans and ecosystems	Increase in excess death rate; impacts on food safety and changing ecological patterns of vector-borne, zoonotic, and environmentally sourced (e.g., from water-, soil-, or dust-borne pathogens) infectious diseases; increase in wildfire; coral bleaching events; more frequent harmful algal blooms	Heat wave deaths in India (2015), Europe (2019); impacts of weather extremes in highly vulnerable economies (e.g. Dominican Republic, Jamaica); agricultural land degradation
Increases in the intensity and duration of drought	Declining lake storage, streamflow, and groundwater	Water resource shortages and food insecurity; land degradation; reduction in crop, forest, and livestock production; increase in wildfire	Migration and conflict over water in Burkina Faso (ongoing); migration from drought-stricken lands in Ethiopia, Iraq and Somalia (2019)
Increase in heavy precipitation events	Flooding, erosion, channel modification, debris flows	Loss of life; impacts on homes and infrastructure; damage to crops and increase flood insecurity	Flash floods in Nepal (1993, 2020); monsoonal floods and abrupt migration in Bangladesh (1987-1988, 2004, 2007)
Increases in intense tropical cyclone activity	Storm surge flooding, landslides, coastal erosion, saltwater intrusion in soils and surface water, deforestation	Loss of human life and livelihoods; impacts to the built environment; salinity impacts on crops	Migration from Caribbean islands in the aftermath of Hurricanes Irma and Maria (2017) and after Tropical Cyclone Gorky, south-eastern Bangladesh (1991)
Rising sea levels	Erosion and inundation of coastal shorelines and low-lying environments	Impacts on the built environment, degradation of water supplies, economic losses; enhanced vulnerability to extreme events	Overwash and groundwater contamination in Pacific and Indian Ocean atolls (e.g., 5 m King tides, Republic of Marshall Islands, 2014)
Thawing permafrost	Collapse and retreat of Arctic coastal shorelines	Impacts on housing and infrastructure, ecosystems and release of GHGs; acceleration of warming	Relocation of Indigenous communities on the Arctic shoreline
Ocean warming and acidification*	Changes in marine species distribution, loss	Loss or movement of fish stocks; loss of tourism, subsistence	Economic losses, large-scale coral bleaching, e.g. Guam and
	of coral and other calcifying organisms	livelihoods, and other economic impacts	the Commonwealth of the Mariana Islands (2014-2017), Fiji (2020), Australia (2016)
Global increase in mean sea level	Inundation of low-lying coastal landforms and small islands	Loss of freshwater resources; chronic flooding of coastal communities; impacts on the built environment	Planned relocation of all or parts of small island nations, such as Tuvalu, Vanuatu, the Cartaret Islands of Papua New Guinea, and the Marshall Islands
Decline in snow, land-based ice, and sea ice	Changes in the seasonality and volume of meltwater discharge; pluvial flooding and glacial lake outbursts; ecosystem changes	Decline of dry-season water supplies, affecting sustainability of natural and human systems; effects on dam stability; acceleration of warming	Increasing flood threats in parts of China, the Andes, and the Indian sub-continent impacts on subsistence hunting

* Ocean acidification is not the result of the warming global temperatures, but climate change and ocean acidification are both caused by greenhouse gas emissions, particularly of CO₂.

CLIMATE MIGRANTS & REFUGEE STATUS

The 37 page White House Report believes "that an average of 21.5 million people were forcibly displaced each year by sudden onset weather-related hazards between 2008 and 2016, and thousands more from slow-onset hazards linked to climate change impacts. **Tens of millions of people, however, are likely to be displaced over the next two to three decades due in large measure to climate change impacts.**

Migration in response to climate impacts may range from mobility as a proactive adaptation strategy to forced displacement in the face of life-threatening risks. This mobility may occur within or across international borders.

*Specifically, one model forecasts that climate change may lead to **nearly three percent of the population (totaling more than 143 million people) in three regions - Sub-Saharan Africa, South Asia, and Latin America - to move within their country of origin by 2050.***

The accelerating trend of global displacement related to climate impacts is increasing cross-border movements, too, particularly where climate change interacts with conflict and violence".

The **National Security Council** has created a new inter-agency working group focused on **the connection between climate change and migration.**

"Given that climate-induced weather extremes will grow in severity in unexpected ways, this working group will provide a venue for developing long-term strategies consistent with the evolving scientific understanding of climate impacts, such as those communicated through the Intergovernmental Panel on Climate Change and the U.S. National Climate Assessment," writes the White House in its **Fact Sheet** on the new reports.



Why DID THE BIDEN-HARRIS REGIME IMMEDIATELY REVERSE ALL TRUMP POLICIES THAT HAD EFFECTIVELY STOPPED ILLEGAL MIGRANTS ON THE SOUTHERN US BORDER & CREATE A HISTORIC SURGE ,YET WITHOUT ANY REPLACEMENT POLICY?

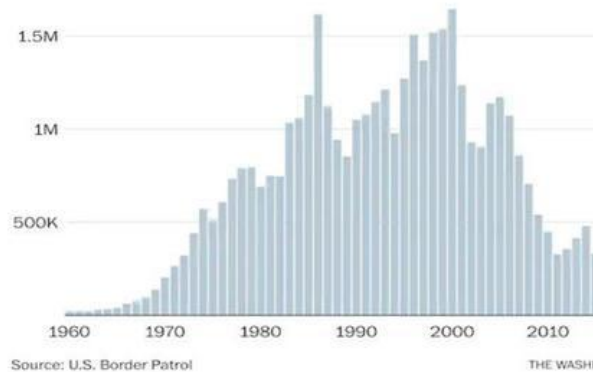
HERE IS THE CURRENT ILLEGAL ENTRY SITUATION

US Border Patrol agents have already apprehended a total of 1,666,167 illegal immigrants along the southwest border in fiscal 2021 - breaking all records since 1925 after the agency was formed (when 22,199 illegal aliens were arrested).



Border arrests

A record number of migrants were taken into custody along the U.S. border with Mexico in the 2021 fiscal year that ended in September.



An additional 294,352 were stopped after trying to enter at a port of entry without legal papers, bringing the total to almost 2 million (1,956,519) for fiscal 2021, according to new Customs and Border Protection (CBP) statistics.

The CBP doesn't officially release the number of "getaways"—illegal aliens who are detected by Border Patrol, but evade capture. However, former CBP Commissioner Mark Morgan told a congressional Republican round-table on Oct. 20 that the getaway number hit at least 400,000 illegal aliens this year.

In January, Biden paused deportations, stopped border wall construction, halted the Remain in Mexico program, repurposed Immigration and Customs Enforcement priorities, and reversed the ban on travel from terror-prone countries.

NOTE: In December 2020, Trump's last full month in office, Border Patrol agents arrested almost 74,000 illegal immigrants on the southern border. By July, that had almost tripled to 213,500.

US COMMITMENTS & PLANS

President's Emergency Plan for Adaptation and Resilience (PREPARE)

In response to a severe and urgent crisis, the President of the United States of America is announcing the President's Emergency Plan for Adaptation and Resilience (PREPARE) to support developing countries and communities in vulnerable situations around the world in their efforts to adapt to and manage the impacts of climate change. These impacts are already being felt, making investments in developing countries' climate resilience more urgent than ever.

The President will work with Congress to provide \$3 billion in adaptation finance annually for PREPARE by FY2024. It is the largest U.S. commitment ever made to reduce climate impacts on those most vulnerable to climate change worldwide.

PREPARE will serve as the cornerstone of the U.S. government response to operationalizing the President's pledge and addressing the increasing impacts of the global climate crisis. PREPARE activates a coordinated, whole-of-government approach and will serve as the framework that brings together the diplomatic, development, and technical expertise of the United States to help more than half a billion people in developing countries adapt to and manage the impacts of climate change by 2030, to track with the timeline for meeting the Sustainable Development Goals.

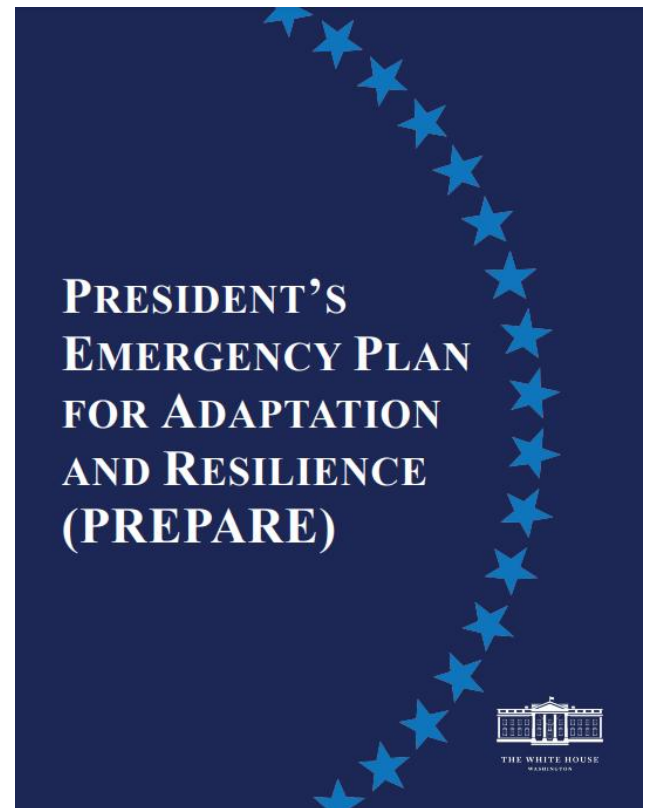
Through PREPARE, the United States will respond to partner countries' priorities, strengthen cooperation with other donors, integrate climate risk considerations into multilateral efforts, and strive to mobilize significant private sector capital for adaptation. As a result, PREPARE will help save lives and livelihoods, support sustainable and healthy communities and ecosystems, and reduce the impacts of climate change.

Implementation Approach

PREPARE implementation employs a strategic and integrated whole-of-government approach that includes the following core agencies:

- The U.S. Agency for International Development (USAID) will utilize its longstanding, on-the-ground partnerships to strengthen the climate resilience of governments and communities through sustainable development and humanitarian assistance. USAID's new climate strategy will allow it to support governments and communities to better integrate climate adaptation measures into governance, planning, and budgeting processes. USAID will use information and tools to address climate impacts, with the goal of protecting critical development gains.
- The Department of State will invest in multilateral and plurilateral partnerships, initiatives, and funds that drive global adaptation ambition and action and respond to the priorities of the most vulnerable developing countries. Efforts will harness global and regional capacity to tackle common threats and support South-South cooperation. This support will leverage other public and private sector investments in global climate resilience, provide technical assistance and capacity building, and significantly scale up adaptation efforts, with the goal of driving lasting change.

The Department of the Treasury will advocate for increased adaptation finance throughout the multilateral system and is urging all the multilateral development banks (MDBs) in which the United States owns shares to become Paris aligned as early as possible. Doing so will require the MDBs to screen all prospective investments for resilience potential. It will also support adaptation efforts through its contributions to the International Fund for Agricultural Development.



- The National Oceanic and Atmospheric Administration (NOAA), a recognized leader in climate information and services, will work to build capacity by sharing its global data, resources, and tools, as well as provide direct technical assistance and capacity building to developing countries. By increasing access, use, and independent development of climate information, developing countries will be empowered to better understand and respond to climate hazards.
- The U.S. International Development Finance Corporation (DFC), America's development bank, will partner with the private sector to finance solutions to the most critical challenges facing the developing world today. Investing in climate resilience is core to that work. DFC offers a wide range of financial tools, including debt, political risk insurance, technical assistance, and equity finance, to support projects in a variety of industries from critical infrastructure to power generation, healthcare, agriculture, technology, and financial services.

Other U.S. agencies, such as the Department of Agriculture, Department of Energy, Department of Health and Human Services, Department of Interior, Department of Homeland Security, Environmental Protection Agency, Federal Emergency Management Agency, U.S. Forest Service, Millennium Challenge Corporation, National Aeronautics and Space Administration, and U.S. Trade and Development Agency, will respond to the adaptation priorities identified by countries in their National Adaptation Plans (NAPs) and nationally determined contributions (NDCs), among others.

This whole-of-government approach is designed to build capacity in developing countries to better prepare for and respond to the ways that climate change undermines food, water, and economic security, as well as to the secondary effects of climate change that include displacement, loss of livelihoods, weakened governments, and in some cases political instability and conflict.

Plan Components

PREPARE consists of three primary components: 1) Knowledge, 2) Plans and Programs, and 3) Resources.

1) PREPARE Knowledge: Information is Power

The United States will support efforts to deepen global understanding of climate risks, vulnerabilities, and adaptation solutions while supporting expanded development, innovation, and delivery of climate information services, decision support tools, and early warning systems. Through PREPARE, the United States will build the capacity of the current and future generations of adaptation professionals to help people make choices about where they live, what jobs they have, and how they can protect their families from extreme heat, droughts, floods, loss of land due to sea level rise, conflict spurred by climate stressors, and other environmental changes caused by climate change. Climate information services will inform decision makers about their options for preparing and responding to climate impacts. Bringing scientists, meteorologists, decision-makers, and communities together results in more useful tools and builds enhanced capacity in countries to use those tools and mainstream climate adaptation into broader planning and operations.

2) PREPARE Plans and Programs: Mainstream and Integrate Adaptation, Build Relationships, Execute

The United States will help countries and communities in vulnerable situations plan for climate impacts and mainstream adaptation into broader decision making, with the ultimate goal of safeguarding lives, livelihoods, and the natural environment from the impacts of climate change. In doing so, the United States will support countries in vulnerable situations around the world in their efforts to develop, implement, and finance their adaptation priorities. PREPARE will strive to improve the capacity of national and local governments to assess and embed climate risks into their budgets, plans, policies, and operations with the ultimate objective of translating priorities into bankable projects. PREPARE will also support locally led adaptation that enables Indigenous peoples, vulnerable communities, and marginalized populations to meaningfully participate in and lead adaptation-related decisions.

3) PREPARE Resources: Mobilizing Finance and Private Capital

The United States will accelerate financing of adaptation measures by contributing to and shaping new and existing multilateral and bilateral adaptation funds, supporting multiple climate risk finance strategies, strengthening capacity to access finance for adaptation and develop bankable investments, and striving to mobilize private capital. U.S. contributions to multilateral funds have the potential to mobilize additional public and private sector funds extending beyond the impact of U.S. investments alone. PREPARE will also support the development and implementation of climate and disaster risk financing strategies and

instruments, ranging from forecast-based finance and insurance to social protection. PREPARE will strengthen the capacity of countries and communities in vulnerable situations to access finance for adaptation, while working to strengthen the enabling environment for private investment and generate partnerships with the private sector to advance climate resilience.

Moving Forward

Through PREPARE, the United States will act with urgency to significantly scale up adaptation efforts around the world to save lives, safeguard development gains, and reduce instability and the need for humanitarian aid. The United States will use its diplomatic influence, technical expertise, and implementation capacity through a whole-of-government approach to expand the scale and reach of existing and proven adaptation practices and partnerships—while at the same time investing in innovation and striving to mobilize private capital for adaptation. Finally, the United States will deepen and expand our partnerships to accelerate the implementation of adaptation solutions so that we can collectively reduce the risks posed by climate change

NATIONAL CLIMATE TASK FORCE'S "NDC"

On Day One, President Biden fulfilled his promise to rejoin the Paris Agreement and set a course for the United States to tackle the climate crisis at home and abroad, reaching net zero emissions economy-wide by no later than 2050.

As part of re-entering the Paris Agreement, he also launched a whole-of-government process, organized through his National Climate Task Force, to establish this new 2030 emissions target – known as the “nationally determined contribution” or “NDC,” a formal submission to the United Nations Framework Convention on Climate Change (UNFCCC).

Other U.S. agencies reports are online for;

- The Department of Agriculture,
- Department of Energy,
- Department of Health and Human Services,
- Department of Interior,
- Department of Homeland Security,
- Environmental Protection Agency,
- Federal Emergency Management Agency,
- U.S. Forest Service,
- Millennium Challenge Corporation,
- National Aeronautics and Space Administration, and
- U.S. Trade and Development Agency,

All have responded to the adaptation priorities identified by countries in their National Adaptation Plans (NAPs) and nationally determined contributions (NDCs), among others.

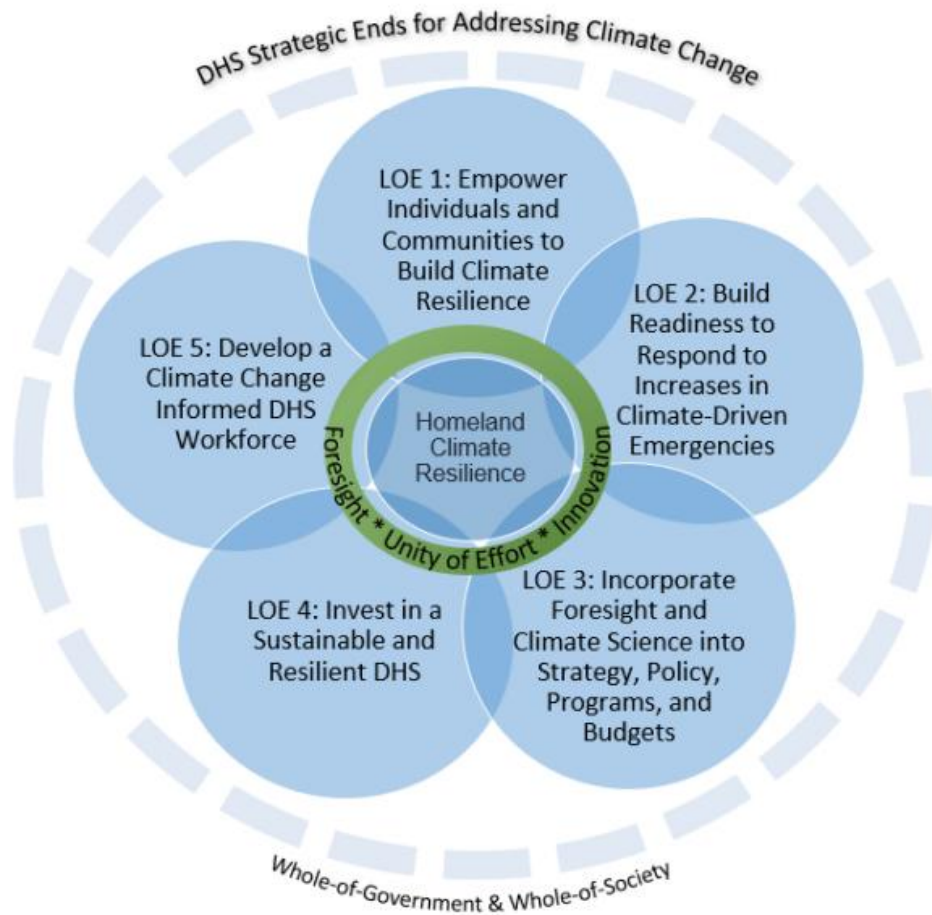
EXAMPLES: THREE BIDEN ADMINISTRATION ORDERED REPORTS

the Department of Homeland Security (DHS) released its [Strategic Framework for Addressing Climate Change](#).

"An influx of climate-related migration through the U.S.-Mexico border and climate-induced existential threats to Arctic communities and Alaska Native culture will accelerate and require our proactive actions to manage future border crises and potential relocation of internally-displaced populations."

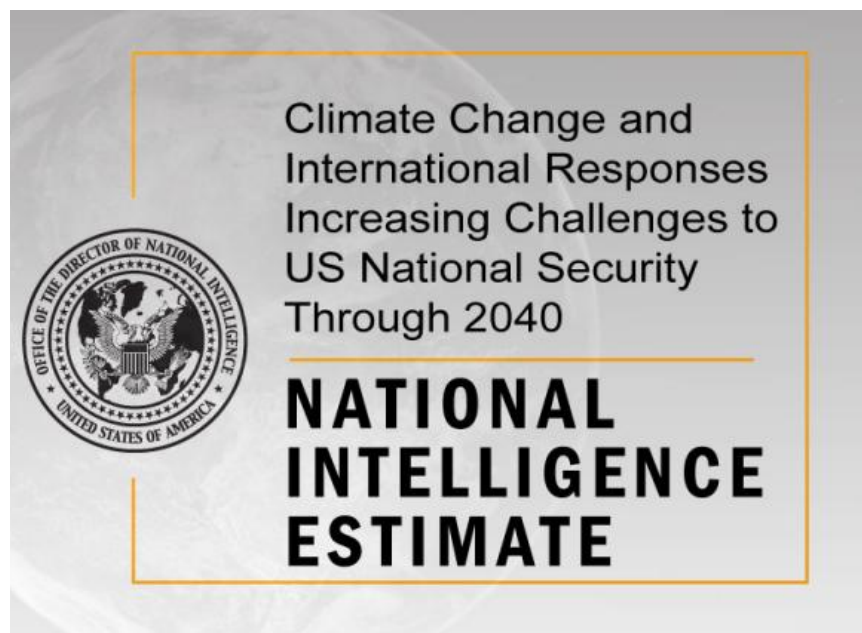
The Secretary of DHS, Alejandro N. Mayorkas writes:

"The most recent report issued by the Intergovernmental Panel on Climate Change makes clear that the impacts of the climate emergency on both our national and global security are vast. Whether it is extreme heat in the northwest or extreme storms in the southeast, our Nation, and particularly those most vulnerable, are already experiencing the effects of human-induced climate change. With the greatest impacts still on the horizon, our Department must strategically leverage its expertise, resources, and authorities to tackle climate change and increase resilience across our country."



Office of Director of National Intelligence (DNI) and a [National Intelligence Estimate](#) (NIE) on Climate Change.

Representing the consensus position of the DNI and [seventeen other intelligence agencies](#), the report claims that climate change will result in many outcomes that threaten U.S. national security interests, including heightening water-related conflict, driving cross-border migration, and spurring competition for critical minerals with China.





Department of Defense (DoD), which released an unclassified version of its [Climate Risk Analysis](#).

The DoD Climate Risk Analysis (DCRA) responds to requirements specified in Executive Order (EO) 14008, "Tackling the Climate Crisis at Home and Abroad."

Lloyd J. Austin III, Secretary of Defense writes in the Introduction:

"To keep the nation secure, we must tackle the existential threat of climate change. The unprecedented scale of wildfires, floods, droughts, typhoons, and other extreme weather events of recent months and years have damaged our installations and bases, constrained force readiness and operations, and contributed to instability around the world.

Climate change touches most of what this Department does, and this threat will continue to have worsening implications for U.S. national security. To meet this complex challenge, the Department of Defense (DoD) is integrating climate change considerations at all levels, including in our risk analyses, strategy development, planning, modeling, simulation, and war gaming.

The DoD Climate Risk Analysis (DCRA) is a critical step for incorporating climate change security implications at a strategic level. As the global and cross-cutting consequences of climate change increase the demands on the Department, the DCRA provides a starting point for a shared understanding of the mission risks of climate change—and lays out a path forward. For example, climate considerations will be included in key DoD documents, such as the forthcoming National Defense Strategy, which guides the ways that DoD meets national security challenges. Coupled with the Climate Adaptation Plan, which will help the Department operate under changing climate conditions, the DCRA reflects the Department's focus on confronting climate change.

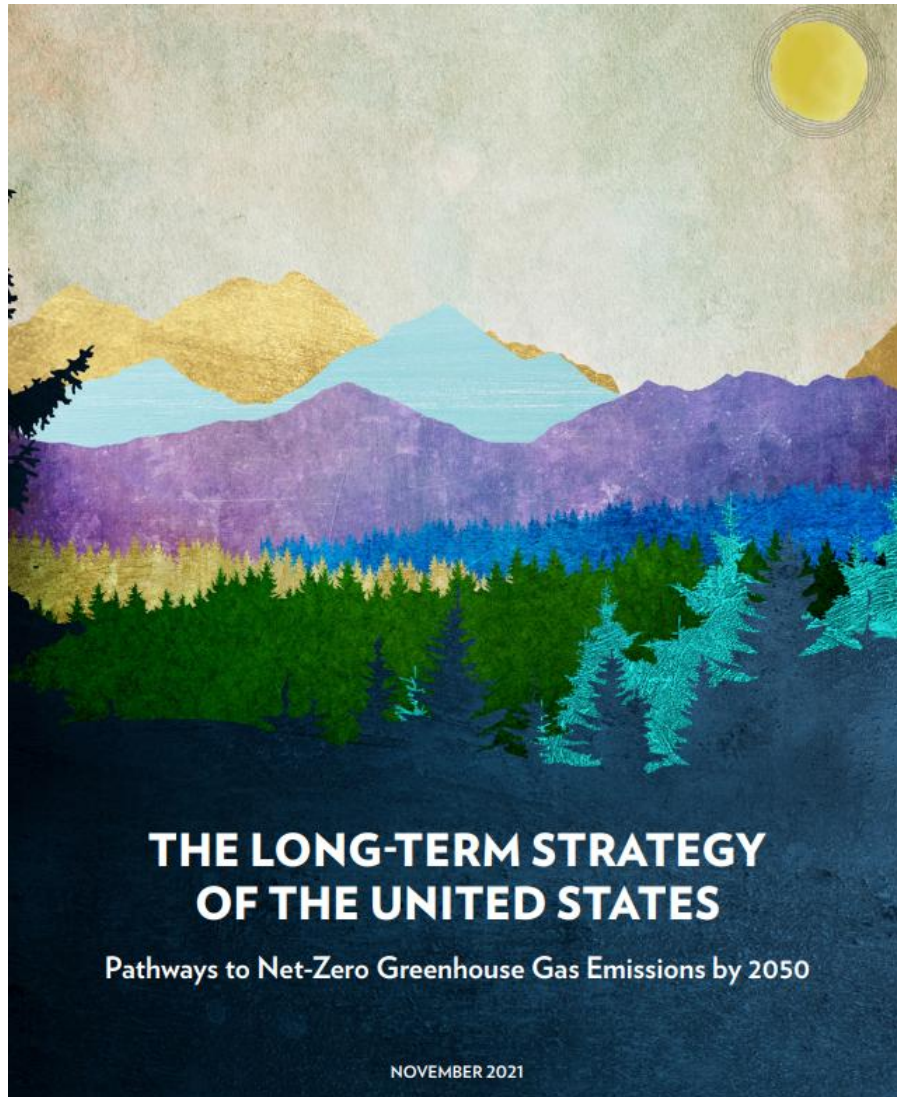
Climate change presents serious risks, but DoD, along with the entire U.S. government, as well as our allies and partners, is determined to address this common threat. The Department will work to prevent, mitigate, and respond to the defense and security risks associated with climate change. By doing so, we will ensure that we continue to fulfill our mission of defending the United States."



[THE LONG-TERM STRATEGY OF THE UNITED STATES](#)

Pathways to Net-Zero Greenhouse Gas Emissions by 2050

65 Pages



CONCLUSION

The Biden-Harris Administration has committed the entire US Government to Climate Change as a highest priority.

It will take the \$3.5T to \$5T planned budget in addition to the 41.3T Infrastructure Bill to finance the US Climate Change commitments made at COP 26 (this is in addition to the ongoing Fiscal Budget)!

GREEN ENERGY

KEY MESSAGES

"CLIMATE CHANGE" IS MOST FUNDAMENTALLY ABOUT "GLOBAL CREDIT & DEBT CREATION"!

- Climate change, "Net Zero", Green Energy and ESG provides an endless stream of taxpayer and debt-funded "investments" which in turn need a just as constant degree of debt monetization by central banks.
- The beauty of this new Credit Spigot is that it fires up activists and left leaning politicians to pump this ideological spigot!
- The global plan currently is being rolled out to initially focus on three structural drivers:

GOVERNMENTS:

- Fiscal Spending Policies
- Regulatory Restrictions & Laws against, and
- Regulatory Advantages & Incentives,

CENTRAL BANKS:

- Monetary policies that monetize debt and
- QE to soon buy new 'Green Bonds'

CORPORATIONS:

- Implementation of an [ESG direction](#),
- [Modify Executive incentives](#)

NUCLEAR: The Economic Solution for Low Carbon Electrical Power GENERATION

- Nuclear power is currently more expensive than solar and onshore wind in key economies.
- While over the next 30 years the LCOEs of renewable plus storage are expected to fall by another 50%, Many don't expect nuclear costs to significantly reduce.
- Long time horizons also need to be built into plans as nuclear power plant projects can have a duration of up to 15 years (and sometimes more).
- The IEA net zero scenario assumes 22GW net incremental capacity coming on stream annually between 2030-40. Given the average time horizons, the approval process for those power plants would need to be starting within the next few years.
- Unlimited Electrical Power Technology (Nuclear Fusion)
- A Changed Public Narrative
- Why is Asia Going Nuclear
- Why are Bill Gates and Warren Buffett Making Major Investments in Nuclear? (Natrium plants use safe liquid sodium)

HYDROGEN – Transportable Power

- Hydrogen is emerging as one of the leading options for [storing energy](#) from renewables with hydrogen-based fuels potentially transporting energy from renewables over long distances – from regions with abundant energy resources, to energy-hungry areas thousands of kilometers away.
- LONG HAUL FREIGHT / HEAVY INDUSTRY. Green hydrogen featured in a number of emissions reduction pledges at the UN Climate Conference, COP26, as a means to:
 - De-Carbonize heavy industry,
 - Long haul freight, shipping, and aviation.

FOLLOW THE MONEY

"CLIMATE CHANGE" IS MOST FUNDAMENTALLY ABOUT "GLOBAL CREDIT & DEBT CREATION"!

Climate change, "Net Zero", Green Energy and ESG provides an endless stream of taxpayer and debt-funded "investments" which in turn need a just as constant degree of debt monetization by central banks.

The beauty of this new Credit Spigot is that it fires up activists and left leaning politicians to pump this ideological spigot!

DEBT & CREDIT CREATION

As we have described, the plan is well underway to spend \$150 trillion over 30 years globally. This will average \$5 trillion in annual investments - amounting to twice current global GDP!

This plan, under the direction of the United Nations and full support of the Davos Elite (World Economic Forum), is part of the "Great Reset".

As we also outlined previously the Global Economy and Central Banks are trapped in a Credit & Liquidity Crisis that requires the growth of Debt to be significantly larger than global economic growth of credit is capable of generating.

A Global campaign for Climate Change through an accelerated movement towards Green Energy provides the optimum vehicle for the creation of a stream of taxpayer and debt-funded "investments", which in turn will need a constant degree of debt monetization by central banks.

It is [estimated by the Bank of America](#) that if "central banks inject \$5 trillion in liquidity every year via QE for 30 years, that would result in incremental 3% of inflation for a good decade. This is inflation over and above whatever is already coming down the pipeline."

Assuming inflation, as the Federal Reserve and other global central bankers tell us, is only "Transitory", then we will return to the area of 2% which have stymied bankers for the last decade. Therefore planners are likely looking for the 5% level shown in our example (above). This, coupled with "Yield Curve Control" delivering ~1.2% bond yields, would deliver the Financial Repression Holy Grail for central bankers of -3.8% real rates.

The global plan currently is being rolled out to initially focus on three structural drivers:

GOVERNMENTS:

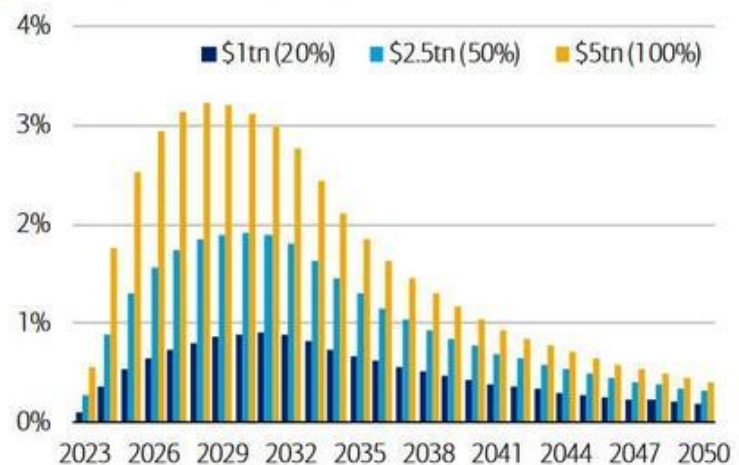
- Fiscal Spending Policies
- Regulatory Restrictions & Laws against, and
- Regulatory Advantages & Incentives,

CENTRAL BANKS:

- Monetary policies that monetize debt and

Exhibit 108: Additional increase in inflation relative to baseline assuming various levels of Fed balance sheet expansion to subsidize decarbonization spending

The impact of decarbonization looks fairly manageable with respect to inflation if central banks foot 20% of the bill or less, with a peak of <1% additional inflation over a three decade horizon



Source: Haver, BofA Global Research estimate. Assumes spending path of \$500bn in 2021, increasing by \$500bn every year until reaching \$5tn in 2030 for perpetuity. Estimates from annual regression of year-on-year CPI changes on lagged CPI changes and M2 growth. M2 growth is estimated as the average ratio of increase in M2 relative to Fed balance sheet during GFC expansion (Aug 2008 to Jun 2015) and COVID-19 expansion (Mar 2020 to Aug 2021).

BoFA GLOBAL RESEARCH

- QE to soon buy new 'Green Bonds'

CORPORATIONS:

- Implementation of an [ESG direction](#),
- [Modify Executive incentives](#)

BANKS AS "CARBON EMITTERS"

Credit and Debt creation begins with the involvement and support of Banks & Wall Street. They must be committed before anything happens.

That involvement is based on them committing to the fact that they themselves are Carbon Emitters.

How you ask??? It is because they finance the fossil fuel industry and other carbon emitters. It only operates because of its massive capital requirements with the support of the Investment banking industry.

When talking about the climate crisis or any other wide-ranging issue, banks typically have two main levers they can pull: lending and investments. These are the two practices that have come under ever increased scrutiny during the emergence of Sustainability and Climate Change programs.

In investment banking, one major milestone was when Larry Fink's BlackRock, the world's largest asset manager, [announced](#) in 2020 that it would focus its investments on "sustainability-oriented securities". Fink was quite visible at the COP 26 conference as he (no doubt) eagerly ear-marked major global investments.

Big Lenders are beginning to adopt this kind of mentality as part of quickly growing ESG Policies. Progress was made at COP26 to further the green transition and increase transparency on where the money is going.

It represents a big portion of corporate finance where lending is crucial for de-carbonizing the industry. Moreover, the current picture the financial industry is painting isn't a pretty one. Especially for the US.

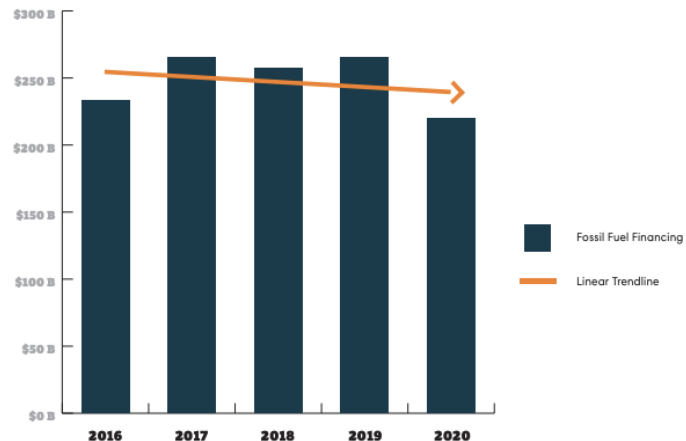
According to a [study](#) by Banking on Climate Chaos, the world's 60 largest commercial and investment banks invested a total of \$3.8 trillion in fossil fuels from 2016 – 2020.

In order to assess the impact on the fossil fuel industry, the study aggregates the banks' leading roles in lending and underwriting of debt and equity issuances.

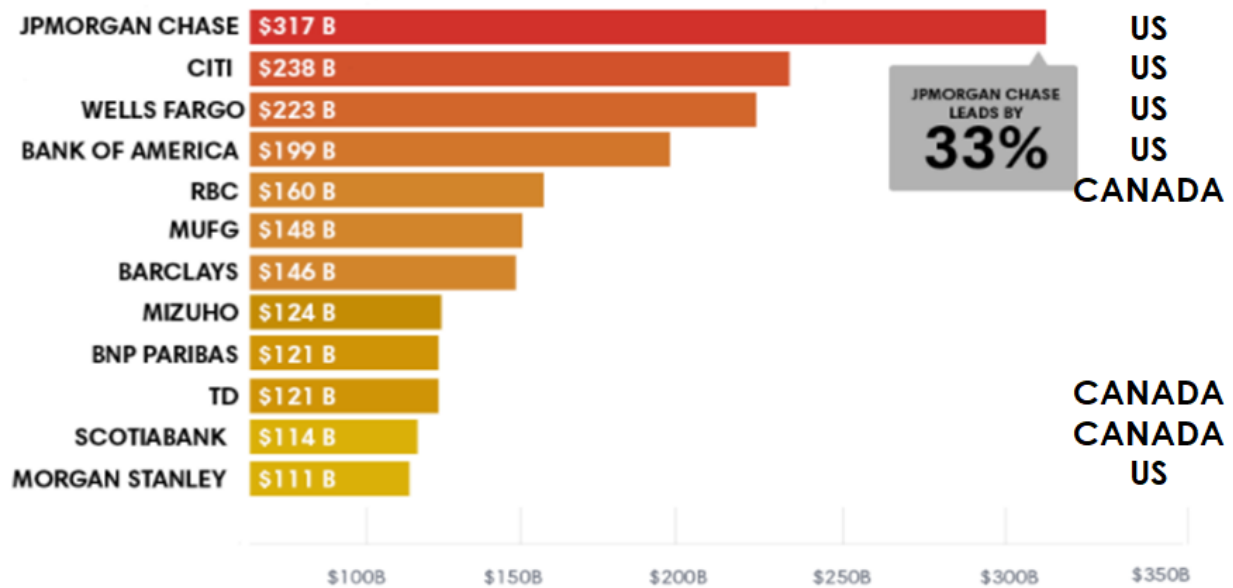
JPMorgan Chase headed the charts as the world's top banker of fossil fuels, lending \$317 billion in the five-year period. The next three top fossil fuel financiers were also US banks, namely Citi, Wells Fargo and Bank of America.

'The study noted how the most important task for banks in fighting climate change is to **stop financing** the expansion of fossil fuels, arguing that current policies are insufficient.

**Fossil Fuel Financing
of the 8 Largest U.S. Banks**



TOP 12 BANKS: Financing Fossil Fuels Globally, 2016 – 2020



"The current wave of "net zero by 2050" commitments represents a tacit acknowledgement by banks that they too are major emitters. For years banks have resisted acknowledging their harmful climate impact at all, preferring to instead focus almost entirely on their vulnerability to climate change," the report said.

This reputation will be a difficult one for banks to overcome. They will need to shift their investment strategy and look for profitable opportunities in sustainable industries, which haven't been happening in recent history. If the pandemic put regular life on hold, and therefore lowered carbon emissions from daily activities, the opposite was happening in the financial sector.

The first half of 2020 saw the most fossil fuel financing of any six-month period since the adoption of the Paris Agreement in 2015, the report also found. This happened as big banks around the world took advantage of low interest rates and central bank bond buying programs to purchase cheap debt preparing for more difficult times ahead.

This fueled concerns regarding the banking industry's attitude towards the climate crisis versus the opportunity for short-term profit.

Even if COP26 didn't provide the solutions that green finance enthusiasts hoped for, it did push forward the climate agenda in the financial space. The need for more transparent banking and enhanced disclosures is now being addressed, even if through new alliances or promises.

A THREAT TO FINANCIAL & PRICE STABILITY

The Bank of International Settlements has taken a global leadership role by advising the banking industry that Climate Change poses a threat to Financial and Price Stability.

Its release of its 115 page directive spells it out.

BANK OF INTERNATIONAL SETTLEMENTS DIRECTIVE OUTLINE

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BIG ENERGY WILL RECEIVE REPARATION PAYMENTS

I found the COP 26 conference highlighted concerns about governments being exposed to trillions in fossil fuel climate litigation particularly interesting! It also wasn’t wasted on Big Energy!

- Governments which enact climate legislation now risk being sued for trillions of dollars by fossil fuel companies seeking compensation for lost revenue and stranded assets, according to data that campaigners warn threaten pledges made at COP26.
- Energy experts predict that more ambitious climate action from world leaders will significantly increase companies' use of a tribunal mechanism that has already awarded billions to heavy industry.
- Trade agreements such as the Energy Charter Treaty and NAFTA contain investor arbitration clauses, known as investor-state dispute settlement (ISDS), that allow foreign companies to sue governments over actions they say hit profits or investments.
- **Campaigners say that energy companies are increasingly turning to this type of arbitration to recoup investments as governments accelerate the shift away from fossil fuels.**

CARBON TAX, CREDITS & OFFSETS

The data is pretty clear that atmospheric carbon dioxide levels and global temperatures have been increasing for the last several decades, starting when fossil fuels were needed to power large scale industrialization. The correlation is a proven scientific fact.

What also is a proven fact is that carbon dioxide has a unique ability as a molecule to absorb thermal radiation, which provides us a mechanism for trapping heat from the Sun here on Earth.

What is somewhat less understood is the causal relationship: the increase in carbon dioxide levels causes in increasing average temperatures around the globe. However, sufficient evidence says this causal relationship is also a fact.

While the properties of carbon dioxide is vital in making sure our planet stays warm enough for water to remain in liquid form, the recent increase in carbon dioxide levels has risen at rates never before seen. Carbon dioxide released from those reactions went into the atmosphere. After two centuries of industrialization, it is now estimated that humans are currently pumping **40 billion tons of carbon dioxide** into the atmosphere per year, significantly altering its composition, and as a result, the atmosphere's ability to absorb heat.

THE ABSORPTION OF THIS 40B TONS OF CARBON DIOXIDE (AND MORE) IS NOW A MAJOR INVESTMENT OPPORTUNITY, IRRELEVANT OF WHETHER YOU BELIEVE IN GLOBAL WARMING OR NOT!!

TURNING SCIENCE INTO POLITICS

The vast majority of scientists agree that the burning of fossil fuels in parallel with global deforestation has led to an increase in carbon dioxide levels in the earth's atmosphere. There is overwhelming proof this in turn has led to the very gradual warming of the Earth since ~1880.

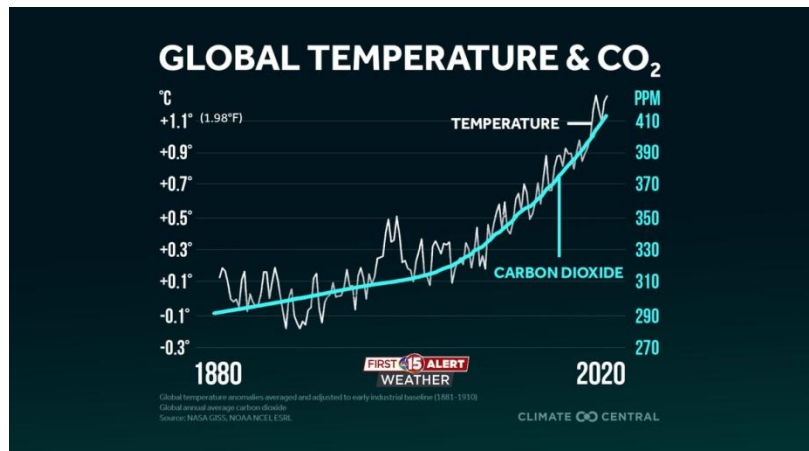
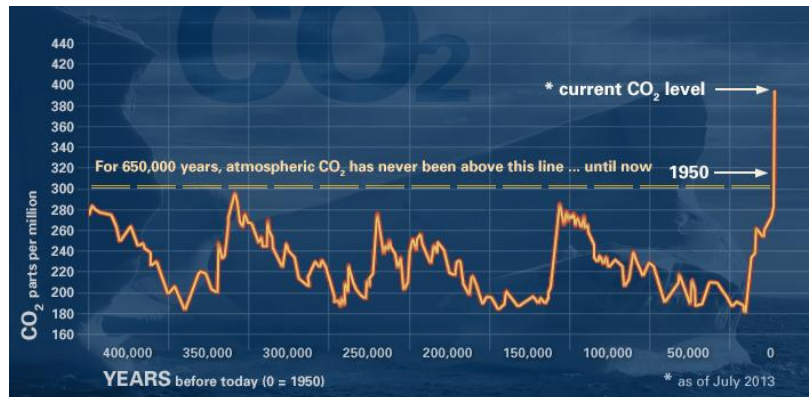
The earth is on course for an average temperature increase of 3–4°C by 2100 unless CO₂ emissions are reduced.

The major disagreements come from how the climate will change with slightly rising temperatures and to what extent those changes will take place.

The political Climate Change narrative is being positioned to believe that the world's current greenhouse gas emissions trajectory will continue to result in dangerous and costly climate change impacts, both societal and economically resulting in:

- Substantial human migration,
- Regional conflicts over increasingly scarce resources, and
- Extreme weather events, causing devastating physical damages and economic costs.

A MINOR PROBLEM - EXTRAPOLATED INTO A MAJOR REACTION - TO BECOME A BIG INVESTMENT OPPORTUNITY!





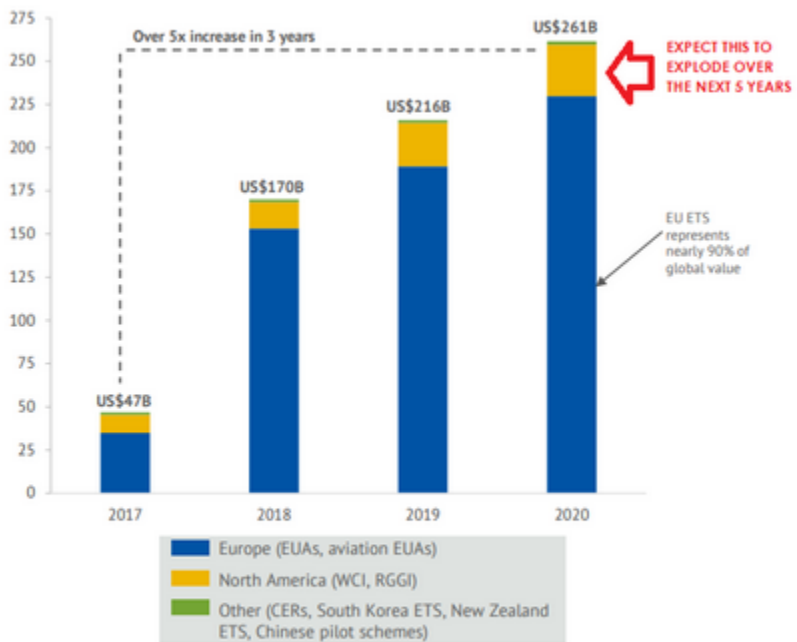
Does anyone actually trust that politicians around the globe really believe Climate Change is the most pressing problem of the world? It is a great emotional talking point, since fear is the catalyst that always turns the public into a force demanding political action.

I learned in my very first Political Science course as a college freshman that politics is about the redistribution of wealth. That redistribution consensus comes from the will of the people. When the consensus becomes alarmed and fearful, the politicians' job is to appease it. Politically what comes first is what are you trying to achieve, then how do you create the public consensus to make it happen?

To answer what is trying to be achieved within the political realm you must always follow the money & power.

These are the life blood of the art of politics.

Global Compliance Markets – Transaction Value (US\$B)



THIS IS POTENTIALLY A MAJOR NEW UNDER-VALUED INVESTMENT OPPORTUNITY??

CLIMATE CHANGE: MONEY

A CONSENSUS SOLUTION TO THE GLOBAL DEBT CRISIS

What Is This Really All About?

WHY IS THIS REQUIRED: The Global Economy and Central Banks are trapped in a Credit & Liquidity Crisis that requires the growth of Debt. It is significantly larger than global economic growth of credit is capable of generating.

CONSEQUENCES: The current financial system is so massively over leveraged through 100s of Trillions of dollars of derivatives, futures contracts, options and balance sheet gearing, that if credit and debt are not increased, the system will implode under its own unfundable weight.

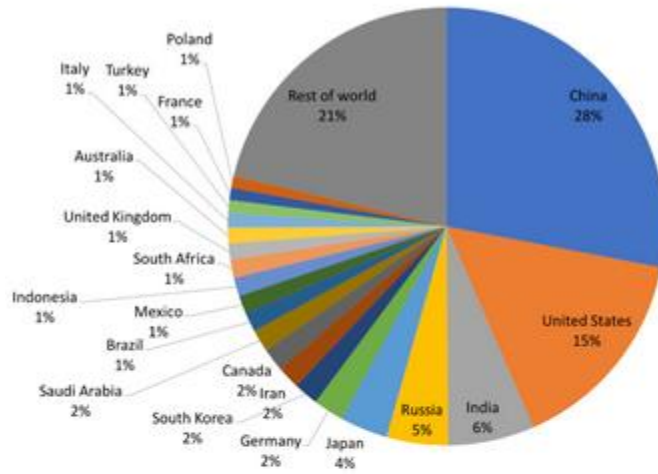
SOLUTION: A Global campaign for Climate Change through an accelerated movement towards Green Energy provides the optimum vehicle for the creation of a stream of taxpayer and debt-funded "investments" which in turn will need a just as constant degree of debt monetization by central banks.

WHAT ARE WE TALKING HERE:

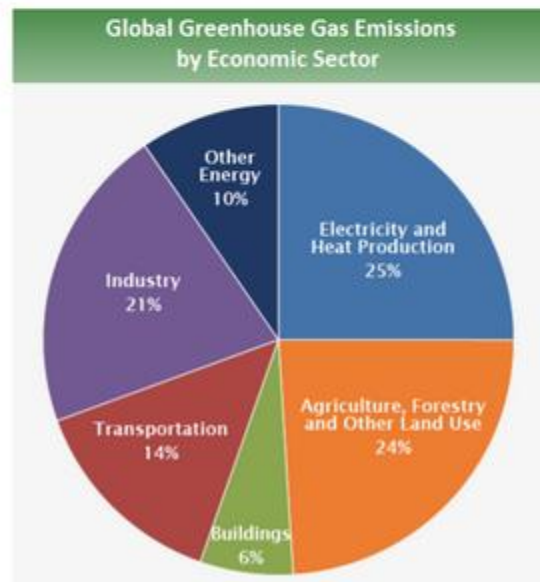
We are talking about a plan to spend \$150 trillion over 30 years globally. This will average \$5 trillion in annual investments - amounting to twice current global GDP!



Share of global carbon dioxide emissions from fuel combustion (2015)



Data: IEA
Image: Union of Concerned Scientists



CLIMATE CHANGE: POWER

A GEO-POLITICAL WEAPON

Expect Climate Change programs to become a Geo-Political weapon against two adversaries;

ECONOMIC ADVERSARIES

- **CHINA, RUSSIA, IRAN,**
- As we clearly witnessed at COP26, many countries are siding with China in playing 'political lip service' to Climate Change Initiatives.
- This political divide is likely to only grow and be used as a political weapon.
- **OPEC+**

- OPEC+ as the global Fossil Fuel Cartel will become the obvious big loser in any success of a Climate "De-Carbonization" strategy.

QE, MONETIZATION & GREEN BONDS

Money & Power comes together in the form of

- Monetization of Green Bonds through the Monetary Policy,
- Carbon Trading through Regulatory Compliance and Security Regulation.

Green Bonds

- A green bond is a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects. These bonds are typically asset-linked and backed by the issuing entity's balance sheet. So they usually carry the same credit rating as their issuers' other debt obligations.
- Green Bond purchasers are typically institutional investors, often with either an ESG (environment, social and governance) mandate or an environmental focus. Other buyers include investment managers, governments and corporate investors.
- In addition, there are often tax benefits for investing in green bonds.
- According to the Climate Bonds Initiative, the issuance of green bonds reached \$269.5 billion in 2020. The United States was the largest player, with \$50 billion in new issuance. The same analysis found that the cumulative issuance of green bonds had reached over \$1 trillion.

IT IS HIGHLY LIKELY THAT FUTURE QE INITIATIVES WILL MAKE GREEN BONDS A CENTRAL FOCUS.

TURNING CARBON INTO AN ASSET CLASS & FINANCIAL SECURITY

CARBON PRICING

- Carbon Pricing is an essential tool that works within a market economy to change behavior and reduce emissions at scale in order to avoid the worst damages of climate change.
- Carbon pricing is a policy that aims to reduce carbon emissions by requiring emitters to internalize the societal costs of emissions.
- Placing a price on externalities, such as carbon emissions, is the most widely accepted means to efficiently correct for this type of "market failure."
- Pricing emissions provides a direct economic incentive to reduce emissions or seek low-carbon alternatives.

The two main carbon pricing policy instruments are carbon taxes and ETSs (cap-and-trade programs, also called compliance carbon markets).

1- A CARBON TAX

- A carbon tax places a fee on the carbon emissions content of fossil fuels, and the market then determines the resulting quantity of emissions reductions.

2- EMISSIONS TRADING SYSTEM (ETS)

- An ETS places a cap on the total quantity of emissions and allows the market to determine the price for tradable emissions allowances.
- ETSs are in reality a policy tool for mitigating emissions and also highlighting carbon as a potentially attractive asset class for investors.
- For investors, carbon traded in these markets can be viewed as an attractive asset class with well-understood risk premium drivers
- Emissions Trading Systems (ETSs) are a climate policy instrument designed to provide effective carbon pricing. Carbon traded in these markets can be viewed as an attractive asset class with well-understood risk premium drivers.
- Achieving Paris Agreement climate targets will require the widespread use of carbon pricing to steer the world onto a low-carbon pathway. ETSs cap and reduce emissions through tradable emissions allowances that induce emissions reductions at the lowest total cost to society.
- All long-established ETSs have exchange-listed futures markets to enhance liquidity and price discovery, facilitating greater market efficiency and increasing demand within the market.
- Compliance entities can also hedge their exposure to future price increases.

- A listed and liquid market allows investors to actively participate in these markets. In 2019, the traded value of three major programs—the EU ETS, the Regional Greenhouse Gas Initiative (RGGI), and the Western Climate Initiative (WCI)—exceeded \$250 billion.

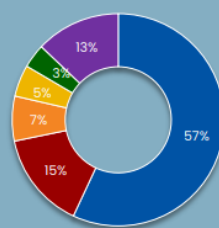


CARBON CREDITS & ALLOWANCES

- In an ETS, polluting entities covered by the instrument must submit an emissions allowance for each ton of greenhouse gas (GHG) they emit.
- Compliance is mandatory for eligible entities, and their emissions are tightly monitored and audited, with penalties for non-compliance.
- Entities either purchase allowances through government auctions or, in the case of industries exposed to international competition, receive a portion of allowances through free allocation.
- A total cap on emissions' allowances guarantees that emissions reduction targets will be met, whereas the trading of emissions allowances ensures that the reductions will occur at the lowest total cost to society.
- Emissions trading incentivizes firms with lower abatement costs to maximize their emissions reductions and sell allowances to firms that can only reduce emissions more expensively.

Carbon Credits

- A carbon credit (also referred to as a carbon offset) can **be resold multiple times** until it has been retired by the end user who wants to claim the offset's impact.
- A **registry** keeps track of the issuance and retirement of carbon credits.
- Verification is carried out in accordance to **independent standards**, such as Verra's Verified Carbon Standard (VCS) or the Gold Standard, which together accredit about 80% of the carbon credits in the voluntary markets.
- Carbon credits can also have **co-benefits**, such as job creation, water conservation, flood prevention and preservation of biodiversity.
- **CORSIA** is a program to **limit GHG emissions from international travel** with airlines from participating countries required to **purchase carbon credits to offset emissions** in excess of a baseline. The voluntary pilot phase of CORSIA started this year.
- Increased offset demand from airlines, as well as companies with net-zero targets, is expected to **significantly increase the demand for carbon offsets in the voluntary markets**.



THREE CURRENT TYPES OF EXCHANGE MARKETS

Market Elements	ETS Carbon Markets	International Carbon Markets	Voluntary Carbon Markets
Description	<ul style="list-style-type: none"> • Mandatory participation for large emitters • Some allow limited amount of international Clean Development Mechanism (CDM) credits 	<ul style="list-style-type: none"> • The CDM was the first major international market under the Kyoto Protocol • Emissions reductions transferred across countries 	<ul style="list-style-type: none"> • Independent markets for non-regulated entities to voluntarily reduce emissions • Variety of industry-created standards
Current Status	<ul style="list-style-type: none"> • Covers 8% of global emissions, growing to 14% with the launch of the China ETS 	<ul style="list-style-type: none"> • Large market, currently stagnating • Article 6 of the Paris Agreement aims to reignite international markets 	<ul style="list-style-type: none"> • Mainly used for corporate social responsibility (CSR) activities • Attractive for small projects
Regulation	<ul style="list-style-type: none"> • Highly regulated, with robust monitoring, reporting, and verification (MRV) 	<ul style="list-style-type: none"> • UN-recognised accounting methodologies, such as Gold Standard (GS) accounting 	<ul style="list-style-type: none"> • Low to no regulation, different accounting methodologies with varying degrees of rigour
Regulation	<ul style="list-style-type: none"> • Highly regulated, with robust monitoring, reporting, and verification (MRV) 	<ul style="list-style-type: none"> • UN-recognised accounting methodologies, such as Gold Standard (GS) accounting 	<ul style="list-style-type: none"> • Low to no regulation, different accounting methodologies with varying degrees of rigour
Liquidity	<ul style="list-style-type: none"> • Highly liquid • In 2018, more than US\$200 billion traded in the WCI, RGGI, and EU ETS 	<ul style="list-style-type: none"> • Medium liquidity • Average of US\$14 billion traded per year since 2006 	<ul style="list-style-type: none"> • Low liquidity • In 2018, nearly US\$300 million traded
Carbon prices	<ul style="list-style-type: none"> • Range from US\$5.7–US\$31.5/tCO₂e 	<ul style="list-style-type: none"> • Range from US\$0.2–US\$0.4/tCO₂e 	<ul style="list-style-type: none"> • Range from US\$0.1–US\$70/tCO₂e

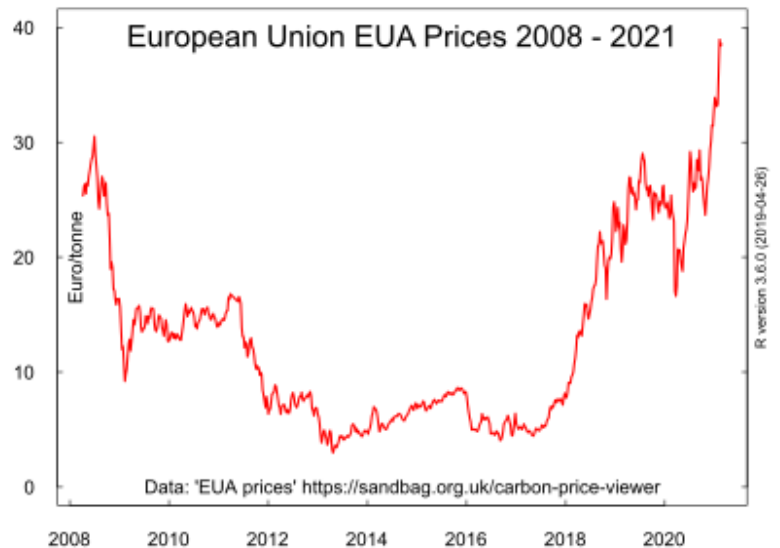


CARBON STREAMING

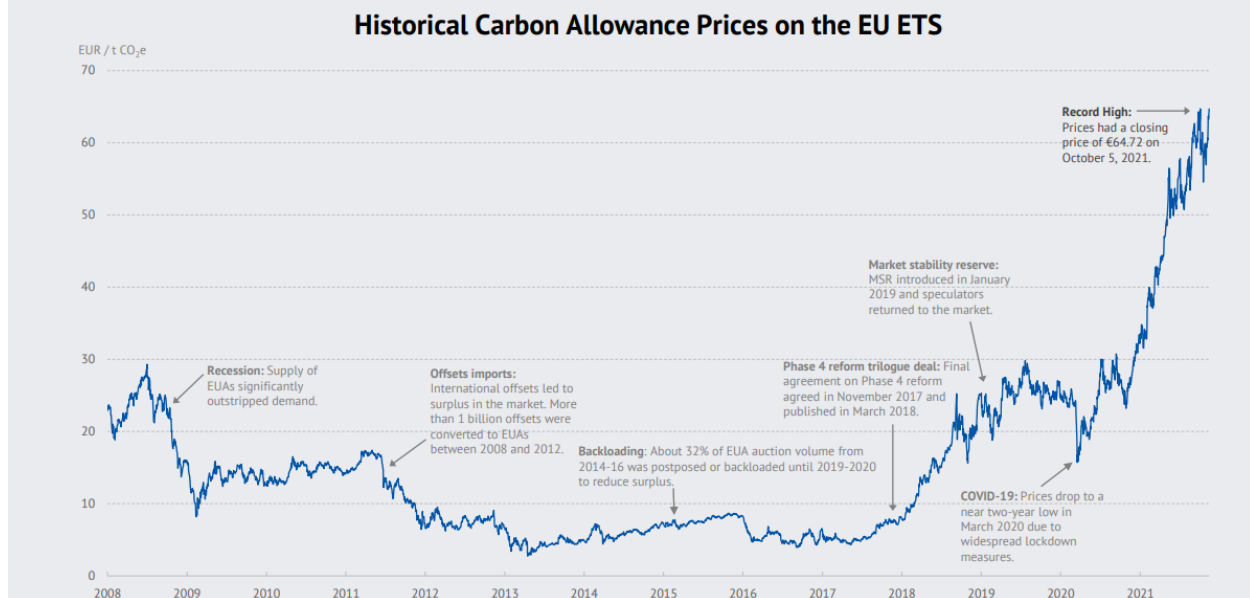
- "Streaming" has become a standard financing arrangement in the mining industry over the last two decades.
- Carbon Streaming has become a growing way of investing in carbon credits without taking on the operating and financial risks of the actual production efforts.

INTERNATIONAL CARBON SWAPS

- COP26 was successful in further moving global carbon credit standards forward.
- Derivatives can be expected to play an increasingly essential role in global carbon markets.



EU ETS Carbon Allowance Prices Recently Hit A Record High



CARBON INVESTING IS AN EXPLODING ASSET CLASS

Carbon has quickly become a liquid and investable asset class that now trades approximately US\$1 billion per day across physical carbon, futures and options.

Carbon has exhibited attractive historical returns and a low correlation with other asset classes, making it potentially attractive within a diversified portfolio.

The wide spread Corporate ESG adoption of Climate Change support initiatives is powerfully beginning to drive the global volunteer carbon markets.



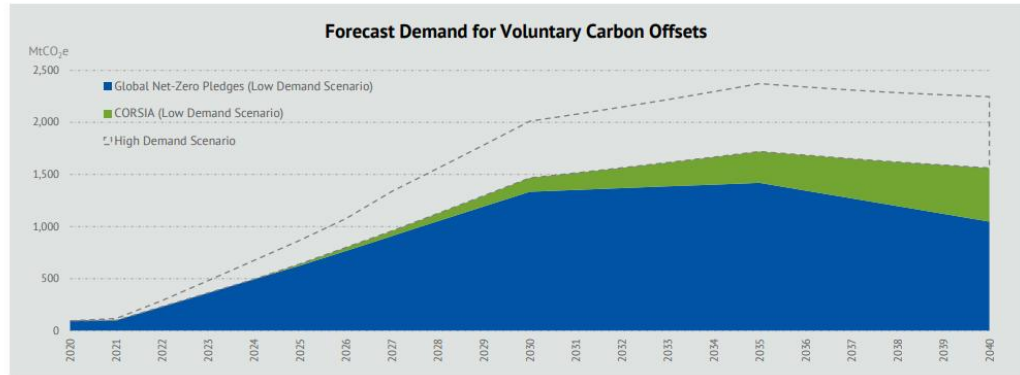
Voluntary Carbon Markets

Voluntary

US\$1+ Billion Market in 2021*

UN Special Envoy for Climate Action Mark Carney has said the voluntary market "needs to be a \$50-100 billion per annum market."

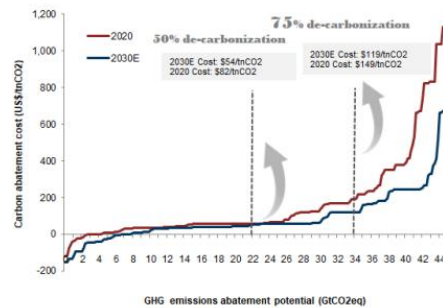
The Taskforce on Scaling Voluntary Carbon Markets estimates that demand for carbon credits in the voluntary market could grow by 15-fold by 2030 and up to 100-fold by 2050.



Corporations & Asset Managers Commit to Net-Zero

- Over **1,500 companies** have announced plans to be "net-zero" by 2050 or sooner.
- Carbon credits are anticipated to be integral to meet these goals, especially in hard-to-abate sectors such as oil, aviation, steel and cement.
- The Net Zero Asset Managers initiative, which includes BlackRock, Vanguard and 218 others, managing **US\$57 trillion of assets** are targeting net-zero emissions by 2050 across all their holdings.
- Climate change is the **#1 ESG issue** for assets managers in the U.S.
- Climate-related disclosures will encourage the purchase of carbon credits for those emissions that cannot yet be eliminated so companies can avoid reputational risk.

Goldman Sachs' Carbonomics cost curve suggests c.\$100-200/ton carbon prices may be needed to achieve Net Zero Carbon by 2030 ...
Carbon abatement cost curve for de-carbonization of anthropogenic GHG emissions, based on current technologies



2019:
500 companies with net-zero targets

2020:
1,565 companies with net-zero targets

Number of S&P 500 companies publishing sustainability reports



ALTERNATIVE ENERGY REALITIES

SCALABILITY

In the context of the massive attention paid to climate change, nations around the world have committed to substantially reducing and even eliminating their carbon emissions by 2050. Achieving these goals relies on several 'green' technologies that would form the basis of a future energy system.

As envisioned, mass deployment of these technologies will encounter fundamental physical limits that call into question their ability to function as replacements for their equivalents in the current energy system. By placing firm targets, nations around the world have committed to terminating their carbon dioxide emissions by 2050 to offer confidence that a better world is achievable if only society implements the right policies and employs the correct technologies. This assumption is inaccurate, based on a view that is at odds with nature.



Due to unavoidable physical constraints, future green technologies offer little promise for achieving economies of scale.

Many of the improvements suggested to improve their performance remain marginal and frequently come with the environmental costs of additional embedded energy requirements, extensive land use and greater material complexity. The outcomes achieved under laboratory conditions are not guaranteed to be viable at the scale necessary for them to make a significant difference.

Efforts to improve energy efficiency remain essential, but those efforts are not likely to reduce aggregate energy use. The vehicles and appliances of 2050 will likely be more efficient than those of today, but precisely because of their greater efficiency there will be many more of them.

Under almost any scenario, global electricity demand will increase between now and 2050 and meaningful reductions in carbon emissions will need to come from changes in the primary energy supply.

The technological vision implied by national pledges for a carbon neutral 2050 assumes that future societies will be able to:

- 1) Harvest nearly all the energy society uses directly from renewable natural sources (sun, wind, currents, waves, vegetation);
- 2) Store large amounts of electricity over long periods, and
- 3) Collect carbon dioxide molecules from mixed gases and dispose of them. A further implied assumption is that governments and citizens will be willing to pay the costs of environmental externalities independent of their cost, including the costs of avoiding a predicted climate disaster.

Technologies designed to capture the radiant energy of the sun or the kinetic energy of the wind must accommodate the inherent randomness of these sources. Nature's tendency to favor disorder over order (i.e., the 2nd law of thermodynamics) complicates the goal of extracting net energy from sources that rely directly on meteorological conditions. Moreover, the engineering devices deployed to convert these sources into electricity are subject to physical laws that limit their practical efficiency actually converting solar radiation and moving air into useful energy.

Centuries of searching for chemically compatible materials for a battery that can store significant energy, charge quickly, sustain many charge-discharge cycles, and do so safely and reliably have yielded batteries capable of powering appliances but still not well suited to powering vehicles or electric grids. Today's electric cars use a considerable amount of energy to transport their own battery packs. Utility scale batteries require massive capital outlays for equipment that offers hours, not days, of storage capacity. Huge economic rewards await those who can solve the technical puzzle of safe, reliable, energy dense batteries, but so far this object remains elusive.

The technical problem of reliably removing carbon dioxide molecules from a mixed gas has been solved.

Nonetheless, the ***removal process requires significant energy that reduces the net amount of useful energy generated when burning hydrocarbons. After decades of research and development, removing CO₂ from a post combustion waste stream still requires 20-30% of the total energy generated under ideal conditions.***

Clever engineering can finesse technical challenges but cannot overcome fundamental forces of nature. The technologies proposed for meeting future carbon-neutral energy commitments rely on manipulating materials and energy at increasingly microscopic scales. Typically, proposed technologies rely on employing sophisticated control systems or highly engineered materials that improve efficiency outcomes. However, even pilot-scale advances in green energy technologies may offer little proof of their success when scaled up to mass production and consumption as the same strict tolerances and controlled conditions become more difficult to achieve.

Successful technologies may not succeed instantly and need to emerge over time, but their success cannot be forced by government fiat or the mandates of Five-Year Plans. Widely diffused technologies generally exploit sound scientific principles that benefit the humans they are intended to serve. They offer economic benefit by adding value to goods and services that consumers are willing to pay for. They typically rely on some scientific phenomenon that can be enhanced through the diligence of engineers to innovate in applying it. For example, engineers have learned to control how we burn fuels to create optimal conditions for efficient heat generation and heat transport in power plants, homes and vehicles. The history of growth in digital processing and communication similarly relies on repeatedly exploiting basic principles in solid state physics with greater and greater engineering skill.

Confidence that green technologies can scale to dominate national energy systems remains based more on marketing claims than on demonstrated operational experience.

The national goals set for 2050 present a supreme technological challenge to reduce environmental fallout while raising living standards for billions around the globe. Neither rich nor poor nations can afford to invest in technologies that achieve questionable benefits at the expense of accessible, reliable energy services for its citizens.

Technologies that do not scale are destined to remain boutique technologies, the purview of the rich, environmental activists, and politicians that seize upon them to make empty promises.

BATTERY & STORAGE TECHNOLOGY

Due to growing concerns about the environmental impacts of fossil fuels and the capacity and resilience of energy grids around the world, engineers and policymakers are increasingly turning their attention to energy storage solutions. Indeed, energy storage can help address the intermittency of solar and wind power; it can also, in many cases, respond rapidly to large fluctuations in demand, making the grid more responsive and reducing the need to build backup power plants. The effectiveness of an energy storage facility is determined by how quickly it can react to changes in demand, the rate of energy lost in the storage process, its overall energy storage capacity, and how quickly it can be recharged.

Energy storage is not new. Batteries have been used since the early 1800s, and pumped-storage hydropower has been operating in the United States since the 1920s. But the demand for a more dynamic and cleaner grid has led to a significant increase in the construction of new energy storage projects, and to the development of new or better energy storage solutions.

Fossil fuels are the most used form of energy, partly due to their transportability and the practicality of their stored form, which allows generators considerable control over the rate of energy supplied. In contrast, the energy generated by solar and wind is intermittent and reliant on the weather and season. As renewables

have become increasingly prominent on the electrical grid, there has been a growing interest in systems that store clean energy

Energy storage can also contribute to meeting electricity demand during peak times, such as on hot summer days when air conditioners are blasting or at nightfall when households turn on their lights and electronics. Electricity becomes more expensive during peak times as power plants have to ramp up production in order to accommodate the increased energy usage. Energy storage allows greater grid flexibility as distributors can buy electricity during off-peak times when energy is cheap and sell it to the grid when it is in greater demand.

As extreme weather exacerbated by climate change continues to devastate U.S. infrastructure, government officials have become increasingly mindful of the importance of grid resilience. Energy storage helps provide resilience since it can serve as a backup energy supply when power plant generation is interrupted. In the case of Puerto Rico, where there is minimal energy storage and grid flexibility, it took approximately a year for electricity to be restored to all residents.

The International Energy Association (IEA) estimates that, in order to keep global warming below 2 degrees Celsius, the world needs 266 GW of storage by 2030, up from 176.5 GW in 2017. Under current trends, Bloomberg New Energy Finance predicts that the global energy storage market will hit that target, and grow quickly to a cumulative 942 GW by 2040 (representing \$620 billion in investment over the next two decades).

Energy Storage Today

In 2017, the United States generated 4 billion megawatt-hours (MWh) of electricity, but only had 431 MWh of electricity storage available. Pumped-storage hydropower (PSH) is by far the most popular form of energy storage in the United States, where it accounts for 95 percent of utility-scale energy storage. According to the U.S. Department of Energy (DOE), pumped-storage hydropower has increased by 2 gigawatts (GW) in the past 10 years. In 2015, the United States had 22 GW of PSH storage incorporated into the grid. Yet, despite the widespread use of PSH, in the past decade the focus of technological advancement has been on battery storage.

By December 2017, there was approximately 708 MW of large-scale battery storage operational in the U.S. energy grid. Most of this storage is operated by organizations charged with balancing the power grid, such as Independent System Operators (ISOs) and Regional Transmission Organizations (RTOs). ISOs and RTOs are "independent, federally-regulated non-profit organizations" that control regional electricity pricing and distribution.

PJM, a regional transmission organization located in 13 eastern states (including Pennsylvania, West Virginia, Ohio and Illinois), has the largest amount of large-scale battery installations, with a storage capacity of 278 MW at the end of 2017. The second biggest owner of large-scale battery capacity is California's ISO (CAISO). By the end of 2017, CAISO operated batteries with a total storage capacity of 130MW.

Most of the battery storage projects that ISOs/RTOs develop are for short-term energy storage and are not built to replace the traditional grid. Most of these facilities use lithium-ion batteries, which provide enough energy to shore up the local grid for approximately four hours or less. These facilities are used for grid reliability, to integrate renewables into the grid, and to provide relief to the energy grid during peak hours.

There is also a limited market for small-scale energy storage. While a minor portion of the small-scale storage capacity in the United States is for residential use, most of it is for use in the commercial sector—and most of these commercial projects are located in California.

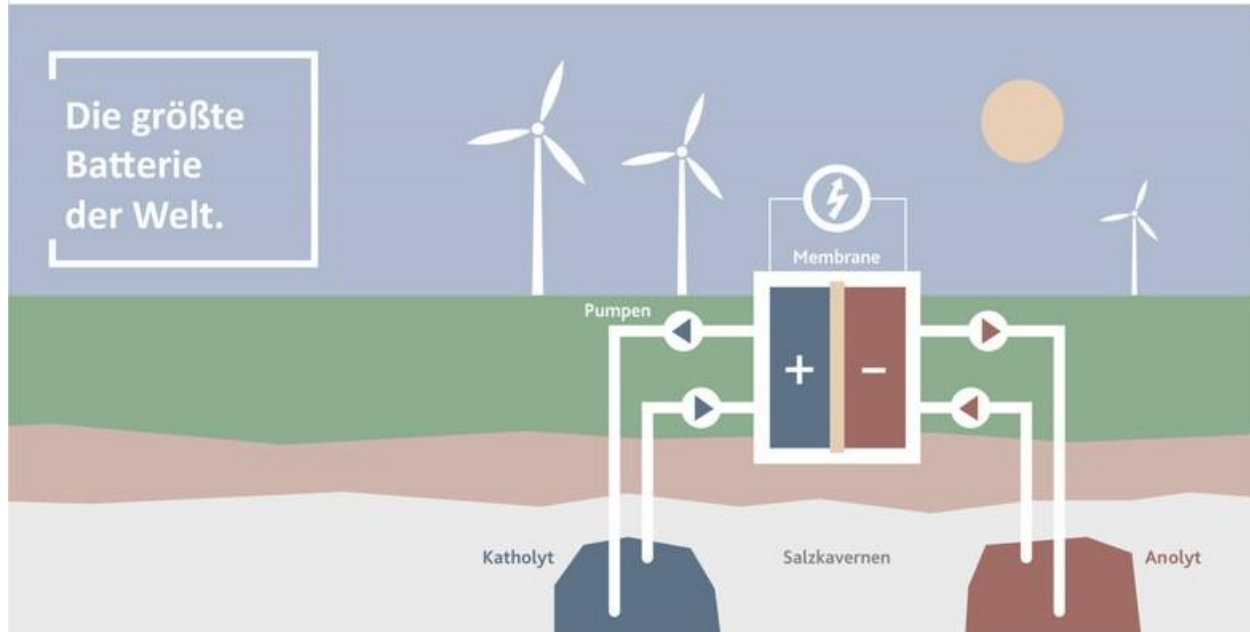
In the past decade, the cost of energy storage, solar and wind energy have all dramatically decreased, making solutions that pair storage with renewable energy more competitive. In a bidding war for a project by Xcel Energy in Colorado, the median price for energy storage and wind was \$21/MWh, and it was \$36/MWh for solar and storage (versus \$45/MWh for a similar solar and storage project in 2017). This compares to \$18.10/MWh and \$29.50/MWh, respectively, for wind and solar solutions without storage, but is still a long way from the \$4.80/MWh median price for natural gas. Much of the price decrease is due to the falling costs of lithium-ion batteries; from 2010 to 2016 battery costs for electric vehicles (similar to the technology used for storage) fell 73 percent. A recent GTM Research report estimates that the price of energy storage systems will fall 8 percent annually through 2022.



Projekt: brine4power
 EWE GASSPEICHER GmbH



Die größte
 Batterie
 der Welt.



SALT CAVERN ENERGY STORAGE



LARGE SCALE BATTERY STORAGE

Selected Energy Storage Technologies

There are many different ways of storing energy, each with their strengths and weaknesses. The list below focuses on technologies that can currently provide large storage capacities (of at least 20 MW). It therefore excludes superconducting magnetic energy storage and super-capacitors (with power ratings of less than 1 MW).

	Max Power Rating (MW)	Discharge time	Max cycles or lifetime	Energy density (watt-hour per liter)	Efficiency
Pumped hydro	3,000	4h – 16h	30 – 60 years	0.2 – 2	70 – 85%
Compressed air	1,000	2h – 30h	20 – 40 years	2 – 6	40 – 70%
Molten salt (thermal)	150	hours	30 years	70 – 210	80 – 90%
Li-ion battery	100	1 min – 8h	1,000 – 10,000	200 – 400	85 – 95%
Lead-acid battery	100	1 min – 8h	6 – 40 years	50 – 80	80 – 90%
Flow battery	100	hours	12,000 – 14,000	20 – 70	60 – 85%
Hydrogen	100	mins – week	5 – 30 years	600 (at 200bar)	25 – 45%
Flywheel	20	secs - mins	20,000 – 100,000	20 – 80	70 – 95%
Characteristics of selected energy storage systems (source: The World Energy Council)					

Pumped-Storage Hydropower

Pumped-storage hydro (PSH) facilities are large-scale energy storage plants that use gravitational force to generate electricity. Water is pumped to a higher elevation for storage during low-cost energy periods and high renewable energy generation periods. When electricity is needed, water is released back to the lower pool, generating power through turbines. Recent innovations have allowed PSH facilities to have adjustable speeds, in order to be more responsive to the needs of the energy grid, and also to operate in closed-loop systems. A closed loop PSH operates without being connected to a continuously flowing water source, unlike traditional pumped-storage hydropower, making pumped-storage hydropower an option for more locations.

In comparison to other forms of energy storage, pumped-storage hydropower can be cheaper, especially for very large capacity storage (which other technologies struggle to match). According to the Electric Power Research Institute, the installed cost for pumped-storage hydropower varies between \$1,700 and \$5,100/kW, compared to \$2,500/kW to 3,900/kW for lithium-ion batteries. Pumped-storage hydropower is more than 80 percent energy efficient through a full cycle, and PSH facilities can typically provide 10 hours of electricity, compared to about 6 hours for lithium-ion batteries. Despite these advantages, the challenge of PSH projects is that they are long-term investments: permitting and construction can take 3-5 years each. This can scare off investors who would prefer shorter-term investments, especially in a fast-changing market.

In Bath County, Virginia, the largest pumped-hydro storage facility in the world supplies power to about 750,000 homes. It was built in 1985 and has an output of approximately 3 GW.

Compressed Air Energy Storage (CAES)

With compressed air storage, air is pumped into an underground hole, most likely a salt cavern, during off-peak hours when electricity is cheaper. When energy is needed, the air from the underground cave is released back up into the facility, where it is heated and the resulting expansion turns an electricity generator. This heating process usually uses natural gas, which releases carbon; however, CAES triples the energy output of facilities using natural gas alone. CAES can achieve up to 70 percent energy efficiency when the heat from the air pressure is retained, otherwise efficiency is between 42 and 55 percent. Currently, there are only two operating CAES facilities: one in McIntosh, Alabama and one in Huntorf, Germany. The McIntosh plant, which was built in 1991, has 110 MW of storage. A 317 MW CAES plant is under construction in Anderson County, Texas.

Thermal (including Molten Salt)

Thermal energy storage facilities use temperature to store energy. When energy needs to be stored, rocks, salts, water, or other materials are heated and kept in insulated environments. When energy needs to be generated, the thermal energy is released by pumping cold water onto the hot rocks, salts, or hot water in order to produce steam, which spins turbines. Thermal energy storage can also be used to heat and cool buildings instead of generating electricity. For example, thermal storage can be used to make ice overnight to cool a building during the day. Thermal efficiency can range from 50 percent to 90 percent depending on the type of thermal energy used.

Lithium-ion Batteries

First commercially produced by Sony in the early 1990s, lithium-ion batteries were originally used primarily for small-scale consumer items such as cellphones. Recently, they have been used for larger-scale battery storage and electric vehicles. At the end of 2017, the cost of a lithium-ion battery pack for electric vehicles fell to \$209/kWh, assuming a cycle life of 10-15 years. Bloomberg New Energy Finance predicts that lithium-ion batteries will cost less than \$100 kWh by 2025.

Lithium-ion batteries are by far the most popular battery storage option today and control more than 90 percent of the global grid battery storage market. Compared to other battery options, lithium-ion batteries have high energy density and are lightweight. New innovations, such as replacing graphite with silicon to increase the battery's power capacity, are seeking to make lithium-ion batteries even more competitive for longer-term storage.

Additionally, lithium-ion batteries are now frequently used in developing countries for rural electrification. In rural communities, lithium-ion batteries are paired with solar panels to allow households and businesses to use limited amounts of electricity to charge cell phones, run appliances, and light buildings. Previously, such communities had to rely on dirty and expensive diesel generators, or did not have access to electricity.

When the Aliso Canyon natural gas facility leaked in 2015, California rushed to use lithium-ion technology to offset the loss of energy from the facility during peak hours. The battery storage facilities, built by Tesla,

AES Energy Storage and Greensmith Energy, provide 70 MW of power, enough to power 20,000 houses for four hours.

Hornsedale Power Reserve in Southern Australia is the world's largest lithium-ion battery and is used to stabilize the electrical grid with energy it receives from a nearby wind farm. This 100 MW battery was built by Tesla and provides electricity to more than 30,000 households.

General Electric has designed 1 MW lithium-ion battery containers that will be available for purchase in 2019. They will be easily transportable and will allow renewable energy facilities to have smaller, more flexible energy storage options.

Lead-acid Batteries

Lead-acid batteries were among the first battery technologies used in energy storage. However, they are not popular for grid storage because of their low-energy density and short cycle and calendar life. They were commonly used for electric cars, but have recently been largely replaced with longer-lasting lithium-ion batteries.

Flow Batteries

Flow batteries are an alternative to lithium-ion batteries. While less popular than lithium-ion batteries—flow batteries make up less than 5 percent of the battery market—flow batteries have been used in multiple energy storage projects that require longer energy storage durations. Flow batteries have relatively low energy densities and have long life cycles, which makes them well-suited for supplying continuous power. The Avista Utilities plant in Washington state, for instance, uses flow battery storage.

A 200 MW (800 MWh) flow battery is currently being constructed in Dalian, China. This system will not only overtake the Hornsdale Power Reserve as the world's biggest battery, but it will also be the only large-scale battery (>100 MW) that is made up of flow batteries instead of lithium ion batteries.

Solid State Batteries

Solid state batteries have multiple advantages over lithium-ion batteries in large-scale grid storage. Solid-state batteries contain solid electrolytes which have higher energy densities and are much less prone to fires than liquid electrolytes, such as those found in lithium-ion batteries. Their smaller volumes and higher safety make solid-state batteries well suited for large-scale grid applications.

However, solid state battery technology is currently more expensive than lithium-ion battery technology because it is less developed. Fast-growing lithium-ion production has led to economies of scale, which solid-state batteries will find hard to match in the coming years.

Hydrogen

Hydrogen fuel cells, which generate electricity by combining hydrogen and oxygen, have appealing characteristics: they are reliable and quiet (with no moving parts), have a small footprint and high energy density, and release no emissions (when running on pure hydrogen, their only byproduct is water). The process can also be reversed, making it useful for energy storage: electrolysis of water produces oxygen and hydrogen. Fuel cell facilities can, therefore, produce hydrogen when electricity is cheap, and later use that hydrogen to generate electricity when it is needed (in most cases, the hydrogen is produced in one location, and used in another). Hydrogen can also be produced by reforming biogas, ethanol, or hydrocarbons, a cheaper method that emits carbon pollution. Though hydrogen fuel cells remain expensive (primarily because of their need for platinum, an expensive metal), they are being used as primary and backup power for many critical facilities (telecom relays, data centers, credit card processing...).

Flywheels

Flywheels are not suitable for long-term energy storage, but are very effective for load-leveling and load-shifting applications. Flywheels are known for their long-life cycle, high-energy density, low maintenance costs, and quick response speeds. Motors store energy into flywheels by accelerating their spins to very high rates (up to 50,000 rpm). The motor can later use that stored kinetic energy to generate electricity by going into reverse. Flywheels are commonly left in a vacuum so as to minimize air friction, which would slow the wheel. The Stephentown Spindle in Stephentown, New York, unveiled in 2011 with a capacity of 20 MW, was the first commercial use of flywheel technology to regulate the grid in the United States. Several other flywheel facilities have since come on line.

Storage and Electric Vehicles

Energy storage is especially important for electric vehicles (EVs). As electric vehicles become more widespread, they will increase electricity demand at peak times, as professionals come home from work and plug in their cars for a nightly recharge. To prevent the need for new power plants to meet this extra demand, electricity will need to be stored during off-peak times. Storage is also important for households that generate their own renewable electricity: a car cannot be charged overnight by solar energy without a storage system.

Interestingly, electric vehicles can be used as back-up storage during periods of grid failure or spikes in demand. Although most EVs today are not designed to supply energy back into the grid, vehicle-to-grid (V2G) cars can store electricity in car batteries and then transfer that energy back into the grid later. EV batteries can still be used in grid storage even after they are taken off the road: utilities are using the batteries from retired EVs as second-hand energy storage. Such batteries can be used to store electricity for up to a decade for grid applications. An example of this can be found in Elverlingsen, Germany, where almost 2,000 batteries from Mercedes Benz EVs were collected to create a stationary grid-sized battery that can hold almost 9 MW of power.

Federal and State Energy Storage Policies

In February 2018, the Federal Energy Regulatory Commission (FERC) unanimously approved Order No. 841, which required Independent System Operators and Regional Transmission Organizations to remove barriers to entry for energy storage technologies, by having these groups reevaluate their tariffs. The FERC believes this will lead to greater market competition in the energy grid sector.

In May 2018, the Department of Energy's Advanced Research Projects Agency (ARPA-E) committed up to \$30 million in funding for long-term energy storage innovation. The funding went to the Duration Addition to electricity Storage (DAYS) program, which focuses on developing new technologies that can make it possible for energy storage facilities in all U.S. regions to power an electrical grid for up to 100 hours.

Several U.S. states have taken a keen interest in energy storage, and their policies can serve as inspiration for others.

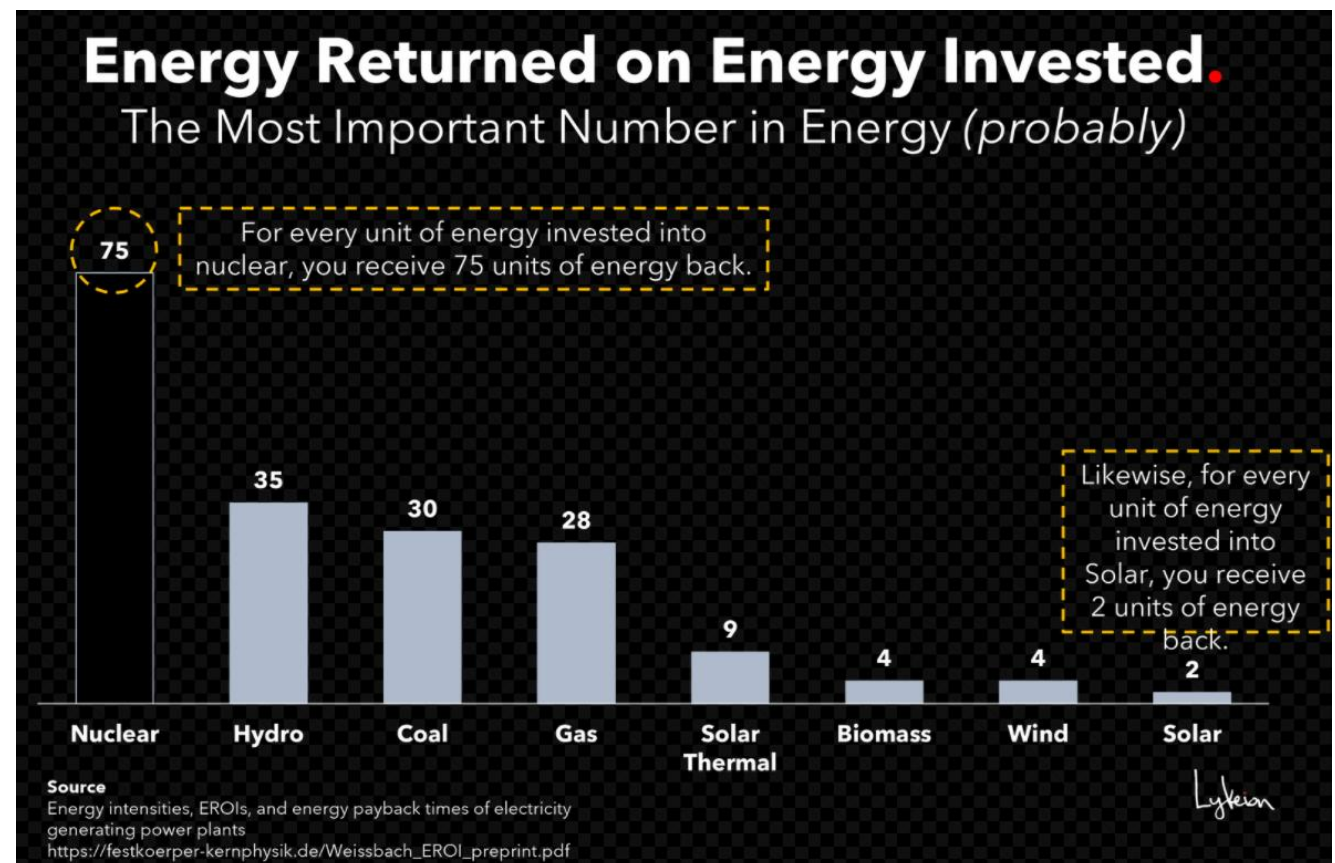
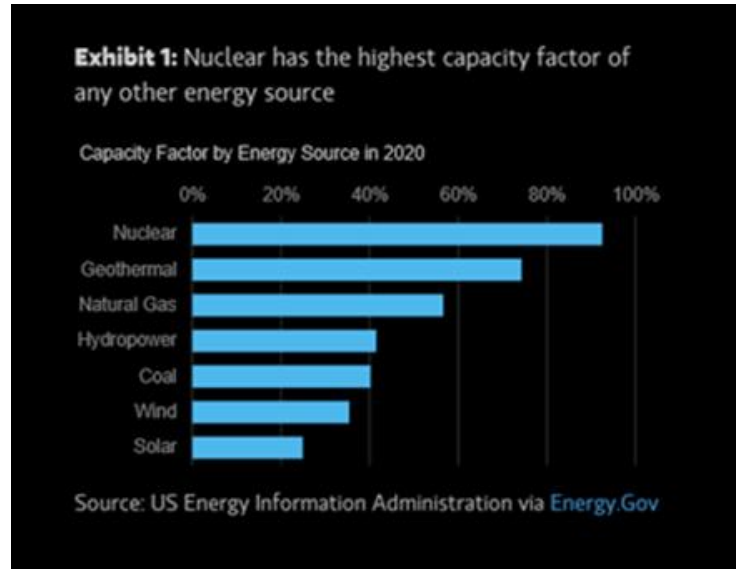
- **Hawaii**, where importing fossil fuels is very costly, has been at the forefront of the transition to renewables and energy storage. Two recent Hawaiian Electric Industries projects come in at 8 cents per kilowatt-hour, half as much as the price for fossil fuel generation in the state.
- **Massachusetts** passed H.4857 in July of 2018, setting a goal of 1,000 MWh of energy storage by the end of 2025.
- **New York** Governor Andrew Cuomo announced in January 2018 that New York had set a goal of reaching 1,500 MW's worth of energy storage by 2025. Under this directive, New York Green Bank has agreed to invest \$200 million towards energy storage technologies.
- **California's** three largest electric cooperatives have been mandated to develop a combined storage capacity of 1,325 MW by the end of 2024. An extra 500 MW was added to the mandate in 2016.
- In **Oregon**, law HB 2193 mandates that 5 MWh of energy storage must be working in the grid by 2020.
- **New Jersey** passed A3723 in 2018 that sets New Jersey's energy storage target at 2,000 MW by 2030.
- **Arizona** State Commissioner Andy Tobin has proposed a target of 3,000 MW in energy storage by 2030.

NUCLEAR – ECONOMICAL ELECTRICITY

Always follow the insiders, smart money and committed plans in place. Do not be misled by the media pandering to the Greens. A “Bait and Switch” is coming the accepted “narrative” will soon be changed.

Is Nuclear the Solution for Low Carbon Power?

- Nuclear power is currently more expensive than solar and onshore wind in key economies.
- While over the next 30 years the LCOEs of renewable plus storage are expected to fall by another 50%, Many don't expect nuclear costs to significantly reduce.
- Long time horizons also need to be built into plans as nuclear power plant projects can have a duration of up to 15 years (and sometimes more).
- The IEA net zero scenario assumes 22GW net incremental capacity coming on stream annually between 2030-40. Given the average time horizons, the approval process for those power plants would need to be starting within the next few years.



THE RULES ARE ABOUT TO BE CHANGED

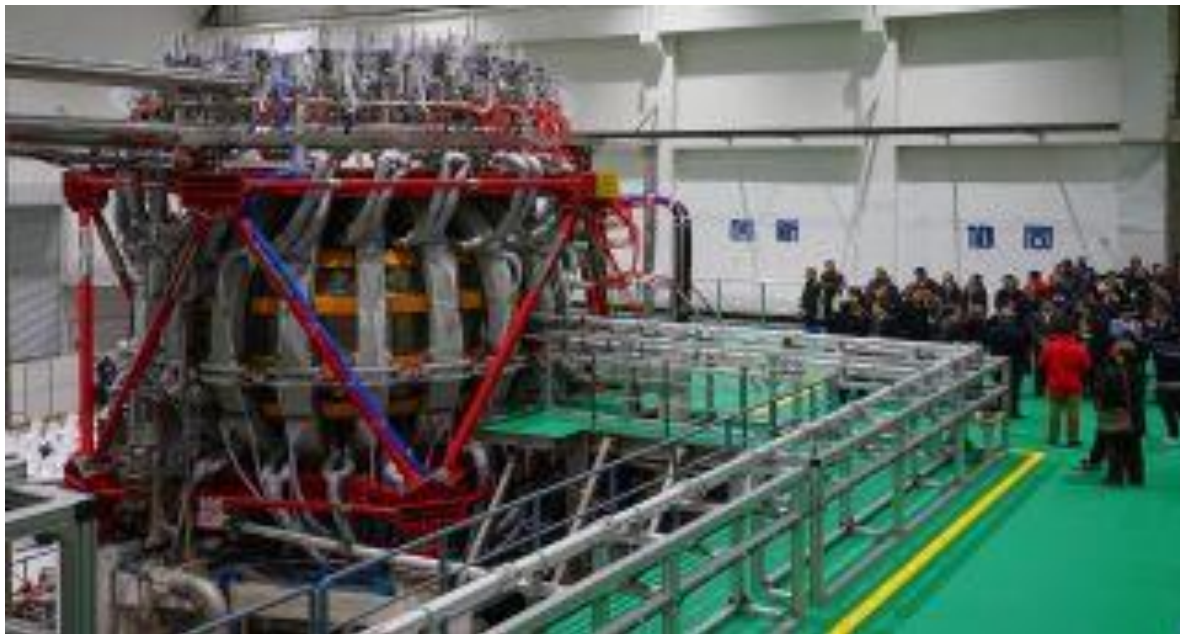
The following outlines the massive changes about to happen with regards to Nuclear power to deliver unlimited cheap electrical energy:

- Unlimited Electrical Power Technology (Nuclear Fusion)
- A Changed Public Narrative
- Why is Asia Going Nuclear
- Why are Bill Gates and Warren Buffett Making Major Investments in Nuclear? (Natrium plants use safe liquid sodium)

1- Unlimited Electrical Power Using Nuclear Fusion

China's \$1 trillion 'artificial sun' fusion reactor just got five times hotter than the sun ([LiveScience.com](https://www.livescience.com/65111-artificial-sun-just-got-five-times-hotter-than-the-sun.html))

This experimental fusion reactor could help to unlock near limitless clean energy.



China's 'artificial sun' tokamak (Image credit: VCG via Getty Images)

China's "artificial sun" has set a new world record after superheating a loop of [plasma](#) to temperatures five times hotter than the sun for more than 17 minutes, state media reported.

The EAST (Experimental Advanced Superconducting Tokamak) [nuclear fusion](#) reactor maintained a temperature of 158 million degrees Fahrenheit (70 million degrees Celsius) for 1,056 seconds, [according to the Xinhua News Agency](#). The achievement brings scientists a small yet significant step closer to the creation of a source of near-unlimited clean energy.

The Chinese experimental nuclear fusion reactor smashed the previous record, set by France's Tore Supra tokamak in 2003, where plasma in a coiling loop remained at similar temperatures for 390 seconds. EAST had previously set another record in May 2021 by running for 101 seconds at an unprecedented 216 million F (120 million C). The core of the actual sun, by contrast, reaches temperatures of around 27 million F (15 million C).

"The recent operation lays a solid scientific and experimental foundation towards the running of a fusion reactor," experiment leader Gong Xianzu, a researcher at the Institute of Plasma Physics of the Chinese Academy of Sciences, [said in a statement](#).

Scientists have been trying to harness the power of nuclear fusion — the process by which stars burn — for more than 70 years. By fusing [hydrogen](#) atoms to make [helium](#) under extremely high pressures and temperatures, so-called main-sequence stars are able to convert matter into light and heat, generating enormous amounts of energy without producing [greenhouse gases](#) or long-lasting radioactive waste.

But replicating the conditions found inside the hearts of stars is no simple task. The most common design for fusion reactors, the tokamak, works by superheating plasma (one of the four states of [matter](#), consisting of positive ions and negatively-charged free electrons) before trapping it inside a donut-shaped reactor chamber with powerful [magnetic fields](#). Keeping the turbulent and superheated coils of plasma in place long enough for nuclear fusion to happen, however, has been a painstaking process. Soviet scientist Natan Yavlinsky designed the first tokamak in 1958, but no one has ever managed to create an experimental reactor that is able to put out more energy than it takes in.

One of the main stumbling blocks has been how to handle a plasma that's hot enough to fuse. Fusion reactors require very high temperatures — many times hotter than the sun — because they have to operate at much lower pressures than where fusion naturally takes place inside the cores of stars. Cooking plasma to temperatures hotter than the sun is the relatively easy part, but finding a way to corral it so that it doesn't burn through the reactor walls (either with lasers or magnetic fields) without also ruining the fusion process is technically tricky.

EAST is expected to cost China more than \$1 trillion by the time the experiment finishes running in June, and it is being used to test out technologies for an even bigger fusion project — the International Thermonuclear Experimental Reactor (ITER) — that's currently being built in Marseille, France.

Set to be the world's largest nuclear reactor and the product of collaboration between 35 countries — including every state in the European Union, the U.K., China, India and the U.S. — ITER contains the world's most powerful magnet, making it capable of producing a magnetic field 280,000 times as strong as the one around the [Earth](#), [Live Science previously reported](#). The fusion reactor is expected to come online in 2025, and it will provide scientists with even more insights into the practicalities of harnessing star power on Earth.

China is also pursuing more of its own programs to develop nuclear fusion power — it is conducting [internal confinement fusion experiments](#) and is planning to complete a [new tokamak by the early 2030s](#).

Elsewhere, the first viable fusion reactor could be [completed in the United States as soon as 2025](#), and a British company hopes to be [commercially generating electricity from fusion](#) by 2030.

2- A Changed Public Narrative

Uranium Stocks Soar After EU Seeks Green Light for Nuclear Projects ([ZeroHedge](#))

Long before European energy prices went stratospheric, in December 2020, we predicted that Uranium stocks were set to surge as it was only a matter of time before the Green lobby lumped the Uranium sector along with the rest of the ESG space (see :["Uranium Stocks Soar: Is This The Beginning Of The Next ESG Craze"](#)). So it would be stand to reason that the case to "bless" nuclear power was that much more powerful when European energy prices just went through a period of unprecedented hyperinflation.

That's exactly what happened on the first day of the year, when uranium companies surged higher, extending on one of the best trades in the past year (the Uranium URA ETF is double since we first recommended the space in early Dec 2020), after the European Union said it is planning to allow some nuclear energy projects to be classified as sustainable investments, a proposal that sparked immediate criticism from the Greens who would rather freeze to death and spend all their money to keep warm during the winter than allow a few nuclear power plants to restart.

According to the draft, sent on Friday to EU national governments for review, nuclear energy could be classified as sustainable as long as new plants that are granted construction permits by 2045 meet a set of criteria to avoid significant harm to the environment and water resources, Bloomberg reported.

Investors Have Given Up on a V-Shaped Recovery, BNY's Young Cautions

"The Commission considers there is a role for natural gas and nuclear as a means to facilitate the transition towards a predominantly renewable-based future," the EU executive arm said in a statement on Saturday.

The reason why global uranium stocks spiked is because the design of the EU investment classification system - known as the taxonomy - **is closely watched by investors worldwide and could potentially attract billions of euros in private finance to help the green transition.** The challenge is to ensure the decision on nuclear and gas gets political support, while avoiding the risk of greenwashing, or overstating the significance of emissions cuts, something that has plagued virtually every other aspect of ESG.

Europe wants to reach carbon neutrality by the middle of the century under the Green Deal, a sweeping overhaul that aims to accelerate pollution cuts in all areas, from energy production to transport. Yet for some lawmakers, investors and activists, classifying gas or nuclear projects as green would harm the entire sustainable investment rulebook.

"Including nuclear power and gas in the EU taxonomy is like labeling a caged egg as organic," said Michael Bloss, a German member of the Green group in the European Parliament. "Instead of channeling money into investments in the solar and wind industries, old and extremely expensive business models can now be continued under false guise."

On the other hand, considering that it will take years if not decades for solar and wind to be viable alternatives to coal, nat gas or nuclear, it really doesn't matter whether the egg is caged or organic as long as Europeans don't freeze, and one more winter like this one and Europe's parties of "Green" hypocrites will be kicked out of parliament permanently, as the locals decide they'd rather have at least nuclear power than spend their entire paycheck on heating and power bills.

As Bloomberg notes, the taxonomy aims to guide investors to clean projects. The decision on whether it should include gas and nuclear power was delayed in April following criticism that such an addition could undermine the credibility of the system.

Giving a temporary green label to certain gas projects **could facilitate investments in cleaning up coal-based heating systems in countries such as Poland.** That's an argument often raised by East European politicians.

Meanwhile, the inclusion of some nuclear energy projects would help attract private finance in nations from France to the Czech Republic, which plan to rely on atomic power in their transition to net-zero emissions.

The Commission is also planning to ensure a high degree of transparency to investors concerning gas and nuclear energy, introducing specific disclosure requirements for non-financial and financial undertakings.

Member states and the Platform on Sustainable Finance have until Jan. 12 to provide feedback. The Commissions will then adopt the delegated act later this month. In the next step, it will be sent to EU nations and the European Parliament for scrutiny.

And while we wait, the market is clearly looking for a favorable outcome, leading to surges across most uranium sector names including:

- Uranium Energy up 7.5%
- Uranium Royalty up 8.2%
- Energy Fuels up 7.9%
- Denison Mines up 7.3%
- NexGen Energy up 5.9%
- Cameco up 4.0%
- Global X Uranium ETF (URA) gains 5.00%



If the European outcome is favorable, expect much more upside as our [core thesis](#) plays out.

3- Why is ASIA Going Nuclear?

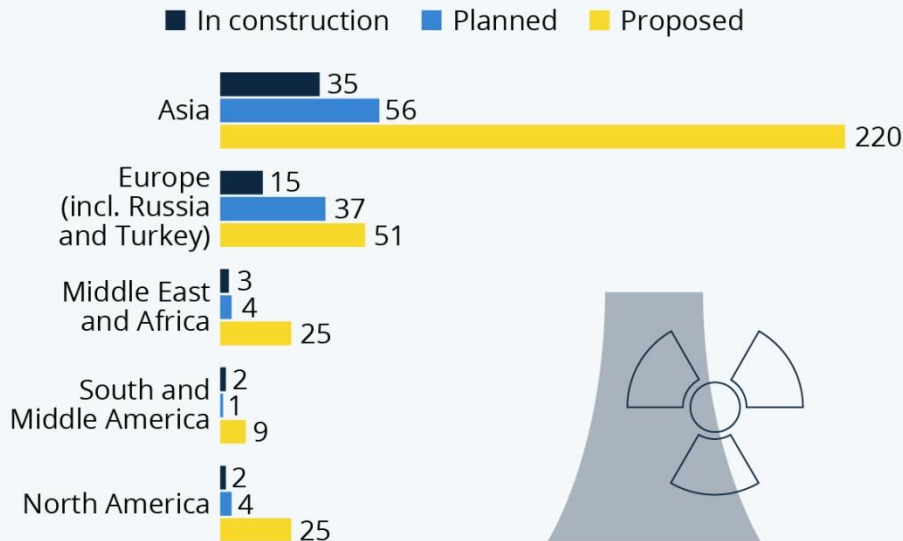
After announcing its plans for a phase-out of [nuclear power](#) in 2000 and ramping up financial and infrastructural investments in renewable energy production since then, Germany is entering the home stretch: *In the following weeks, the country will take offline three of its six remaining nuclear power plants, with the remaining three following at the end of 2022.*

And [as Statista's Florian Zandt notes](#), since there are no plans to build new reactors, this will make the European country only the second nation worldwide next to Italy to close down all preexisting nuclear reactors without constructing new ones so far.

As Statista's chart indicates, the rest of the world is not ready to ditch this power source quite yet...

Asia's Going Nuclear

Number of nuclear reactors currently in construction or in preliminary construction stages per region



As of Dec 2021.

Source: World Nuclear Association



statista

You will find more infographics at [Statista](https://www.statista.com)

Asia in particular is still big on nuclear power, even with the [nuclear disaster at Fukushima](#) happening as recently as 2011 and some neighboring regions **still being visibly affected by the fallout to this day**. Japan still has 33 reactors in commission while proposals, planning or construction have started on an additional eleven according to data by the [World Nuclear Association](#). India plans to triple its number of nuclear power plants to 72 in total, while China has proposed the construction of 168 new reactors in addition to 18 being built and 37 being planned, which would amount to an increase of 337 percent. **Overall, 35 reactors around Asia are already in construction, with Europe coming in second with 15 plants.**

While the steady increase in energy consumption and the scarcity of fossil fuels like coal, crude oil and gas might make nuclear energy a viable, clean option on paper, the technology still poses a great many risks, especially when it comes to the correct disposal and storage of highly radioactive waste products and the condition of older plants. According to data by the International Atomic Energy Agency, two thirds of the 441 currently active nuclear power plants are older than 30 years, a fact that might make thinking about at least overhauling those plants instead of building new ones something to consider.

- **4- Why are Bill Gates and Warren Buffett Making Major Investments in Nuclear Sodium plants use safe liquid sodium?**

Bill Gates' \$4 bln high-tech nuclear reactor set for Wyoming coal site

An advanced nuclear power venture founded by billionaire Bill Gates said on Tuesday it has chosen a town in Wyoming as the site to build a \$4 billion demonstration plant that will get half its funding from the U.S. government.

TerraPower's Natrium plant will be built in Kemmerer, a remote western Wyoming town where the Naughton coal plant is due to shut in 2025. Pending permits, the 345 megawatt plant will open in 2028, which is the timeline mandated by Congress.

The project will get about \$1.9 billion from the federal government including \$1.5 billion from the bipartisan infrastructure bill that President Joe Biden signed this week. The bill included about \$2.5 billion for advanced nuclear reactors.

"It's a very serious government grant," said Chris Levesque, president and CEO of TerraPower, which is partnering with GE Hitachi Nuclear Energy. "This was necessary because the U.S. government and the U.S. nuclear industry was falling behind," he told reporters.

The United States has been competing with China and Russia which also hope to build advanced reactors and export them.

Advanced reactors are expected to be smaller than traditional ones and theoretically be built in remote locations. The Natrium reactor would be fueled by uranium enriched up to 20%, a far higher level than today's fuel.

[Some nuclear power experts](#) say the more highly enriched fuel could be an attractive target for militants looking to create a crude nuclear weapon.

Advanced reactor proponents say the plants are safer and create less waste.

Gates had initially hoped to build an experimental nuclear plant near Beijing with state-owned China National Nuclear Corp. But TerraPower was forced to seek new partners after the administration of Donald Trump restricted nuclear deals with China.

Energy Secretary Jennifer Granholm said the plant would give hope to a town where a coal plant will shut.

"The energy communities that have powered us for generations have real opportunities to power our clean energy future through projects just like this one."

Bill Gates' TerraPower aims to build its first advanced nuclear reactor in a coal town in Wyoming.

- Bill Gates' TerraPower has chosen Kemmerer, Wyoming, a frontier-era coal town, as the site where the company will build its first demonstration nuclear power plant.
- The plant will cost about \$4 billion, half coming from TerraPower and half coming from the United States government.
- Rocky Mountain Power — a division of PacifiCorp, which is owned by Berkshire Hathaway Energy (Warren Buffett)— will operate the plant, which will play a role in the power company's decarbonization strategy.



Kemmerer, Wyoming, is a frontier coal town. It was organized in 1897 by coal miners and still employs people in the coal and natural gas industries today.

Photo courtesy TerraPower

TerraPower, a start-up co-founded by Bill Gates to revolutionize designs for nuclear reactors, has chosen [Kemmerer, Wyoming](#), as the preferred location for its first demonstration reactor. It aims to build the plant in the frontier-era coal town by 2028.

Construction of the plant will be a job bonanza for Kemmerer, with 2,000 workers at its peak.

It will also provide new clean-energy jobs to a region dominated by the coal and gas industry. Today, a local power plant, a coal mine and a natural gas processing plant combined provide more than 400 jobs — a sizeable number for a region that has only around 3,000 residents.

For TerraPower, picking a location was a matter of geological and technical factors, such as seismic and soil conditions, and community support.

Once built, the plant will provide a baseload of 345 megawatts, with the potential to expand its capacity to 500 megawatts. (For reference, 1 gigawatt, or [1,000 megawatts, of energy will power a midsize city](#), and a small town can operate on about 1 megawatt, according to a rule of thumb [Microsoft](#) co-founder Gates provided in his recent book, "[How to Avoid a Climate Disaster](#)." The United States uses 1,000 gigawatts and the world needs 5,000 gigawatts).

It will cost about \$4 billion to build the plant, with half of that money coming from TerraPower and the other half from the U.S. Department of Energy's [Advanced Reactor Demonstration Program](#).

Once built, the plant should provide power for 60 years.

How TerraPower's reactors are different

The Kemmerer plant will be the first to use an [advanced nuclear design called Natrium](#), developed by TerraPower with GE-Hitachi.

Natrium plants use liquid sodium as a cooling agent instead of water. Sodium has a higher boiling point and can absorb more heat than water, which means [high pressure does not build up inside the reactor](#), reducing the risk of an explosion.

Also, Sodium plants do not require an outside energy source to operate their cooling systems, which can be a vulnerability in the case of an emergency shutdown. This contributed to the 2011 disaster at the Fukushima Daiichi nuclear plant in Japan, when a tsunami shut down the diesel generators running its backup cooling system, contributing to a meltdown and release of radioactive material.



An artist's rendering of a Sodium power plant from TerraPower.
Photo courtesy TerraPower

Sodium plants can also store heat in tanks of molten salt, conserving the energy for later use like a battery and enabling the plant to bump its capacity up from 345 to 500 megawatts for five hours.

The plants are also smaller than conventional nuclear power plants, which should make them faster and cheaper to build than conventional power plants. TerraPower aims to get the cost of its plants down to \$1 billion, a quarter of the budget for the first one in Kemmerer.

Finally, Sodium plants produce less waste, a problematic and dangerous byproduct of nuclear fission.

'Times are changing'

The Kemmerer plant still faces a couple of hurdles, including federal permitting.

Also, the fuel that the Sodium plant uses is called high-assay low-enriched uranium, or HALEU, which is not yet available at commercial scale.

The existing fleet of nuclear reactors in the United States runs uranium-235 fuel enriched up to 5%, the Department of Energy says, [while HALEU is enriched between 5% and 20%](#).

*"Sadly, **we don't have this enrichment capability in the U.S. today.** And this is an area of great concern of the U.S. government and specifically the Department of Energy. I'm really certain that we're going to establish that capability in another public-private partnership, similar to the way the Sodium power plant demonstration is being built."*

Once built, the plant will be turned over to Rocky Mountain Power, a division of [Berkshire Hathaway](#) Energy's PacifiCorp, to operate.

There, it will become part of Rocky Mountain Power's decarbonization plan.

Coal-fired plants like the Naughton facility in Kemmerer “have benefited our customers for decades with very low-cost power,” Gary Hooegeveen, president and CEO of Rocky Mountain Power, said Tuesday. “And we appreciate that. But times are changing.”

“External requirements from the federal government, state governments, regulatory agencies are going to require that we change, and we’re going to need to decarbonize,” he said. “As we go down that path, we see the Natrium project as being incredibly valuable to our customers.”

Wind power is also a part of that effort. So far, Rocky Mountain Power has built 2,000 megawatts of wind-power capacity in Wyoming, and that’s going to grow.

“Wyoming is a tremendous wind-resource state,” Hooegeveen said. “We expect to build many more thousands of megawatts of wind capacity in the state.”

But the nuclear power plant in Kemmerer will be a key bridge for the state, Hooegeveen said.

“It is a great spot for absorbing the intermittency of the renewable resources and using the storage that’s built in that is so incredibly valuable to us,” he said.

HYDROGEN – TRANSPORTABLE POWER

Hydrogen is emerging as one of the leading options for [storing energy](#) from renewables with hydrogen-based fuels potentially transporting energy from renewables over long distances – from regions with abundant energy resources, to energy-hungry areas thousands of kilometers away.

LONG HAUL FREIGHT / HEAVY INDUSTRY

Green hydrogen featured in a number of emissions reduction pledges at the UN Climate Conference, COP26, as a means to

- De-Carbonize heavy industry,
- Long haul freight, shipping, and aviation.

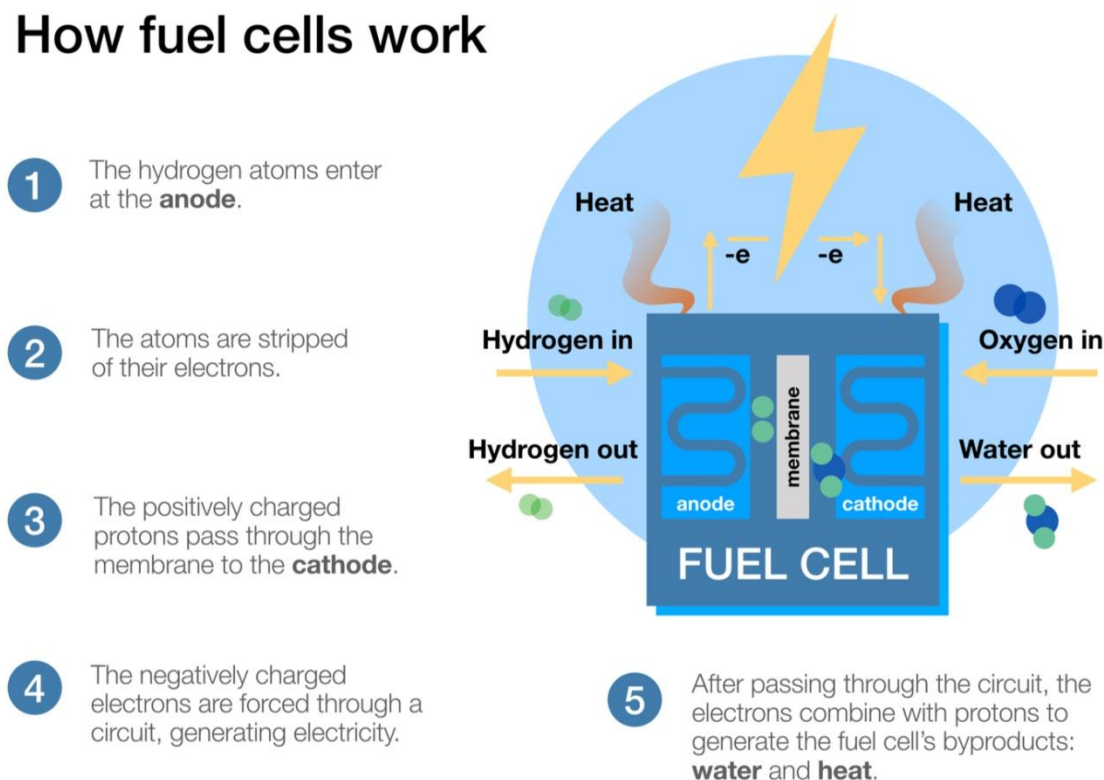
Governments and industry have both [acknowledged](#) hydrogen as an important pillar of a net zero economy.

The [Green Hydrogen Catapult](#), a United Nations initiative to bring down the cost of green hydrogen announced that it is almost doubling its goal for green electrolyzers from 25 gigawatts set last year, to 45 gigawatts by 2027. The European Commission has [adopted a set of legislative proposals](#) to decarbonize the EU gas market by facilitating the uptake of renewable and low carbon gases, including hydrogen, and to ensure energy security for all citizens in Europe. The United Arab Emirates is also raising ambition, with the country's new hydrogen strategy aiming to [hold a fourth](#) of the global low-carbon hydrogen market by 2030 and Japan [recently announced](#) it will invest \$3.4 billion from its green innovation fund to accelerate research and development and promotion of hydrogen use over the next 10 years.

In the periodic table, hydrogen is the lightest element in the universe. As such, you can fit a lot more hydrogen atoms into a finite space than you can, say, lithium atoms.

The result is that any power source made with hydrogen will be infinitely more energy dense than a power source made with something else. That has enormous implications.

How fuel cells work



Source: Shutterstock

In transportation markets, more energy density means hydrogen fuel cells have longer driver ranges and faster refuel times compared to batteries. In stationary markets, it means they have more consistent and robust power output. In all markets, it means hydrogen fuel cells are much lighter and more transportable.

Make no mistake, hydrogen adds enormous value to the world of clean energy.

The value proposition, however, isn't a new one. After all, the periodic table hasn't changed during the past 50 years. So, if nothing has changed, then what exactly will allow hydrogen to take over as a dominant force of clean energy this decade?

For starters, the politics have changed. In the 1970s, no one cared about decarbonization. Now, seemingly every country and company in the world has a net-zero emissions target they wish to hit by 2030, 2040, or 2050. While stateside, the U.S. government is gearing up to pass a bill that includes \$550 billion in green energy spending.

The costs have changed. Economies of scale and advanced technologies have led to the cost of hydrogen fuel cells dropping 60% over the past decade. Deloitte expects hydrogen fuel cell costs to drop below electric battery and combustion engine costs in just a few years.

The tech has changed. Technological breakthroughs and falling renewable energy costs have led to a new era of scalable "Green Hydrogen" production, wherein hydrogen is cost-effectively produced from renewable energy sources, like solar and wind – and not from natural gas, which is how most hydrogen has historically been produced.

In other words, while the periodic table hasn't changed over the past 50 years, everything else has changed – and for first time ever, all the growth drivers for hydrogen have shown up at the same time.

In the words of Matthew Blieske, Shell's global hydrogen product manager:

"[In the past] there was a policy missing, or the technology wasn't quite ready, or people were not so serious about decarbonization. We don't see those barriers anymore."

With those barriers removed, the Hydrogen Economy will tip into its long overdue renaissance in the 2020s, creating what Morgan Stanley sees as an \$11 TRILLION hydrogen market in the coming decades.

SOME SCIENCE -- This [article](#) was originally published in the World Economic Forum.



Hydrogen is the simplest and smallest element in the periodic table. No matter how it is produced, it ends up with the same carbon-free molecule. However, the pathways to produce it are very diverse, and so are the emissions of greenhouse gases like carbon dioxide (CO₂) and methane (CH₄).

Green hydrogen is defined as hydrogen produced by splitting water into hydrogen and oxygen using renewable electricity. This is a very different pathway compared to both grey and blue.

Grey hydrogen is traditionally produced from methane (CH₄), split with steam into CO₂ – the main culprit for climate change – and H₂, hydrogen. Grey hydrogen has increasingly been produced also from coal, with significantly higher CO₂ emissions per unit of hydrogen produced, so much that is often called brown or black hydrogen instead of grey. It is produced at industrial scale today, with associated emissions comparable to the combined emissions of UK and Indonesia. It has no energy transition value, quite the opposite.

Blue hydrogen follows the same process as grey, with the additional technologies necessary to capture the CO₂ produced when hydrogen is split from methane (or from coal) and store it for long term. It is not one colour but rather a very broad gradation, as not 100% of the CO₂ produced can be captured, and not all means of storing it are equally effective in the long term. The main point is that capturing large part of the CO₂, the climate impact of hydrogen production can be reduced significantly.

There are technologies (i.e. methane pyrolysis) that hold a promise for high capture rates (90-95%) and effective longterm storage of the CO₂ in solid form, potentially so much better than blue that they deserve their own colour in the “hydrogen taxonomy rainbow”, **turquoise hydrogen**. However, methane pyrolysis is still at pilot stage, while green hydrogen is rapidly scaling up based on two key technologies – renewable power (in particular from solar PV and wind, but not only) and electrolysis.

Unlike renewable power, which is the cheapest source of electricity in most countries and region today, electrolysis for green hydrogen production needs to significantly scale-up and reduce its cost by at least three times over the next decade or two. However, unlike CCS and methane pyrolysis, electrolysis is commercially available today and can be procured from multiple international suppliers right now.

Green hydrogen energy solutions

What are the merits of energy transition solutions towards a ‘green’ hydrogen economy? How could we transition to a green hydrogen economy from where we are currently with grey hydrogen?

Green hydrogen is an important piece of the energy transition. It is not the next immediate step, as we first need to further accelerate the deployment of renewable electricity to decarbonize existing power systems, accelerate electrification of the energy sector to leverage low-cost renewable electricity, before finally decarbonize sectors that are difficult to electrify – like heavy industry, shipping and aviation – through green hydrogen.

It is important to note that today we produce significant amount of grey hydrogen, with high CO₂ (and methane) emissions: priority would be to start decarbonizing existing hydrogen demand, for example by replacing ammonia from natural gas with green ammonia.

Recent studies have sparked a debate about the concept of blue hydrogen as a transition fuel till green hydrogen becomes cost-competitive. How would green hydrogen become cost competitive vis-à-vis blue hydrogen? What sort of strategic investments need to occur in the technology development process?

The first step is to provide a signal for blue hydrogen to replace grey, as without a price for emitting CO₂, there is no business case for companies to invest in complex and costly carbon capture system (CCS) and geological storages of CO₂. Once the framework is such that low-carbon hydrogen (blue, green, turquoise) is competitive with grey hydrogen, then the question becomes: should we invest in CCS if the risk is to have stranded assets, and how soon will green become cheaper than blue.

The answer will of course differ depending on the region. In a net zero world, an objective that more and more countries are committing to, the remaining emissions from blue hydrogen would have to be offset with negative emissions. This will come at a cost. In parallel, gas prices have been very volatile lately, leaving blue hydrogen price highly correlated to gas price, and exposed not only to CO2 price uncertainty, but also to natural gas price volatility.

For green hydrogen, however, we might witness a similar story to that of solar PV. It is capital intensive, therefore **we need to reduce investment cost as well as the cost of investment**, through scaling up manufacturing of renewable technologies and electrolyzers, while creating a low-risk offtake to reduce the cost of capital for green hydrogen investments. This will lead to a **stable, decreasing cost of green hydrogen**, as opposed to a volatile and potentially increasing cost of blue hydrogen.

Renewable energy technologies reached a level of maturity already today that allows competitive renewable electricity generation all around the world, a prerequisite for competitive green hydrogen production. Electrolyzers though are still deployed at very small scale, needing a **scale up of three orders of magnitude in the next three decades to reduce their cost threefold**.

Today the pipeline for green hydrogen projects is on track for a halving of electrolyser cost before 2030. This, combined with large projects located where the best renewable resources are, can lead to competitive green hydrogen to be available at scale in the next 5-10 years. This does not leave much time for blue hydrogen – still at pilot stage today – to scale up from pilot to commercial scale, deploy complex projects (e.g. the longterm geological CO2 storage) at commercial scale and competitive cost, and recover the investments made in the next 10-15 years.

Several governments have now included hydrogen fuel technologies in their national strategies. Given the rising demands to transition towards decarbonization of the economy and enabling technologies with higher carbon capture rates, what would be your advice to policymakers and decisionmakers who are evaluating the pros and cons of green hydrogen?

We will need green hydrogen to reach net zero emissions, in particular for industry, shipping and aviation. However, what we need most urgently is:

- 1) Energy efficiency;
- 2) Electrification;
- 3) Accelerated growth of renewable power generation.

Once this is achieved, we are left with ca. 40% of demand to be decarbonised, and this is where we need green hydrogen, modern bioenergy and direct use of renewables. Once we further scale up renewable power to decarbonise electricity, we will be in a position to further expand renewable power capacity to produce competitive green hydrogen and decarbonise hard-to-abate sectors at minimal extra cost.

The future of green hydrogen

Where do you see energy technologies relating to hydrogen evolving by 2030? Could we anticipate hydrogen-powered commercial vehicles?

We see the opportunity for rapid uptake of green hydrogen in the next decade where hydrogen demand already exists: decarbonising ammonia, iron and other existing commodities. Many industrial processes that use hydrogen can replace grey with green or blue, provided CO2 is adequately priced or other mechanisms for the decarbonisation of those sectors are put in place.

For shipping and aviation, the situation is slightly different. Drop-in fuels, based on green hydrogen but essentially identical to jet fuel and methanol produced from oil, can be used in existing planes and ships, with minimal to no adjustments. However, those fuels contain CO2, which has to be captured from somewhere and added to the hydrogen, to be released again during combustion: this reduces but does not solve the problem of CO2 emissions. Synthetic fuels can be deployed before 2030, if the right incentives are in place to justify the extra cost of reduced (not eliminated) emissions.

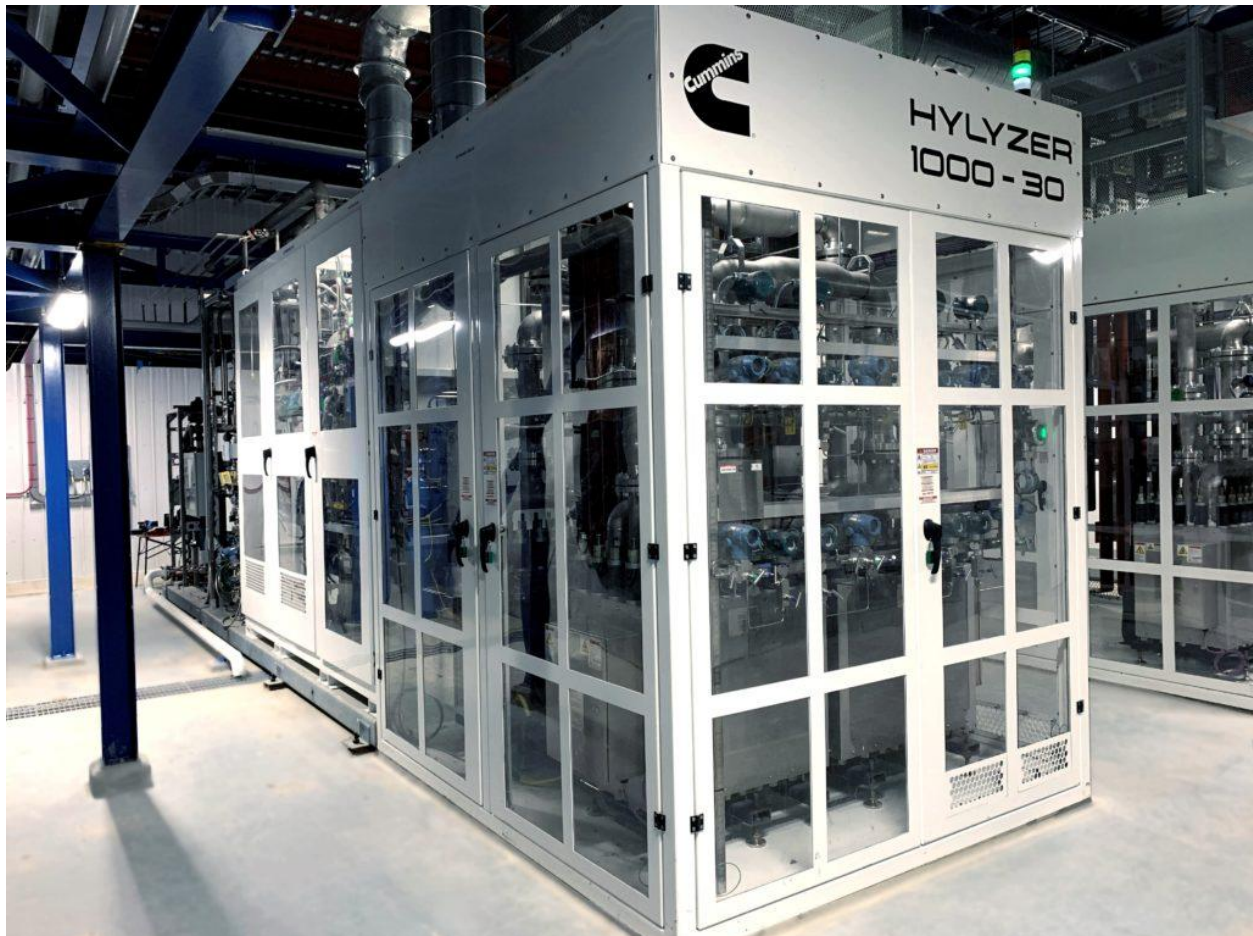
In the coming years, ships can switch to green ammonia, a fuel produced from green hydrogen and nitrogen from the air, which does not contain CO₂, but investments will be needed to replace engines and tanks, and green ammonia is currently much more expensive than fuel oil.

Hydrogen (or ammonia) planes are further away, and these will be essentially new planes that have to be designed, built and sold to airlines to replace existing jet-fuel-powered planes – clearly not feasible by 2030: in this sense, green jet fuel – produced with a combination of green hydrogen and sustainable bioenergy – is a solutions that can be deployed in the near term.

In conclusion, the main actions to accelerate decarbonisation between now and 2030 are

- 1) Energy efficiency
- 2) Electrification with renewables
- 3) Rapid acceleration of renewable power generation (which will further reduce the already low cost of renewable electricity)
- 4) Scale up of sustainable, modern bioenergy, needed – among others – to produce green fuels that require CO₂
- 5) De-carbonization of grey hydrogen with green hydrogen, which would bring scale and reduce the cost of electrolysis, making green hydrogen competitive and ready for a further scale up in the 2030s, towards the objective of reaching net zero emissions by 2050.

CUMMINS ENGINES HYDROGEN ELECTROLYZER
(Localized Energy Source For Diesel Fleets and Large Machinery)



SOCIAL "TROJAN HORSE" INSTRUMENTS

KEY MESSAGES

- To achieve the Climate Change Goals a more global Authoritarian and Social Conscious Governance (NWO) is felt to be required.
- There are presently three contending spheres of powers. Sometimes in alignment but never believing anyone but they will eventually believing they will ultimately prevail as the dominant power.
- We are witnessing the evolution of:
 - Education is Morphing Further Towards Effectively Being Socialist Indoctrination Training Centers,
 - Crony Capitalism is Morphing Towards Statism and oligarchy Rule,
 - Government is Morphing Towards Authoritarian / Dictatorial Regimes.
 - GOVERNMENTS MORPHING TOWARDS AUTHORITARIAN /DICTATORIAL REGIMES
- To successfully implement the UN's Global "Sustainability" Goals, The COP 26's Climate Change and the World Economic Forum's (WEF) a more detailed social control system needs to be implemented as effectively "Social Drivers". This takes the form of ESG and DEI. These social control initiatives are effectively designed as Behavioral Modification programs.

ENVIRONMENT, SOCIAL & GOVERNANCE (ESG)

- Understanding Three unavoidable Facts:
 - The potential for ESG Bonds
 - The ESG Index 'Mirage' Game
 - ESG Investing is not at all What It Appears.

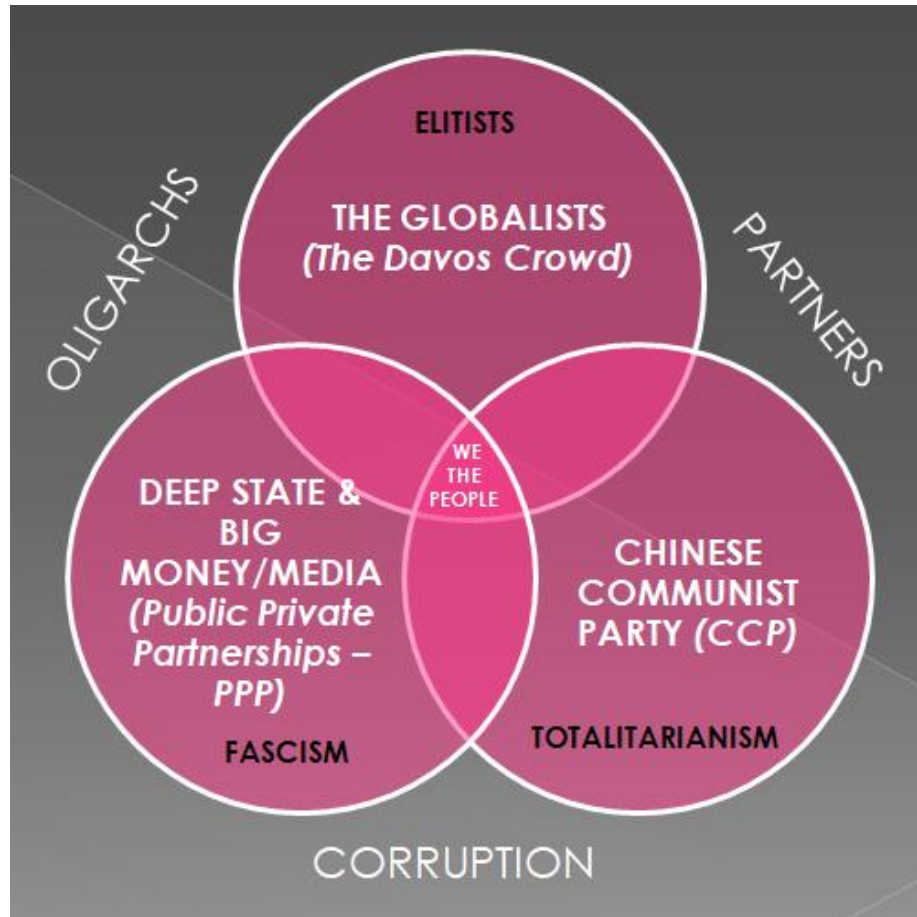
DIVERSITY, EQUALITY & INCLUSION (DEI)

- Climate Change has been built into the global initiative of what is referred to as programs of Diversity, Equality and Inclusion (DEI).
- Climate Change and Racism are integrated into DEI as well as the importance of Climate Migration.

To achieve the Climate Change Goals a more global Authoritarian and Social Conscious Governance (NWO) is felt to be required.

EVOLUTION OF AUTHORITARIAN GOVERNANCE

Though the direction is clear the controlling powers are not. There are presently three contending spheres of powers. Sometimes in alignment but never believing anyone but they will eventually believing they will ultimately prevail as the dominant power.



"A Society Not Built on TRUTH is built on TYRANNY!"

Founding Fathers & framers of the Declaration of Independence

As such we are witnessing the evolution of:

- EDUCATION MORPHING FURTHER TOWARDS EFFECTIVELY BEING SOCIALIST INDOCTRINATION TRAINING CENTERS,
- CRONY CAPITALISM MORPHING TOWARDS FASCISM & OLICHARCHY RULE,
- GOVERNMENTS MORPHING TOWARDS AUTHORITARIAN /DICTATORIAL REGIMES,

EDUCATION MORPHING FURTHER TOWARDS EFFECTIVELY BEING SOCIALIST INDOCTRINATION TRAINING CENTERS



THE MORPHING COLLEGE STUDENT:

- THE LOSS OF "CRITICAL THINKING"
- DOMINANCE OF SOCIAL MEDIA CONTROLLED THINKING,
- LITTLE BELIEF THEY WILL EVER HAVE OR ACHIEVE WHAT THEIR PARENTS HAVE,
- CONTROLLING DEI, WOKE, SOCIAL RESPONSIBLE CULTURE.
- SHIFT FROM INDIVIDUAL FREEDOMS TO COLLECTIVISM

The youth are being corrupted, and it's more serious than ever.

The American university system has been totally captured by Cultural Marxists, socialists, statists, collectivists, promoters of identity politics, and people of that ilk. These people hate Western Civilization and its values and are actively trying to destroy them. My view is that this challenge is perhaps the most serious we've ever encountered, and the dangers are greatly amplified by advancing technology.

Universities have been totally transformed in many ways over the past century, and it's been for the worst in every instance.

When the average 18-year-old goes to college, he knows very little about how the world works in general. He's got vague ideas he picked up mostly from TV, movies, and people who got a job teaching high school. They know basically nothing about economics, government, or history. Worse, what they think they know is mostly wrong.

That makes them easy prey for professors with totally bent views to indoctrinate them.

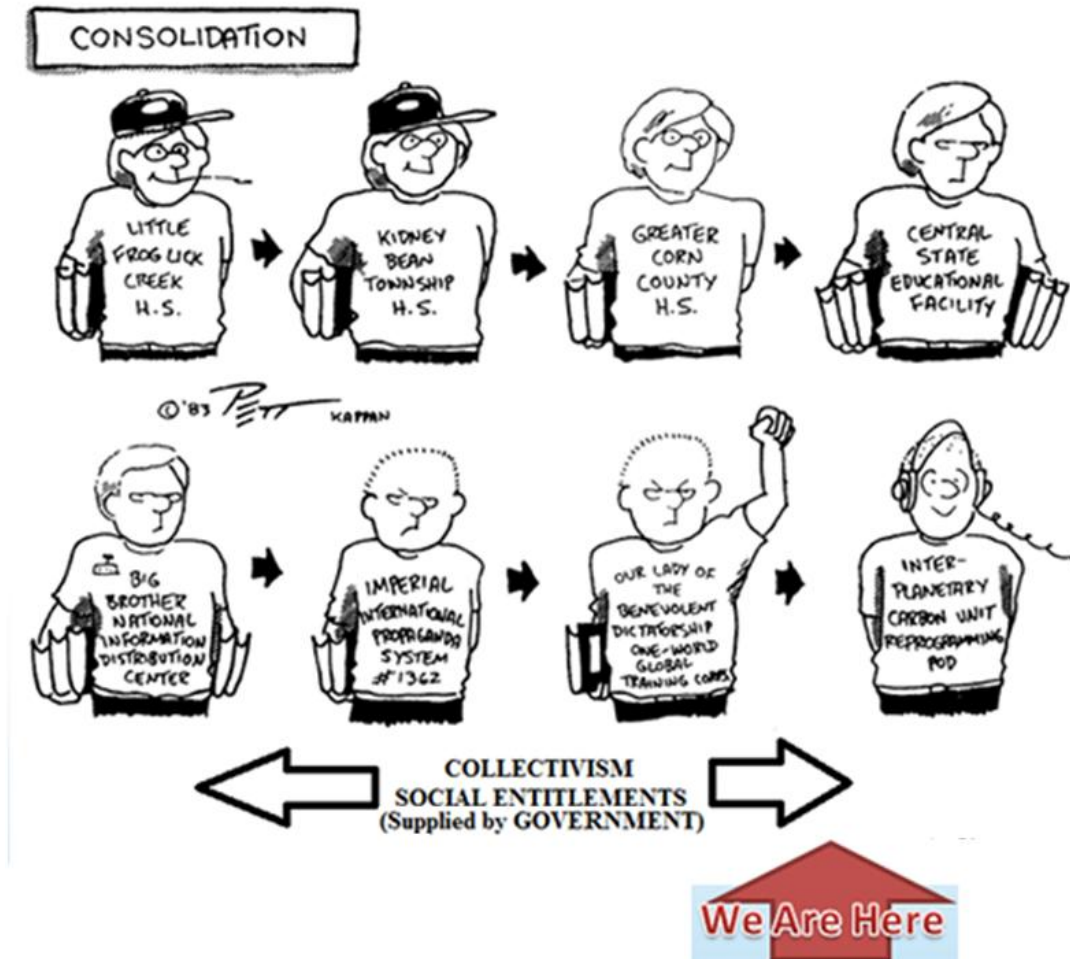
It's not so much that they're taught inaccurate facts. There are plenty of "factoids" (artificial facts), of course—like the War Between the States (which shouldn't be called the Civil War) was mainly fought to free the slaves. Or that Keynesian economics is correct. Or that the US is a democracy ruled by "We the People." And many, many more. But that's just part of the problem.

It's not just the factoids they're taught. It's the way the schools interpret actual facts and the kind of meaning they infuse into events. The "why?" of events is twisted, and concepts of good and evil are perverted. The education system has been almost completely captured by Marxists and other leftists. They're in a position to indoctrinate the youth, and they use that power to the maximum. Once a kid's

thoughts are bent—much the way a tree can be bent as a sapling—in one direction or another, it's very hard to straighten them out.

Of course, that leads to the question of whether the youth should be directed one way or another in the first place. Which values are “right” or “wrong?” I certainly have views on that subject, but this isn't the place to go into them—beyond saying that basic values are too important to be left to random government employees.

The real problem, however, is that today's education does not teach critical thinking. Rather just the opposite is true. Students are taught blind acceptance of what's currently considered politically correct.



Instead of questioning authority in a peaceful and rational manner—which is what Socrates did—the current idea is to prevent any divergent views from even being discussed. The professors are basically all socialists, and the kids tend to believe what they're taught. Those views are reinforced by the other sources of information surrounding them—Hollywood, mass media, and the government itself.

Destructive ideas usually start with “intellectuals.” Intellectuals typically despise business, commerce, and production, and they envy the money the capitalists have. Intellectuals feel they're not only smarter but also much more moral than business people. That gives them the right, in their own eyes, to dictate to everyone else. They're usually socialists, and approve of “cadres” like themselves, ordering everyone else around. Intellectuals naturally gravitate to the universities, where they're paid to hang out with each other, be lionized by kids, and hatch goofy ideas.

This has always been the case. But it's become a much bigger problem than in the past, partly because a much, much higher percentage of kids go to college now than ever before. Even in the recent past, at most

five or 10 percent of kids went to college. These days, almost everybody goes, and a much higher proportion of the youth are being infected with leftist memes than ever before.

Some kids will grow out of it and realize that most of what they've paid an exorbitant amount of money to learn is nonsense. But most will reflexively defend what they were taught in the cocoon. And I'm afraid those people now make up a big chunk of the U.S. population.

Kids who are polled say that they think socialism is good.. I suspect the polls are accurate. And even if they don't think it, almost all of them feel it—although few know the difference between thinking and feeling ... If you're brought up thinking that the values of socialism and the welfare state are good, and everyone around you believes in them, the chances are you will too.

Identity politics is essentially the idea that a person is first and foremost a member of some race or ethnicity and only secondarily an individual. In recent years, most people have been indoctrinated indirectly and directly, subtly and overtly, to believe white people and the civilization they created are bad.

The meme is everywhere. They've come to believe Western Civilization is a bad thing and that white people are destroying the world.

Even if they don't want to believe it because the concept is so stupid and so utterly contrafactual, they end up accepting it just because they've heard it over and over. Propaganda works. Memes that originated with intellectuals in universities have thoroughly infiltrated the mass media and the entertainment industry. It's perverse how today's "thought leaders" overwhelmingly think the same thing.

There's been no defense at all—forget about a counterattack—from so-called capitalists and business leaders. All they're interested in is making money.

In fact, they not only accept the ideas but contribute money to the causes of their enemies, idiotically thinking that virtue-signaling will placate them. It's an unfortunate fact that business people, especially the suits managing large corporations, don't really care how they make money. They tend to be completely amoral or immoral philistines and political hacks. They look like hypocrites and are (correctly) held in contempt by the intellectuals. The corporate types are happy to work with and for their counterparts in government, which is exactly what the fascism of Mussolini advocated. They self-righteously make charitable contributions to universities and NGOs, subsidizing the source of the poison.

There's almost no defense of the ideas that brought us Western Civilization, which is responsible for just about everything that's good in the world. I'm not kidding when I make that assertion. With the exception of a few anomalies like Taoism, martial arts, yoga, and Oriental cooking, East minus West equals zero. Without it, the whole world would resemble Africa, Cambodia, or Mongolia—not even today, but 200 years ago. Ideas like individualism, freedom of thought, freedom of speech, science, rationality, and capitalism are products of Western Civilization. These concepts no longer have any defenders anywhere. They're under attack everywhere.

How can the markets be healthy when what passes for a ruling class in the West actually hate themselves and middle class is collapsing economically and psychologically? When, political entrepreneurship is valued more than making money through production, When the currency is being actively destroyed to prop up what has become a very corrupt political system?

In fact, the economy and the markets are the least of our problems. The very foundation of civilization itself is under attack.

The widespread acceptance of destructive statist and collectivist ideas is serious.

The consequences will be the same here as they were in Russia under the Soviets, in Germany under the Nazis, and in China under Mao. The situation may be even more serious since the idea of Western Civilization itself is under serious attack in the U.S., which has been the bulwark for the last century.

CRONY CAPITALISM MORPHING TOWARDS FASCISM & OLIGARCHY RULE



- BIG TECH CONTROL FINANCIAL MARKETS WITH TRILLION DOLLAR CAPITALIZATIONS

POSITIONING WHERE WE ARE

Identification of Fascism

CRONY CAPITALISM -> CORPORATOCRACY -> FASCISM

Fourteen Characteristics of Fascism

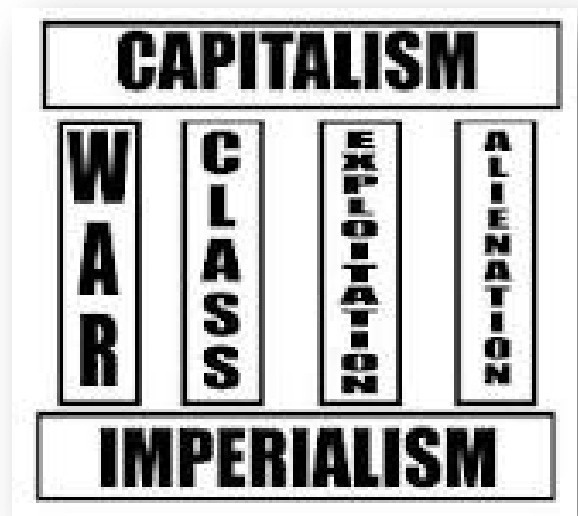
EARLY STAGES

1. **Powerful and Continuing Nationalism** - Fascist regimes tend to make constant use of patriotic mottos, slogans, symbols, songs and other paraphernalia. Flags are seen everywhere, as are flag symbols on clothing and in public displays.

2. **Controlled Mass Media** - Sometimes media is directly controlled by the government, but in other cases, the media is indirectly controlled by government regulation, or sympathetic media spokespersons and executives. Censorship, especially in war time, is very common.

3. **Supremacy of the Military** - Even when there are widespread domestic problems, the military is given a disproportionate amount of government funding and the domestic agenda is neglected. Soldiers and military service are glamorized.

4. **Obsession with National Security** - Fear is used as a motivational tool by the government over the masses.



5. **Corporate Power is Protected** - The industrial and business aristocracy of a fascist nation often are the ones who place the government leaders into power, creating a mutually beneficial business/government relationship and power elite.

6. **Rampant Cronyism and Corruption** - Fascist regimes almost always are governed by groups of friends and associates who appoint each other to government positions and use governmental power and authority to protect their friends from accountability. It is not uncommon in fascist regimes for national resources and even treasures to be appropriated or even outright stolen by government leaders.

MID STAGES

7. **Obsession with Crime and Punishment** - Under fascist regimes, the police are given almost limitless power to enforce laws. The people are often willing to overlook police abuses and even forego civil liberties in the name of patriotism. There is often a national police force with virtually unlimited power in fascist nations.

8. **Fraudulent Elections** - Sometimes elections in fascist nations are a complete sham. Other times, elections are manipulated by smear campaigns against or even assassination of opposition candidates, use of legislation to control voting numbers or political district boundaries, and manipulation of the media. Fascist nations also typically use their judiciaries to manipulate or control elections.



(Remember: Bush II Election Against Al Gore and the Florida Debacle)

WE ARE HERE

9. **Identification of Enemies/Scapegoats as a Unifying Cause** - The people are rallied into a unifying patriotic frenzy over the need to eliminate a perceived common threat or foe: racial, ethnic or religious minorities, liberals, communists, socialists, terrorists, etc.

10. **Labor Power is Suppressed** - Because the organizing power of labor is the only real threat to a fascist government, labor unions are either eliminated entirely or are severely suppressed.

LATE STAGES

11. **Disdain for the Recognition of Human Rights** - Because of fear of enemies and the need for security, the people in fascist regimes are persuaded that human rights can be ignored in certain cases because of "need." The people tend to look the other way or even approve of torture, summary executions, assassinations, long incarcerations of prisoners, etc.

12. **Disdain for Intellectuals and the Arts** - Fascist nations tend to promote and tolerate open hostility to higher education and academia. It is not uncommon for professors and other academics to be censored or even arrested. Free expression in the arts and letters is openly attacked.

13. **Religion and Government are Intertwined** - Governments in fascist nations tend to use the most common religion in the nation as a tool to manipulate public opinion. Religious rhetoric and terminology is common from government leaders, even when the major tenets of the religion are diametrically opposed to the government's policies or actions.

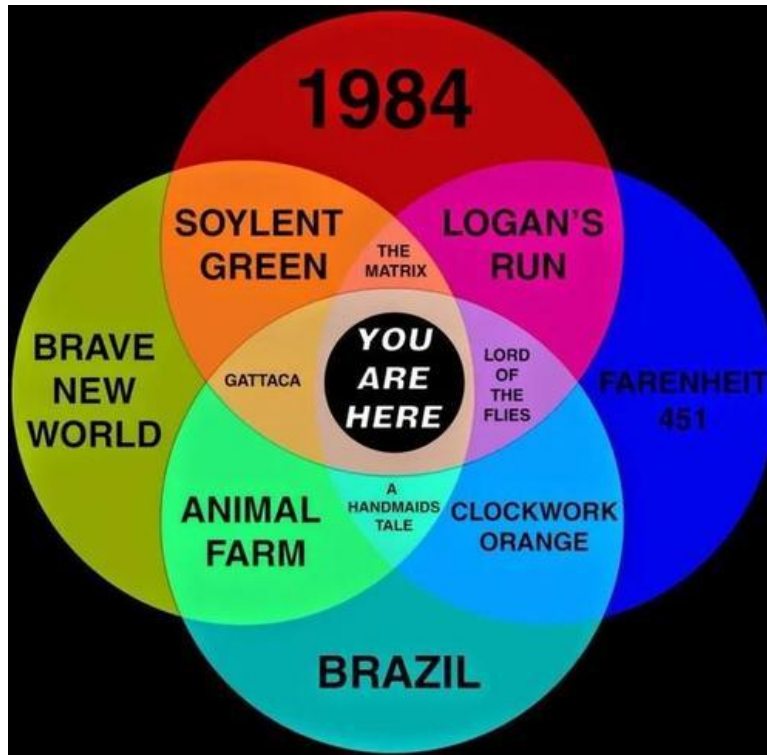
14. **Rampant Sexism** - The governments of fascist nations tend to be almost exclusively male-dominated. Under fascist regimes, traditional gender roles are made more rigid. Divorce, abortion and homosexuality are suppressed and the state is represented as the ultimate guardian of the family institution.

List Development (Not the Evolutionary Stages) : [Dr. Lawrence Britt](#)

CURRENT CRONY CAPITALISM EXAMPLE

BILL GATES: His Montana Funded Nuclear Reactor Power Generator Facility
[The Reckless Push For Electric Vehicles At The US Postal Service](#)

GOVERNMENTS MORPHING TOWARDS AUTHORITARIAN /DICTATORIAL REGIMES



CURRENT PANDEMIC EXAMPLE

IS

SHOULD BE

POLITICAL

POLICY

PLANNING

VACCINES

THERAPEUTICS

FORWARD THINKING

MANDATES

TESTING

1-3 6 MONTH PLANS

MASKS

**LEARNING/
EDUCATION**

**INVESTMENTS/
RESEARCH**

DIVISIVE
Un American
Un Constitutional
Loss of Freedoms
REACTIVE

UNDERSTANDING
Confidence

SYNTHESIS
Hope

AUTHORITARIAN

DEMOCRACY

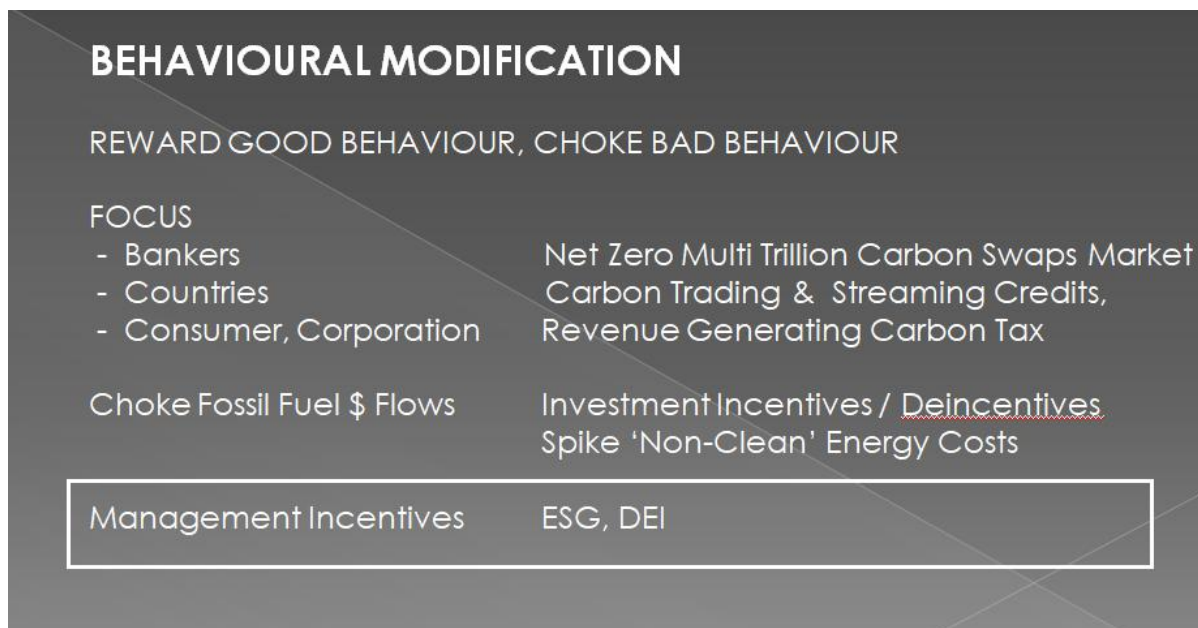
GOVERNMENT THERE TO SERVE PEOPLE

SOCIAL CONTROL TOOLS

To successfully implement the UN's Global "Sustainability" Goals, The COP 26's Climate Change and the World Economic Forum's (WEF) a more detailed social control system needs to be implemented as effectively "Social Drivers". This takes the form of ESG and DEI.



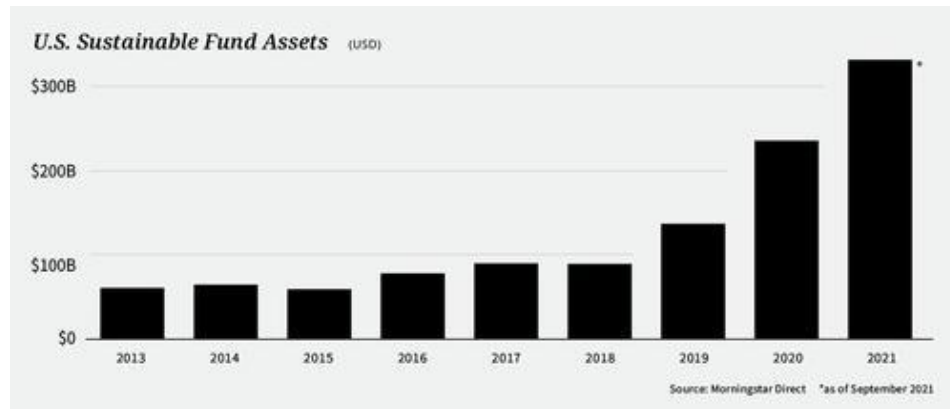
These social control initiatives are effectively designed as Behavioral Modification programs.



ENVIRONMENT, SOCIAL & GOVERNMENT – ESG

ESG continued its upward trajectory in 2021.

In Q3 2021 alone, the number of sustainable funds jumped [51%](#) to roughly 7,500 worldwide, and assets under management hit a record \$3.9 trillion. In the U.S., sustainable fund assets surpassed the \$300B mark.



As **Sustainable Investing** continues to become a top priority among investors, companies are starting to be held accountable for their sustainability efforts. And those that don't get on board could see it negatively affect their bottom line.

Who saw this coming?

DWS Asset Management Group said, "ESG will continue to play an increasingly important role in investing."

Fidelity Investments, an American financial services company asserts "ESG and climate funds have outperformed conventional funds throughout 2020 and are likely to continue to do so."

The relentless and ill-informed drive of the 'E' in ESG has spawned major inefficiencies in the global economy as the push for renewable energy has created an energy crisis during the transition phase – a severe shortage of gas.

Increasingly the public perceive holes in what ESG is, and understand greenwashing. (*Read this article from Bloomberg: [The ESG Mirage](#).*)

How can McDonald's, generates more emissions than Portugal via its supply chain (54 million tons), increasing 7% over four years, have its ESG rating upgraded by MSCI? The article says half of companies that received an ESG upgrade last year on the back of optimising/tweaking their scores via methodology changes, restating existing policies, and reweighting – and doing nothing to save the planet.

UNDERSTANDING THREE UNAVOIDABLE FACTS:

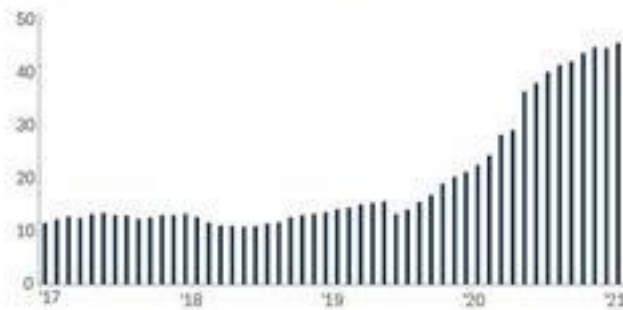
- The potential for ESG Bonds
- The ESG index 'Mirage' Game
- ESG Investing is not at all What It Appears

1- THE POTNTIAL FOR ESG BONDS

Amongst the many themes turbocharged by the covid catalyst, ESG bond issuance is one of the most prominent. In 2022, ESG bond issuance is set to go mainstream. Investors have taken notice. In fact, the holdings of ESG bond exchange-traded funds have tripled to over \$45bn since the covid outbreak. As the chart below shows, that surge of interest follows years of very little growth.

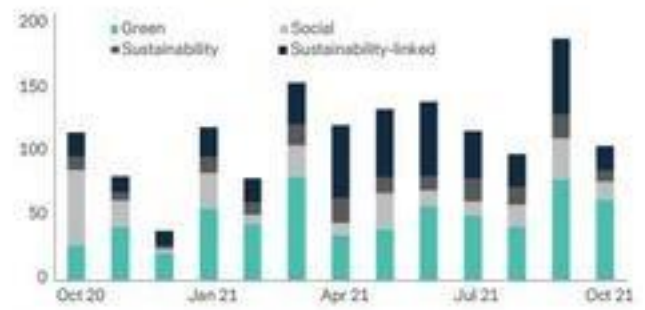


Aggregate ESG Bond ETF Assets, \$bn



Source: Bloomberg Finance LP, Deutsche Bank

ESG bond issuance by month, \$bn



Source: Bloomberg Finance LP, Deutsche Bank

The growth of ESG bonds appears to have breached a tipping point. Not just because investors are keen to hold ESG debt, but also because corporates see that ESG issues now affect their business and investment risk. Indeed, in our recent survey, 19 per cent of corporate debt issuers say that over the last 12 months, environmental factors have impacted their rating. A smaller, but still material proportion, report that social and governance factors have had an impact.

Now that there is a firm nexus between ESG issues and business risk, ESG instruments (primarily bonds) have become a gateway through which corporates begin to address their impact on problems like climate change. Since early last year, over half of corporates have either offered their first ESG instrument or are currently preparing to do so.

Some of the strongest issuance in 2022 will likely be of sustainability-linked bonds. These bonds, which have quickly become very popular, generally offer corporates an interest rate discount if they hit certain ESG targets. From a base of close to zero two years ago, sustainability-linked bonds have comprised up to half the ESG bond issuance in the second half of 2021.

Investors have quickly fallen in love with sustainability-linked bonds. Just over half of investors say these types of bonds are the most promising instrument out of a pool of ESG assets. That is over double the next highest response, which is European green bonds, with 21 per cent.

Driving sustainability-linked bonds is the sudden growth in the number of businesses that publish quantifiable ESG performance targets. Indeed, a third of corporate debt issuers have already started to do so since 2020. A further 21 per cent will begin publishing in the next 12 months and that will leave only 6 per cent without any plans to do so.

Aside from investor demand and published corporate targets that have laid the platform for the growth of sustainability-linked bonds in 2022, corporates have discovered the 'signalling' benefits. Just over 60 per cent of companies in our survey said the main benefit of their company's ESG instrument was that it "enables us to convey our sustainability strategy". A further 22 per cent say these instruments expand their investor base. Meanwhile, half say there are pricing benefits.

Definitions on how to do ESG investing 'well' differ given the breath-taking pace at which it is evolving. Regardless, corporates and investors have now created the market for ESG bonds. With companies starting to publish specific ESG targets, it seems inevitable that in 2022 there will be a surge in issuance from corporates and strong appetite from investors.

2- THE ESG INDEX 'MIRAGE' GAME

(IMPORTANT: Read this DETAILED INVESTIGATIVE REPORT from Bloomberg: [The ESG Mirage.](#))

What's MSCI up to? Leading the charge on ESG investing. You know all those ETFs and index funds? At the last count, they're worth \$26 trillion in assets and 30% of world stock market value. Well, they all need an index to track. And in the ETF world the fund provider and the index provider are two separate entities.

There are [exceptions](#) for managed ETFs as long as there's a firewall between the management and index folks. Which makes sense. It's sort of a conflict if you're calculating your own index and managing a fund at the same time. All sorts of front running and inside information at work.

As we all know by now the ETF and index business is huge and so is the index making business. There are around [47,000](#) public companies in the world and around 6,000 in the U.S. Some of those are double counted. A company like Nestle has 10 listings in nine countries. Microsoft has nine. And it includes over the counter stocks (OTC) which are not listed on an exchange but sold dealer to dealer in very small lots. Like 10 shares a go. Of course, they're not over a counter these days but over a spreadsheet somewhere on a server. But I get that OTC is snappier than OASSSOAS. That 47,000 number looks impressive but probably only 4,000 of them are tradable in a normal enter-the-price-and-push-enter-to-play way.

But guess how many indexes there are? Apart from the famous S&P 500 or Dow Jones Industrials? Well, no one really knows but index providers have their own [industry group](#) and they think it's over 3m. And while the industry boasts 16 [members](#), the big three of S&P, MSCI and FTSE-Russell control around 70% of the indexes and probably a lot more of the assets.

So, the index industry is huge, concentrated and very influential. A few years ago, MSCI, who dominate the international indexes, included a company call ArtGo, which mines marble, in its Emerging Markets index. And...well guess, when it went in...and out of the index:



It's a company that briefly soared to a value of \$7bn from \$200m while it enjoyed index life. Then the analysts changed their mind, booted it from the index and it fell to \$22m.

More importantly, China finally persuaded MSCI to include China in its widely followed Emerging Markets. They knew what they were asking for. China is now around 40% of the index whereas before it was around 11%. That caught a lot of flak, not least from [Senator Marco Rubio](#) who wondered why MSCI would want to allow U.S. capital to flood into America's Chinese competitors. There was a brief discussion to prevent the Federal Thrift Savings Plan, the \$750bn government retirement plan, from investing in China. There's a bill winging its way [around Congress](#) as we speak.

Which brings us to ESG. You know, the Environmental, Social, and Governance investment criteria which are meant to encourage companies to stop doing bad things. Which I'm all for. And there are lots of funds which title themselves ESG funds and we invest in some. But with caution. If we go back to those 3m index numbers, we find 40% of them are ESG indexes. And fund managers say ESG will be about 43% of their investments in a year's time.

You would think that a high ESG score for a company meant it followed, abided and lived by ESG values. So, score low for, say, Exxon and high for Microsoft. And a high score meant it was good at environmental things, worked closely with societal needs and exhibited good governance. But it turns out that the methodology at MSCI is very opaque. You get a good score just for conducting an employee survey or protecting data or not money laundering or taking bribes (which are crimes, so, you know, low bar).

And opacity is the least of the problems because it turns out that the ESG score has nothing to do with the company embracing good ESG practices but how ESG regulations affect that company. See what happened there? So, take McDonalds. What with Big Ag, plastic, emissions and waste, you think it would have a tough time scoring a high ESG rank. I mean it generates more greenhouse gases than Poland. But MSCI basically said global warming and government "does not present significant risks or opportunities to the company". And so, it scores high on ESG.

This leads to some very odd things about ESG funds. BlackRock's leading ESG fund has the same energy weighting as its S&P 500 fund. And has companies like Haliburton, Schlumberger (oil service companies) and Baker Hughes (who make oil rigs) in it. Anyway, here's the "whoa" moment in the report:

"No matter how big a company's greenhouse gas emissions are, they might not even count in MSCI's ESG rating. As long as regulations aimed at mitigating climate change pose no threat to the company's bottom line, MSCI deems emissions irrelevant."

More here in Section 1.1. And that means investors buying into an MSCI-ESG fund may not realize that it buys companies based on the ESG risk poses to the company. Not what risk the company poses to the world.

That's quite a turnaround. If a client asked us to invest in companies that have a clean and improving ESG profile that's what we'd go and find. We'd look for good ESG practices. MSCI says "don't worry, all those ESG regs won't hurt this company." MSCI is not a bad company. But with ESG, they're dealing with a moving definition and no clear guidelines.

Anyway, it comes down to two things.

- One, the power of the index providers dwarfs the power of big and activist funds and there is a good argument that they should be more regulated.
- And two you really need to pay attention to how an index is put together.

A brief definition, like ESG, can be seriously misleading.

3- ESG INVESTING IS NOT AT ALL WHAT IT APPEARS! (Bloomberg)

Almost two years have passed since Larry Fink, the chief executive officer of BlackRock Inc., declared that a fundamental reshaping of global capitalism was underway and that his firm would help lead it by making it easier to invest in companies with favorable environmental and social practices. Lately, he's been taking a victory lap.

"Our flows continue to grow and dominate," Fink said Oct. 13 of so-called ESG, or environmental, social and governance funds, and similar investments. On the same conference call with analysts, he added: "BlackRock is a leader in this, and we are seeing the flows, and I continue to see this big shift in investor portfolios."



Larry Fink
Photographer: Justin Chin/Bloomberg

What Fink did not say is that BlackRock drove a significant part of that shift by inserting its primary ESG fund into popular and influential model portfolios offered to investment advisers, who use them with clients across North America. The huge flows from such models mean many investors got into an ESG vehicle without necessarily choosing one as a specific investment strategy, or even knowing that their money has gone into one.

In short, an apparent BlackRock-led rush of investors into ESG in the past two years has been something of a self-fulfilling prophecy, at least when it comes to the biggest such fund on the planet, a BlackRock exchange-traded fund that trades under the ticker symbol ESGU, according to data from BlackRock and Morningstar.

A Bloomberg Businessweek [investigation](#) revealed that the ratings BlackRock cites to justify the fund's sustainable label have almost nothing to do with the environmental and social impact companies in the fund have on the world.

Instead, the ratings primarily are designed to measure the opposite: the potential harm government regulations and other factors might cause to the companies' bottom line, especially when it relates to addressing climate change. For instance, Bloomberg found that only one of 155 ESG upgrades of S&P 500 companies cited an actual cut in emissions as a factor.

The ratings come from [MSCI Inc.](#), which counts BlackRock as its largest customer. (The ESGU fund's formal name is the iShares ESG Aware MSCI USA ETF). Those ratings, which dominate the world of sustainable investing, have opened the door to ESGU owning companies that have been among those considered the worst offenders by some investors focused on environmental and social responsibility. These include fossil-fuel giants [Chevron](#) and Exxon Mobil, along with Facebook (now called Meta Platforms), Amazon, [McDonald's](#), and [JP Morgan Chase](#), which is the biggest financier of fossil-fuel projects since the 2015 Paris Accords. In fact, the ESGU fund holds a heavier weighting in 12 fossil-fuel stocks than the S&P 500 does, according to Bloomberg Intelligence, the research arm of Bloomberg.

'More Fees'

Tariq Fancy, BlackRock's former chief investment officer for sustainable investing, said the Bloomberg Businessweek investigation had helped open eyes in the financial-services industry to what's going on inside ESGU and sustainable funds in general. "The grading, and the weighting behind it, is dubious," said Fancy, who left the firm in 2019 in part over his frustration with the marketing of sustainable funds. This year he became an outspoken critic of ESG and so-called green investing.

Fancy also noted that ESG funds, including ESGU, generally charge investors higher fees on average than their non-sustainably labeled counterparts. ESGU's fees are lower than industry averages for sustainable funds but are still five times higher than an S&P 500 tracker that trades under the ticker [IVV](#) -- a popular BlackRock fund whose makeup and expected performance are closely aligned with those of ESGU.

Even for investors who make a conscious decision to go into ESG, be they institutions or individuals, the funds are doing little other than benefiting Wall Street, according to Fancy.

"There's no reason to believe it achieves anything beyond sort of giving them more fees, and my concern, obviously, is it would be creating a placebo on top of that," he said. The placebo in Fink's view is making people think they're helping mitigate climate change or otherwise making the world a better place through investments in ESGU, while emissions continue to climb and social ills grow.

Asked to justify the scale of the fees for ESGU, BlackRock said in a statement that they were 1 basis point, or 0.01%, below the long-term weighted average fee for investors who chose its most popular model portfolio, which includes ESGU in its lineup.

It also said ESGU was included in model portfolios, which are not regulated offerings, as part of its fiduciary obligation to clients; it said ESGU has outperformed the IVV fund by about 2.6% in the past two years, "resulting in significant benefits for our clients, far in excess of the difference in fees between the two ETFs."

BlackRock markets ESGU as offering investors exposure to companies with favorable environmental and social practices, without saying specifically what that means. But the company said in its statement, "We are clear about the investment strategies and sustainable outcomes our funds are designed to achieve." It added: "BlackRock believes greenwashing is a risk to investors, which is why we support regulatory initiatives to enhance the transparency" of sustainable funds.

BlackRock Oversees the World's Largest Sustainable ETF

Market capitalization, in millions USD

The story of how ESGU became a record-breaking fund and the poster child for the boom in ESG investing began with two letters published on Jan. 14, 2020, by BlackRock and Fink.

In [one](#), Fink warned the CEOs of global companies that they were facing a potential time bomb as investors awoke to the climate crisis. Because his firm, which has \$10 trillion under management, owns more shares in more big companies than anyone else, CEOs tend to listen. "I believe we are on the edge of a fundamental reshaping of finance," Fink wrote in bolded text, adding: "In the near future – and sooner than most anticipate – there will be a significant reallocation of capital."

In a [second letter](#), BlackRock promised the clients behind all that money that ESG would be its lodestar. "We believe that sustainability should be our new standard for investing," it said. The letters garnered Fink the kind of global headlines that most Wall Street CEOs can only dream of, declaring that he was doing nothing short of remaking capitalism.

One major source of new sales for BlackRock in recent years has been offering "model portfolios" to financial planners and wealth advisers. In essence, these are free crib sheets. Instead of having to spend time putting together portfolios for clients, the advisers can simply ask them about their financial goals and offer each a selection of pre-packaged options; they come courtesy of BlackRock and, not coincidentally, are filled exclusively with BlackRock funds.

Advisers -- there are [90,000](#) certified financial planners in the U.S. -- love them. Because BlackRock has done the work for them, the advisers get extra time to pursue new clients, offer additional services or do as they like, all while collecting their fees.

On Jan. 15, 2020, the day after Fink's letter predicted a major reallocation of capital into sustainability, BlackRock altered its most popular suite of model portfolios by adding ESGU into its "Target Allocation ETF Portfolio Strategies" series. (The biggest and most popular one inside the suite, which offers a [60/40](#) split between stocks and fixed income investments, includes ESGU as one of its top two holdings.)

In this way, BlackRock itself helped assure Fink's prediction would come true. Financial planners who use the models through online platforms have had no choice but to put their clients in ESGU if they wanted to get them into one of the most popular investment strategies for sale.

"We don't have a say in terms of what goes in there," said Mohit Desai, a certified financial planner who opened his own advisory firm in Cranford, New Jersey, and uses online models. "That's entirely on the providers."

BlackRock said advisers who still use paper models provided by the company, as opposed to online platforms, can make individualized picks.

ESGU had just \$1.6 billion when 2020 began, but ended the year up 10-fold, at \$16.4 billion. That same year, BlackRock made up about half of the record-breaking fund growth in ESG, and about half of that came from ESGU alone. Wall Street analysts and the media declared ESG had reached the proverbial tipping point and had become a mainstream tool for investors. Wall Street marketing materials and news articles routinely state that investors have been increasing their bets on ESG funds.

Automated Platforms

What has gotten far less attention is how much models and automated investment platforms have driven the mirage of an investor stampede.

A BlackRock spokesman acknowledged the models have been a significant driver of investment in ESGU. But the precise share is harder to pin down. The spokesman said the company is only able to track flows from its model portfolios that come via online platforms -- and about half of the wealth advisers who use its model portfolios use paper.

Still, the spokesman said at least \$9.5 billion out of the fund's roughly \$25 billion current total can be traced just to its electronic models, meaning the real total could be much greater.

One rough analogy for what this has meant in financial services: Imagine if the world's largest grocery company declared it would lead an effort to shift the planet to more sustainable agriculture. And then the next day it quietly slipped some organic carrots into every fruit-and-vegetable box it offered customers across the U.S. Suddenly, organic produce sales would show a huge spike, making it appear as if there was a massive demand shift underway for "sustainable" produce.

Wealth advisers told Bloomberg that investors who got into ESGU may not even recognize that they're in a sustainable fund, because very few ask about the individual ETFs in the model portfolios they use. ESGU is one of 16 ETFs in BlackRock's most popular portfolio. And the [fact sheet](#) BlackRock gives advisers for the model makes no mention of sustainability as part of the portfolio's strategy or allocation mix.

DIVERSITY, EQUALITY & INCLUSION – DEI

Climate Change has been built into the global initiative of what is referred to as programs of Diversity, Equality and Inclusion (DEI). The following “Climate Change Guide” is but one example.

How Climate Change and Racism are integrated as well as promoting the importance of Climate Migration.

CLIMATE CHANGE GUIDE

Spreading awareness about climate change

[Home](#) [Diversity, Equity, and Inclusion](#) [For Kids](#) [Courses](#) [Resources](#) [About Me](#)

Welcome to Climate Change and Diversity, Equity, and Inclusion (DEI)



Climate change is a global issue that requires immediate solutions. Diversity, equity, and inclusion (DEI) are key considerations when designing and executing mitigation plans. Complex multiscale issues like climate change require engaging people from all backgrounds and sectors of society in developing solutions. In addition, climate change must be approached as an issue of race. The negative effects of climate change are affecting countries with majority populations of color, especially black and brown people, although most of the planet's CO₂ emissions do not come from these countries. In addition, people of color are the majority of climate refugees—those forced to flee due to environmental alterations caused by climate change. Here, I would like to highlight the critical role of DEI in designing, planning, and executing climate change mitigation options.

Explore the Following Related Topics:

CLIMATE CHANGE & DEI



Climate change is a global issue that requires immediate solutions. To address this issue, organizations focusing on designing, planning, and executing climate change mitigation options have immense opportunities for learning, growth, and impact through diversity, equity, and inclusion practices. [Read more...](#)

CLIMATE CHANGE & RACE



Climate change must be approached as an issue of race. In this post, I discuss how the proliferation of climate change, has a disproportionate impact on countries of color around the world, although most of the planet's CO₂ emissions do not come from these countries. [Read more...](#)

CLIMATE REFUGEES



Climate Refugees are defined as people who have been forcibly displaced due to environmental alterations caused by climate change. Every year since 2008, 26.4 million people are forced to leave their homes due to severe weather events such as flooding, hurricanes and droughts. [Read more...](#)

How to Cultivate Diversity, Equity, and Inclusion in Organizations Related to Climate Change



The original figure was adapted from <https://www.surveymonkey.com/>

1- Why Diversity, Equity, and Inclusion Matters

Our world faces social, health, and economic challenges of unprecedented complexity and scale. Among these, climate change is a global issue that requires immediate solutions. To address this issue, organizations focusing on designing, planning, and executing climate change mitigation options have immense opportunities for learning, growth, and impact through diversity, equity, and inclusion practices. These organizations can coordinate and achieve a vision of a better future by creating a safe place for people of all races, ethnicities, economic levels, gender, sexual orientations, age, religions, and abilities to make meaningful contributions.

Tips for an Effective Advocacy Strategy

The following objectives and action steps will help enhance diversity, equity, and inclusion in any organization, including those related to climate change mitigation.

Objective #1 – Advocate for systems improvement

Action Steps:

- Provide an inviting, safe, supportive, and welcoming environment for people of diverse backgrounds and perspectives.
- Enhance interactions and intergroup dialogue that bridge cultural differences by increasing the volume and range of intercultural experiences.
- Create an explicit presence of resources on diversity, equity, and inclusion.

Objective #2 – Create a sustainable organization

Action Steps:

- Identify gaps in hiring practices and create a talent pipeline with measurable goals.
- Update strategic recruitment plans to target underrepresented individuals or groups.
- Hire diverse and qualified staff at all levels by searching for candidates outside traditional and familiar networks.
- Provide opportunities to improve cultural awareness and inclusiveness skills at all levels for an increasingly complex, diverse, and globalized society.

Objective #3 – Develop a coalition of stakeholder

Action Steps:

- Develop a robust network or support system with diverse members invested in the organizations' issues and can create urgency around this strategic approach.
- Partner with nonprofit, for-profit, academic, and other community organizations and workforce agencies.
- Develop a system that identifies community needs and barriers experienced by individuals and/or groups to help inform action.

Objective #4 – Sustain a financial infrastructure that supports diversity, equity, and inclusion

Action Steps:

- Align financial, human, intellectual, and other resources with the organization's commitment to diversity, equity, and inclusion.
- Ensure that community investments address the interests of diverse communities served and engage underrepresented individuals and/or groups in crafting solutions that meet their needs.

2- Climate Change and Racism



The figure was adapted from www.livescience.com

Climate change is without a doubt a threat that firstly impacts the impoverished communities. It is the third world countries which are the most severely impacted by climate change due to their limited resources to tackle the effects of this phenomena. Likewise, it is the marginalized groups and minorities which felt the hardest hit by climate change. There is a very stark contrast concerning the unequal impact of climate change on different races. As if this wasn't enough, a relatively new emerging phenomenon known as 'climate gentrification' is also something the communities that are victims of systematic oppression have to deal with.

If we take a look back into the history, it was the slaves and indigenous communities that were given the worst healthcare and resources. They were given the worst land to live on – land which was surrounded by factories and had a higher concentration of air pollution or land where appropriate clean drinking water was not available. It is these marginalized communities that suffer the most from asthma and respiratory illnesses. In areas like Miami, Florida rich people always wanted to live near the sea, on the beach. Consequently, these impoverished communities were given housing which was more inland and higher up.

For example, Haiti asylum seekers were given land ten feet above sea level in Miami.

Sea-levels are rising as a direct result of climate change. This is primarily due to the accelerated melting of polar ice-caps and glaciers. The world's oceans have absorbed over 90% of the heat generated via greenhouse gasses. The rate of global sea-level rise has been accelerating in recent decades, rather than increasing steadily, according to a new study based on 25 years of NASA and European satellite data. Due to these rising sea-levels, natural disasters, i.e. floods and hurricanes, are more intense now. The frequency of flooding has increased. The amalgamation of water expansion as a result of the melting of land ice into the oceans has driven sea level up about seven inches since 1900, and the rise is accelerating. From 2005 to 2015, the median annual number of flood days more than doubled along the stretch of coast from Florida to North Carolina. This causes people living in coastal communities to lose their homes or be forced to relocate.

Property values of locations farther in-land are rising now.

'Climate gentrification' is a relatively new term but a direct result of climate change issues causing people to relocate their homes preferably to areas that can withstand sea-level rising, hurricanes, floods, and other similar natural disasters. This causes the prices of land in more climate-resilient areas to increase. Now, many residents of various colored races in Miami living farther in-land have spoken up about the pressures they feel from developers and investors to move—or else be moved—from their neighborhoods.



People join together to protest the displacement of store owners in a strip mall after the property owner recently sold to a developer. The shop owners say the new owner of the strip mall has refused to accept rental payments from some of the tenants and recently served the Haitian owned businesses in the plaza with eviction notices. Little Haiti and surrounding neighborhoods are experiencing a gentrification process which is slowly pushing out some of the longtime residents and business owners. (Photo by Joe Raedle/Getty Images; The original news is published in nrdc.org)

Effectively, climate change multiplies a variety of threats such as food insecurity, housing issues, water shortages, and even threatens the health of people. It will worsen poverty and social inequality because marginalized groups do not have adequate resources to withstand the associated issues. As summed up by Patrisse Cullors and Nyeusi Nguvu, members of the Black Lives Matter movement, "Racism is endemic to global inequality. This means that those most affected – and killed – by climate change are Black and poor people."

Environmental injustice and racial injustice are inextricably linked. It has been theorized that polluters usually position their activities in low-income areas but also actively seek locations where there are higher percentages of people of color residing. Research has also highlighted that race has a stronger influence on exposure to pollutants than poverty.

Lead contamination in Flint, Michigan, is a prime textbook example of this and even now the school system is dealing with a sharp rise in neurological and behavioral problems among its students. Minorities and people of color are often afforded unequal levels of protection from the government as compared to Caucasians. Hurricane Katrina highlighted the legacy of unequal flood protection in New Orleans. It was the racially biased distribution of the government funding which eventually resulted in the subpar levee protection for Black neighborhoods. Over 80% of the homes that were lost belonged to Black people and Black people made up over half of the total fatalities. Even after Black people bore the brunt of impacts of Katrina, initial plans for the redevelopment of New Orleans privileged the white communities.

However, these racial injustices linked to climate change are not only occurring or limited to the United States. These linkages between racial and climate injustice are occurring on a global level too.

Unfortunately, it is the Small Island Developing States and the Least Developed Countries that will suffer the most from climate change impacts, despite the fact that these countries have contributed the least to the global crisis of climate change. Southern Africa is in the throes of a climate emergency, with hunger levels in the region on a previously unseen scale the United Nations has warned. Years of drought, widespread flooding, and economic disarray have left 45 million people facing severe food shortages, with women and children bearing the brunt of the crisis, said the World Food Program. One thing is for sure, that these racial injustices will not end until all minorities and marginalized groups are involved as key decision-makers when developing mitigation plans. Unless those groups are prioritized which are most impacted by climate change, racism and climate change will remain inextricably linked. Without a fundamental change in terms of the decision-making process and its associated culture, we will not be able to put an end to racial disparities brought on by climate change. This further highlights the critical role of promoting diversity, equity, and inclusion in designing, planning, and executing climate change mitigation plans.

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Climate Refugees



The figure was adapted from www.publichealthpost.org

Climate change is amongst the most challenging issues humanity has ever faced. It is best seen as a threat multiplier that worsens existing instability, tensions, and trends. This phenomenon is also a catalyst not only for many natural disasters i.e. floods, droughts, wildfires, etc. but also for many social and security consequences that people will have to face such as displacement from their homes. From the melting of ice caps that triggers rising sea levels which in turn increases the threat of catastrophic flooding to changes in weather patterns that pose a threat to food production. Due to the irreparable effects of climate change, many families and communities have no choice but to leave their homes in search of newer or better opportunities. Such displaced people can be known as 'climate refugees' or also called 'climate migrants.' The consequences of climate change are unprecedented in scale and global in scope. Climate change has been proven to make hot areas hotter and wet areas wetter. This in turn is what leads to change in various regions often leading to extreme weather patterns and an increase in the intensity of natural disasters. The amalgamation of water expansion as the ocean has warmed and the melting of land ice into the oceans has driven sea level up about seven inches since 1900, and the rise is accelerating. The World Bank concluded in March 2018 that (amongst other reasons) rising sea levels could potentially displace 143 million people by the year 2050. The report deduced that the poorest and most climate-vulnerable areas will be the hardest hit.

Rising temperatures impacted by climate change means that changing temperatures will disrupt the natural flow of an ecosystem. The worldwide drought had been linked to unusually warm waters in the Indian Ocean and the western Pacific, which many scientists believed to be caused by global warming. The ever increasing drier and hotter conditions are contributing to the number of bushfire incidents taking place. These higher drought and wildfire inducing temperatures also lead to food and shelter insecurity. The eventual by-product is another set of climate refugees. Since 2008, an average of 24 million people have been displaced by catastrophic weather disasters each year as per the statistics published by the Internal Displacement Monitoring Centre.

Unfortunately, the international response to such refugees has been inadequate with virtually zero rights or protections allocated to such communities or people. Although climate refugees are now recognized in the 2018 global compact on safe, orderly and regular migration, there still exist immense gaps in terms of adequate recognition and rights of such people. This is mainly because climate refugees aren't under any clear definition as a category covered by the 1951 Convention relating to the Status of Refugees (the 1951 Refugee Convention). It basically encompasses people who have a well-founded fear of being persecuted on the grounds related to race, religion, nationality or membership of a particular social group or political opinion, and are unable or unwilling, due to a threat of persecution, to seek protection within the home country.

The problem therein lies that such a definition cannot apply to those people displaced due to climate change, as environmental degradation is not the same as 'persecution' as per the sense which it is used in the Refugee Convention. Such persecution would also need to be linked to one of the grounds set out in the convention. Therefore, environmentally induced displacement falls outside the scope of the 1951 Refugee Convention and its additional protocol. This means, for instance, that the estimated 200,000 Bangladeshis who become homeless each year due to river-bank erosion, cannot easily appeal for resettlement in another country. It also means that the residents of the small islands of Kiribati, Nauru and Tuvalu, where one in ten persons has migrated within the past decade, cannot be classified as refugees, even though those who remain are 'trapped' in worsening environmental conditions.

Therefore, the sad fact is that despite the startling effects of climate change and the even-more startling numbers reflecting the number of people being displaced due to such effects, there is no actual legal status of climate change refugees. In fact, such communities or families that do not have adequate resources to combat the ill effects of climate change also do not have adequate legislative processes or policies for their protection. Their situation is such that they have suffered disproportionate losses and eventually end up becoming 'climate victims' with no way out of their dire plight.

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CONCLUSION

CLIMATE CHANGE, GREEN ENERGY, ESG & DEI IS MOST FUNDAMENTALLY ABOUT THE SUSTAINED GLOBAL CREATION OF CREDIT AND DEBT TO KEEP AN UNBALANCED AND FAILING ECONOMIC SYSTEM ALIVE LONG ENOUGH TO "RESET IT" ON WHAT IS PERCEIVED AS A SUSTAINABLE COURSE.

SERIOUS FLAWS

- **We need a transition plan.** We see the harsh reality in Europe almost every day. Without a well thought out transition plan we put ourselves at risk.
- **Incentives and rules are ripe for manipulation.** Any policy or rule instantly creates a cottage industry for those trying to get around it (and for those trying to take advantage of it). It may well be that the goals are laudable enough that we can tolerate or even benefit from this behavior, but ignoring this reality doesn't help us much.
- **Acting without China's full cooperation is a very serious issue.** The climate is global, so without China, a massive contributor to the world's carbon issues (including plastics, and other nasty environmental issues), we run the risk of not only failing to fix the problem, but getting left behind economically and in terms of global power (not power, like energy, but power like might).
- **Any transition plan** will call for massive investment in new things, but there will be maintenance investment required for old things for some time (i.e., more money will be spent than if we weren't transitioning). That will be inflationary, but I don't see how to avoid it (or why we'd want to avoid it).
- **Supply chain repatriation.** Some of the existing supply chain "issues" will be resolved by shifting where things are made (including domestically). Some industries, like anything related to healthcare, will feel intense pressure to produce in areas where we have complete faith in the jurisdiction and quality of the products as well as access when we need them most. This will have a cost, but will create jobs.
- **Too Much Political Involvement.** We will see many mistakes being made since politicians have too much control in the approach to Climate Change, Green Energy and the Social Tools being employed. The political apparatus has a proven track record of an inability to pick winners and losers.

FUTURE FINANCIAL REPRESSION IS GREEN

Climate Change is about making future macroprudential policies of Financial Repression more sustainable and effective. It should most appropriately be called "Regulatory Repression" but deliver exactly the same thing that prior Financial Repressions delivered. That is the debasement of the real value of Government debt.

In 2015 I co-founded the [Financial Repression authority \(FRA\)](#).

I had come to the realization by then that Financial Repression was not going to be just a temporary Macroprudential Monetary Policy, but rather a policy basis that would be with us for a very long time. Additionally I felt this already accepted policy approach, adopted after WWII to handle the massive war debt burden, would likely need to be greatly expanded into approaches never previously envisaged. Though initially even QE was somewhat a shock, it appears to have only the beginning. Unfortunately my concerns have proven well founded as this note will endeavor to illustrate!

The accepted central tenet of Financial Repression is to use Negative Real Yields to effectively confiscate wealth through reduced purchasing power by central bank Monetary Policy to manage the government debt burden.

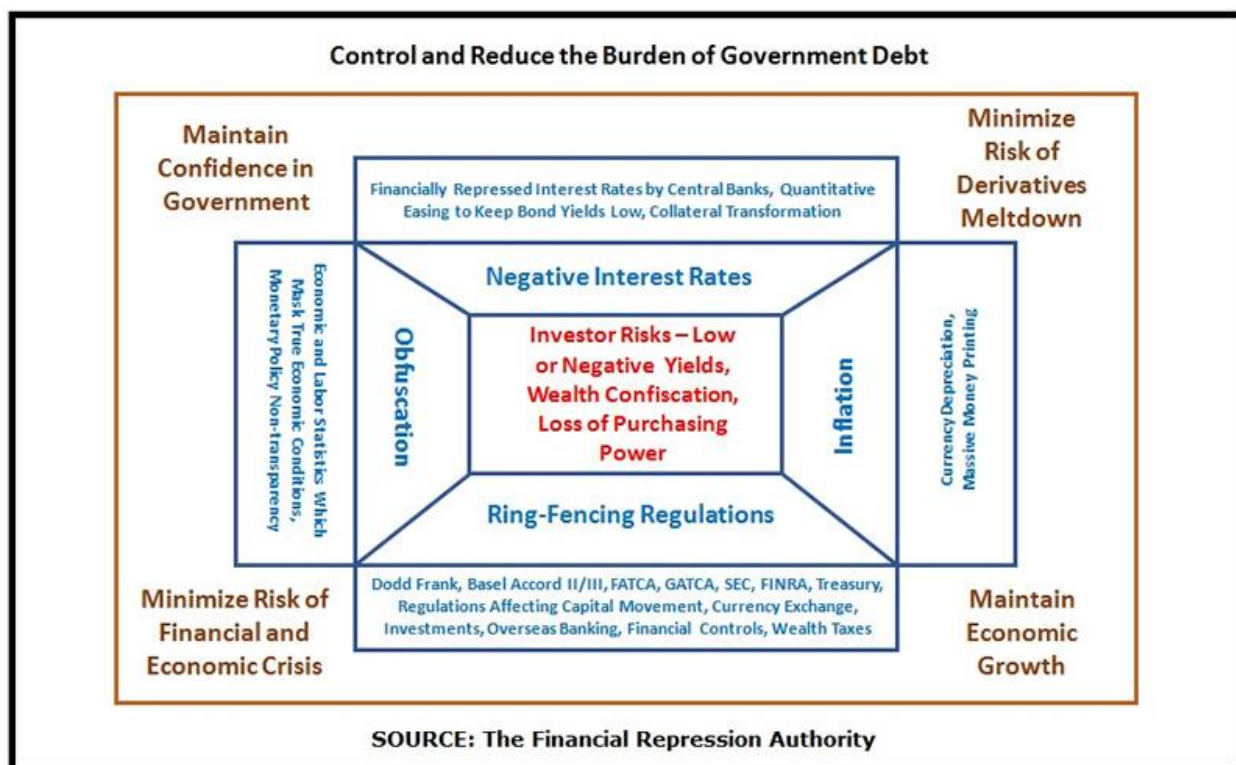
Going forward, instead of solely relying on Monetary Policy to manipulate interest rates, it will now include the use of Regulatory Compliance in concert with incentivized capital markets & the media sanctioned social pressures of ESG adoption to greatly broaden its effectiveness. As explosive a financial surge and relief to the Securities Market was with the adoption of Asset Backed (ABS) and Mortgaged Backed (MBS) securities in the 1990's, it is expected to pale in comparison to new Carbon Backed securities. All of this being driven by, and rooted in, the fear of Global Climate Change. Let me briefly explain, as it is important to your financial investment planning..

This concept of Financial Repression was introduced in 1973 by Stanford economists Edward S. Shaw and Ronald I. McKinnon. We argued at the FRA that Financial Repression is not a conspiracy theory but rather a collective set of Macroprudential (well intentioned) policies and regulations focused on controlling and reducing excessive government debt through 4 fundamental pillars:

- Negative Real Interest Rates,
- Forced attempts at inflation in an era dominated by Deflation due to Global Labor arbitrage & Demographics,
- Ring-fencing regulations and financial investment options,
- The use of Key Data "Obfuscation" where required.

All of which effectively transfers purchasing power from private savings.

We developed the chart below to show how the 'good-intention' objectives by government & central banks translate into policies, financial reform and regulations which collectively cause unintended consequences ultimately resulting into the adverse risks to investors and retirees (see the red core below:



As successful as Financial Repression has proven to be, through new untested major variant polices such as Quantitative Easing (QE), it has already been found to be insufficient in effectively reducing the government's debt burden. Additionally, as an Unintended Consequence it has become a major contributor to growing wealth inequality and Moral Hazard. Debt growth in the developed economies continues to expand at an ever accelerating rate which now requires even further aggressive policy accommodations.

Policy setters have only recently accepted that sustained expansion of the money supply has delivered what it normally and eventually always does - Inflation! Sustained low rates are now contributing to not only malinvestment, but exploding inflation which threatens to become a political problem for elected policy setters.

The dilemma suggests the following is on the horizon:

Suspected Targets

- ~4.7%: Expecting Higher Inflation Rates,
- ~2.2%: Will Require Higher UST Bond Rates,
- ~-1.5%: To still achieve High Real Negative Rates.

This will require a major policy transition as well as new methods of delivering massive increases in debt creation while managing currency stability.

COP26 was a major globally coordinated step towards that goal!

WHAT THIS GREEN EXPANDED FINANCIAL REPRESSION DELIVERS

Investment is expected to not only come in the form of Capital Investment but also to foster growth in the capital markets for tradable permits, rights and certificates for carbon emissions. Carbon Credits and Carbon Offsets therefore create taxable profits, but most importantly the massive Investments required is **projected to materially expand Global GDP**.

The Global GDP is presently ~ \$84T/year. \$150T over 30 Years is \$5T. That is an annual increase of 6% which is dramatic when the global economic growth approximates 3% or less.

However, it is expected to be much larger than that because the \$5T/year is only the planned amount of investment capital being raised. Additionally, it is expected to result in dramatically increasing competitive & regulatory driven Carbon pricing which will outstrip overall Inflation.

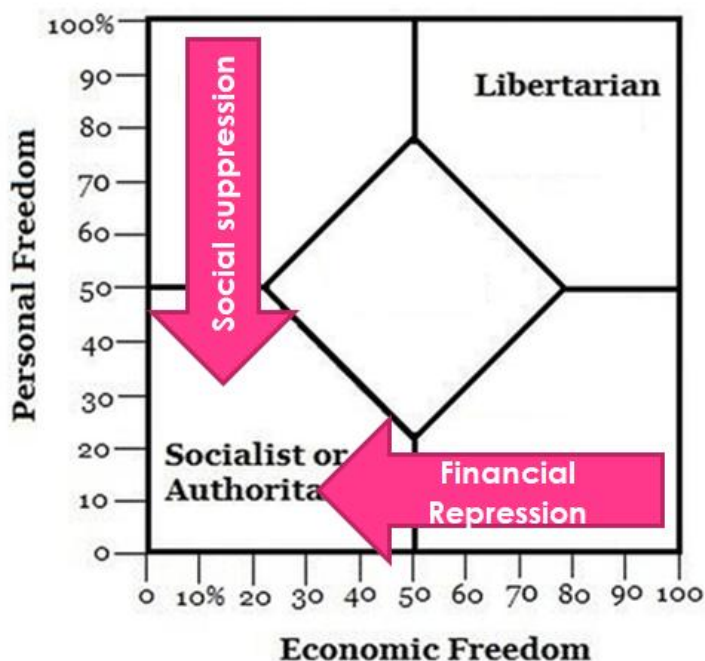
Remember, it is centrally Inflation and economic growth that Financial Repression is targeted at. What we have here is more appropriately termed "Regulatory Repression". Instead of penalizing Savers with reduced purchasing power it penalizes Carbon Emitters & Users achieving the same end.

... at least that appears to be their plan?

COLLECTIVISM AND REDUCED FREEDOMS

We wrote extensively about Collectivism in our [2013 Thesis paper "Statism"](#).

We are surrendering our Freedoms to both Social Suppression (Thesis 2021) and now Financial Repression through Regulatory Suppression.



A FAILED CREDITISM SYSTEM OF CENTRAL PLANNING & TRANSFER PAYMENTS

*You can fool all the people some of the time!
You can fool some of the people all of the time.
However, you can never fool all the people all the time!!*

History will view the whole current Climate Change, Green Energy, ESG programs as yet another example of failed policy initiatives! It isn't that a lot of good won't come from it nor that it was not warranted. Rather that it failed because it took what makes capitalism work out of the equation!

This is because it was replaced by central planning which always fails to pick the real winners and losers! Capitalism has been replaced by Creditism. Instead of Savings going into productive assets we now have credit funding consumptions. The later does not increase productivity nor raise the standard of living.

We will eventually only get less for more; instead of getting more for less, which capitalism delivers through the process of creative destruction.

If you doubt this look no further than what experts around the world are warning regarding Net Zero Climate Change programs which cripple, halt or stop investment in the existing Fossil Fuel industry. Who do you believe: the following experts or the central planners in Government and COP 26 attendees?

Russian and OPEC ministers warned last year that [if the 'Net Zero By 2050' plan is enacted, "we'll see \\$200 oil."](#)

If the world were to follow the International Energy Agency's controversial road map, which said investment in new fields would have to stop immediately to achieve net-zero carbon emissions by 2050, "the price for oil will go to, what, \$200? Gas prices will skyrocket," Russian Deputy Prime Minister Alexander Novak said.

Qatar's Energy Minister Saad Sherida Al Kaabi said at the St Petersburg International Economic Forum in Russia in June.

The "euphoria" around the transition to clean energy is "dangerous,"

Commodities trader Doug King, who manages the \$244 million Merchant Commodity Fund, said oil could soon hit \$100 and even \$200 over the next five years **due to a lack of exploration and investment to maintain existing supplies.**

"We believe in structural supply-side commodity inflation that most will not have ever seen -- the highest since the 1970s," he said in an interview. "Only OPEC will react to price metrics and they are undershooting every month."

It is "quite possible" that the WTI Crude oil prices reach \$100 per barrel in light of growing global demand for energy commodities, Russian President Vladimir Putin said on a [CNBC panel](#) at the Russian Energy Week in October.

Asked by CNBC's Hadley Gamble whether the US benchmark **could hit \$100 a barrel**, Putin replied ***"That is quite possible."***

[Bloomberg reports](#), OPEC and its partners are gradually increasing crude output after making deep cuts of almost 10 million barrels a day in 2020 when the pandemic first struck. While the group is meant to be pumping an extra 400,000 barrels a day each month, many of its members are struggling to reach their quotas.

"In practice, a lot less oil is making its way to the market," the Merchant Commodity Fund said in its investor letter.

"Its members are simply unable to return to pre-covid levels of output. This is all down to a lack of investment."

Within the 23-nation OPEC+, the “only real spare capacity” resides in Saudi Arabia, the United Arab Emirates and Kuwait, according to the letter. Even Russia, which leads OPEC+ along with the Saudis, can’t pump much more.

“It’s no state secret that Russia is at, or very near, its maximum,” the letter said.

“If not next month, then certainly by April it may not have any more barrels to give.”

Goldman Sachs is “extremely bullish,” citing low spare capacity among oil producers

“I haven’t seen crazy strikes like this in a long time,” said Mark Benigno, co-director of energy trading at [StoneX Group Inc.](#), referring to the price in the underlying asset at which the options become exercisable.

“The momentum and trend is higher.”

Traders are already placing bets on oil hitting \$100...



Unless something substantial changes – and soon – **the price of oil is going way higher... just ask NatGas buyers in Europe.** On an energy-contained-in-oil-equivalency basis, natural gas prices reached the following levels in February:

- SoCal Citygate: \$835 per barrel
- Chicago Citygate: \$752 per barrel
- Houston Ship Channel: \$2,320 per barrel
- Waha: \$1,196 per barrel
- OGT: **\$6,919** per barrel
- Henry Hub: \$137 per barrel
- Agua Dulce: \$528 per barrel

“We see a shift from stigmatization toward criminalization of investing in higher oil production.”

Bob McNally, former White House official, [“This Time Is Different” Bloomberg May 30, 2021](#)

“From today, halt all investment in new fossil fuel supply projects and make no further final investment decisions for new unabated coal plants.”

IEA Roadmap to Net Zero by 2050

APPENDIX I: Key Messages from Prior Supporting Thesis Papers

THESIS 2017 – ILLUSION OF GROWTH

The Key messages of the 2017 Thesis are as follows:

2- WHY GROWTH IS THE STRATEGIC IMPERATIVE – *The Basic Capitalist System Underpinning*

1. Marx postulated that after Capitalist Systems reach peak economic profit growth, there was a concentration of capital associated with falling rate of profit. In turn, this would reduce the rate of investment and as such rate of economic growth.
2. Unemployment as a consequence increases. Class conflicts increase. Labor conflicts start and there are class revolts. Ultimately, there is a downfall of capitalism (in the form we know it).
3. Marx's predicted economic failure fundamentally stems from the *Crisis of Over-Production*
4. Monetary Policies of QE, QQE, ZIRP, NIRP etc have reduced the cost of money such that the world now has an Over-Production, Over-Capacity, and Under Utilization Problem.
5. Over-Production leads to the loss of Pricing Power, Market Share Wars which contributes to Global Deflation.
6. Developed Economies today have additionally reached the point of debt saturation whereby economic growth is insufficient to support the expense of the debt.
7. Our modern business culture no longer fosters massive business risk which historically has led to the creation of new industries which fostered increased wealth, jobs and consumption.

3- A FLAWED GDP FORMULA

1. In 1980 the Global Balance of Payments was changed to allow a Credit Balance. This allowed the global banks to become the conduit for an era of debt financed globalization.
2. As a consequence Japan's export led Mercantile Strategy came into existence based on US Deficit Spending, Current Account and Trade Balance,
3. The foreign funding of US Debt by the global exporting nations (to the US), as well as through the mechanics of both the Triffin & Gibson Paradox's allowed for US Money Expansion while maintaining falling Interest Rates thereby fostered US Consumer Consumption to the obscene level of 70% of the economy.
4. Aggressive changes in Fiduciary accounting regulations fostered the acceleration of "Financialization" of the US Economy,
5. Real Inflation in the US now approaches 10% based on 1980 methodologies that don't include statistical aberrations such as "Hedonics", "Substitution" nor "Imputation" etc.
6. Real Global GDP growth is likely currently shrinking at a rate in excess of 2% annually,
7. To maintain the Illusion of Growth the US is forced to maintain a "Strong Dollar" policy at all cost which controls US foreign policy and the US military strategy.

4-PRODUCTIVITY EXPOSES THE MYTH

- In a 70% Consumption Economy the current level of government transfer payments funding this consumption makes the historic GDP Formula misleading and therefore meaningless,
- The current level of government spending by all three levels of US government, financed by fiscal deficit financing versus tax receipts additionally makes the historic GDP formula misleading,
- The current level of Investment into Productive Assets is now so low that it makes the "I" in the GDP formula nothing more than a measure of the rate of money supply growth and debt creation. This also makes the GDP formula misleading and misrepresentative.
- The "M" in the GDP formula (Exports minus Imports) has become a Trade Deficit for the US over the last three decades (and most developed nations). Therefore developed economies now consume more than they produce. This is an unsustainable economic condition.
- The statistics of a falling 10 Year Corporate Rolling Compounded Annual Nominal EPS confirms that there is hardly any real growth occurring in the US, Europe or World Wide.
- Steadily falling Productivity is contrary to the basic premise of a Capitalist Economy.

5-UNDERSTANDING WHAT GROWTH REALLY IS – Capitalism versus Creditism versus Financialism

- The real yield received from debt loans or conversely the cost of debt borrowed are central to real economic growth
- The limiting factor to real economic growth is the debt burden relative to the economic growth rate,
- When interest rates rise, so does the Weighted Average Cost of Capital (WACC), which mathematically makes valuations, fall.
- We now "Consume More than We Produce" versus "Producing More than We Consume",
- We are now "Receiving Less for More versus Getting More for Less",
- Because of "Financialization" of the Economy we have now skewed Innovation such that it is now targeted primarily at Cost Savings versus new high risk, high growth industries.

6- THE GLOBAL POLITICAL CRISIS NOW STEMMING FROM NO "REAL" GROWTH

- A 'Growth first, Objectives later' strategy isn't working and as a result in the past fifteen years the growth process has actually destroyed more resources than it has created on a sustainable basis,
- Artificial Growth is unavoidably shifting the world from a Uni-Polar to Multi-Polar World due to the US Dollar maintaining its Breton Woods era "Reserve Currency" status,
- Populist Politics is unwittingly promising to re-create false nation state socialism without Globalism,
- The Electorate in many countries is rapidly losing confidence in a "brighter future" due to No Real Economic Growth despite media reporting suggesting the contrary. A Crisis of Trust is being fostered with its attendant risks of "stagnation".

7- CAPITALISM TO CREDITISM - *The Greenspan Legacy*

- Federal Reserve Chairman Alan Greenspan gave us a legacy of Economic Obfuscation
- Capitalism Requires Savings,
- Capitalism Requires Productive Investment of Savings,
- Capitalism Requires Gains in Productivity,
- Capitalism Delivers an Increased Standard of Living,
- Capitalism Requires a Free Market System which we have lost through Over Regulation in the US.
- Efficient Allocation of Capital IS NOT Happening
- Risk is Incorrectly Priced,
- There is a Lack of Price Discovery,
- We have experienced an excessive and too sustained a period of economic malinvestment,
- Household Savings IS NOT Happening. There is no Savings for Investment. Rather we have Credit Creation for Consumption
- Quarterly Corporate Results Reporting is potentially an impediment to long term economic viability of the capitalist system,
- We are penalizing longer term Investment which creates major breakthrough growth areas,
- We are penalizing Risk Taking,
- We are penalizing CAPEX expenditure,
- Corporations are predominately not Investing but rather simply "Stripping Out Costs",
- Cheap Money has created Over Supply rather than the Wealth Effect intended to create Demand Pull (Even if successful is limited in time and scope). Rather what we face will be a demand hole which will be deflationary as Pricing Power is lost.
- Leveraged Buyouts are now sought for Growth where costs are stripped. There is now little corporate organic growth.
- Corporate Buybacks are stripping investable capital from productive use. This occurs when Corporations Don't See Risk Free Growth.

8- FURTHER CONSTRAINTS & IMPEDIMENTS

- We have a Short Term oriented Corporate Culture that is Constricting Real Economic Growth
- We have Regulatory Shackles limiting growth,
- We have an Uneven Playing Field through the Advancement of Crony Capitalism,

- We have a Massive Inflationary Bleed of Capital from the Economy. Inflation is simply another form of Taxation,

9- WHEN GROWTH FAILS

- We have a Global Eurodollar Problem,
- We have a US Dollar Reserve Currency Problem,
- Leverage Will Fail Because of Cascading Rehypothecation,
- Leverage Will Fail Because Repos are not Sound Collateral,
- There is Now A Global Rush To Hard Assets and Away from "Digital" Representation of Assets

10- A NEW WORLD ORDER (NWO) COMING

- A Stealth, Secular, Structural Shift is Underway as Leverage is Beginning to Fail because of Collateral Shortages,
- The End of the Debt Super-Cycle is underway,
- The Baby Boomer Equity Bull Market is Coming to a Close,
- A great Debt for Equity Swap is taking shape

CONTRACTING REAL ECONOMY

We believe the Fed's much publicized "fear of inflation" (which is ostensibly driving the new rate hike regime) is a necessary public narrative that will let the Fed pursue its true objective – a stronger dollar and deflation amid what is in reality a *CONTRACTING REAL ECONOMY*.

Stock and bond markets in the advanced, financially-oriented economies, have devolved more into political imperatives necessary to maintain social services and the perception of wealth, rather than serving as the traditional means to build and price wealth and capital.

It is our current view that the public traded financial exchanges no longer serve societies or global trade as effectively as they might.

In over-leveraged economies, stock and bond markets become co-dependent. To sustain market prices, debt and equity require nominal output growth. To sustain market values, they require real output growth.

The only way to increase nominal output growth and raise nominal equity prices in a highly leveraged economy with leveraged currency is to raise the quantity of credit, which must eventually reduce real output and asset values. The question before us is whether "eventually" is occurring now?

The US and global economies have begun to experience necessary structural changes that directly impact:

- *Incentives to produce and consume,*
- *The fundamental manner in which the political dimension approaches monetary and fiscal policies, and*
- *The way in which investors think about assets, liabilities, economics and capital markets.*

Investors seeking to create wealth by investing in broad equity markets face a fundamental structural problem caused by the irreconcilability of:

- *Naturally occurring commercial deflation,*
- *Economies and political systems that rely on inflation, and*
- *The crowding out of consumption and investment by necessary debt service.*

We believe the primary reason stocks and bonds are peaking is SCALE.

- *Aggregate market caps, valuations, revenues and earnings of public companies cannot be sustained by the level of real production in the underlying US and global economy.*
- *We think bonds are on the eve of reconciliation for the same basic reason.*
- *The scale of systemic leverage has already begun to reduce incentives to expand credit for capital formation, which, in turn, promotes debt deflation.*

ILLUSION OF GROWTH



WHEN LEVERAGE FAILS!

THESIS 2018 – A NEW WORLD ORDER

The Key messages of the 2018 Thesis are as follows:

1- WHAT'S BROKEN? – “Kicking the Can Down the Road” Is Not A Long Term Strategy!

- Debtor Nations: Consuming More Than They Produce and dependent on Debt to sustain themselves.
- Creditor Nations: Export Dependent and Now Producing More Than Can Sustainably Be “Bought”. Dependent on Credit to Debtor nations to sustain economies.
- The Emerging & Frontier Nations: Primarily Commodity exporters increasingly dependent on the vagaries of the US Dollar and the trade levels of the developed economies for economic stability.
- Initial Stage of Globalization – Like the Early Stages of the Industrial Era we have a “New Gilded Era”
- Gross Inequality within nations being replaced by equality between nations.
- The electorate is no longer willing to tolerate their elected officials ignoring real problems and simply “kicking the can down the road”!
- Elements of Social Change are key drivers of the coming change in governance, institutions and the nature of the sovereign state.
- The initial stage of Globalization has fostered (like the early stages of the Industrial Era) a “New Gilded Era”.
- Crony Capitalism has been a dominating theme in America for at least the past two decades.
- It is clearly evident that we are now entering a period when many well established cycles are heading downward.

2-TRENDS UNDERWAY – It’s Happening All Around Us!

- MULTI-POLAR TRANSITIONS FROM A UNI-POLAR WORLD: As the United States' growing dependence on foreign capital increases due to its international debt burden, the US is becoming more dependent. With the U.S. market additionally becoming increasingly less important to many nations this further reduces the US' political power.
- DE-DOLLARIZATION: The process of moving away from the dollar - prepared by Europe and triggered by China and Russia - can no longer be stopped. And as a “supra-national” reserve asset, gold is likely to play an increasingly important role in it.
- DEMOGRAPHICS: Aging populations, declining birth rates and slowing numbers of emerging & frontier market labor forces entering the global labor pool is now beginning to have a profound impact on the rate of growth of global aggregate demand.
- BIG REVERSAL: As outlined by a ground breaking paper by the BIS the global economy is transitioning from an era where: *Deflation = Debt + Demographics + Disruption* to an era of *Inflation = Interest + Income + Inversion*
- FIAT CURRENCY FAILURE: Sovereign debt in developed economies has now reached and exceeded the level (Total Debt is over 90% of GDP) where further increases in debt no longer stimulates demand. In fact [according to brilliant economists such as Lacy Hunt](#) (who I have interviewed [here](#) & [here](#)), it now has a negative multiplier. In other words, at a certain point you can't solve a debt problem with more debt. This is where a fiat currency historically began failing.
- SECURITY-SURVEILLANCE: Terrorist attacks, whether radical Muslim fundamentalists, deranged domestic citizens or individuals / groups using violence to promote some form of social change regarding a specific “injustice” is increasingly becoming a regular occurrence in our modern society. As of yet, government and political leaders have no workable answer while citizens become impatient.
- TECHNOLOGY DISRUPTURES: The next wave of technology will replace 1000's with each additional one created. That technology is Visual Recognition or “seeing” capabilities for robotic applications. The possibilities are as endless as the jobs themselves have been. Self driving Trucks alone will revolutionize the largest employer in America – truck, bus & delivery drivers. “The Global Economy will require 600 Million Net New Jobs within the next 10 Years!” according to the World Bank.
- FINANCIAL – ECONOMIC – POLITICAL: The next financial crisis will be a prime visible catalyst for the changes that will occur in the advent of the New World Order. We suspect it will be centered on the ~ \$600 Trillion, OTC, unregulated SWAPS market collateralized on “Mark-to-Magic” (Derivative Mark-to-Mark was removed and never re-imposed after the 2008 Financial crisis) of Currencies and Bond SWAPS.
- INEQUALITY:

- Inequality in the US now compares to that last seen at the end of the US "Gilded Era". Though massive growth in personal wealth has occurred as a result of increased asset prices, US households are not seeing this as they have been out of the stock market since the 2008 Financial Crisis.
- President Barack Obama [set out four major economic issues](#) that his successor must tackle. As he put it: *"... restoring faith in an economy where hardworking Americans can get ahead requires addressing four major structural challenges: boosting productivity growth, combating rising inequality, ensuring that everyone who wants a job can get one and building a resilient economy that's primed for future growth."*
- Because financial assets including and especially equities are overwhelmingly concentrated in the hands of the rich, the longer policies that inflate those assets take to trickle down, the wider the wealth divide gets.
- We are seeing increasing Inequality within developed nations but improving Equality between nations and specifically between developed and emerging economies.
- CREDITISM v CAPITALISM:
 - The global economy has mutated from a Capitalist economic structure to a Credit Structure.
 - Regulations and Government Policies no longer allow capitalism to work.
 - Capitalism was dealt a mortal blow in 1913 with the establishment of the central bank and income tax, and buried in the New Deal. It's no surprise the left falsely labels the grotesque and failing mixed economy capitalism where every failure can be ascribed to capitalism and used as a justification for more government.

3- WHAT'S NEEDED – A Financial / Economic / Political Triggering Event

- A NEW FORM OF SOVEREIGNTY:
 - Modern communications technology has made obsolete the historic concept of the Nation State the same way Corporations over three decades ago had to decentralize control, downsize, right size and outsource to stay viable within a Global Economy.
 - The Nation State can no longer have their size of government, fiscal spending, entitlement programs nor their military 'out of line' with other nation states and expect to see their standards of living maintained or increased. The Globalized economy will punish them to the point of destruction. The current re-balancing required when redraw the borders of many nation states as they likely collapse into regional trade identities. Corporations had to 'get larger' to compete and survive.
 - We have endless global examples of nation states having troubles keeping its member constituents in the fold. Some high visibility examples would be: Spain's Catalonia holding a referendum vote to separate, Scotland also holding separation votes to withdraw from the UK or Canada's French speaking Quebec province championing separation from Canada and forcing a change to the national constitution.
 - Communications technology has made traditional borders meaningless, while at the same time has made smaller groups more autonomous because of their ability to collaborate and share what they have in common. De-centralization became the norm within business corporations in the 80's and with technology such as the internet now being ubiquitous, countries are now experiencing the same driving change, for the same reasons which drove corporations to change three decades ago.
 - A Corporation's allegiance is to "Profit, Shareholders & its Business Viability". Nowhere does a corporation ever mention any responsibility to, or speak about their country responsibility – other than to abide by the law! Governments on the other hand are always talking about creating an environment for companies to prosper. Why? Today it's about jobs and revenue stream from taxes. The nation state is more dependent on business & trade for jobs than ever.
 - "The State is the organization of the herd to act offensively or defensively against another herd similarly organized."

- The State is a state of mind; it is the herd mindset itself. As such, it can only be overthrown in the battleground of the mind. Once the State is spiritually dethroned and the populace fully transfigures from herd to civilization, the "Government," like a shepherd without a flock, will no longer even merit its designation. It will then merely be a heavily armed, but even more heavily outnumbered, gang of rustlers writ small.
- "Government is the idea of the State put into practical operation in the hands of definite, concrete, fallible men. It is the visible sign of the invisible grace. It is the word made flesh. And it has necessarily the limitations inherent in all practicality. Government is the only form in which we can envisage the State, but it is by no means identical with it. That the State is a mystical conception is something that must never be forgotten. Its glamour and its significance linger behind the framework of Government and direct its activities."
- "Country is a concept of peace, of tolerance, of living and letting live. But State is essentially a concept of power, of competition: it signifies a group in its aggressive aspects." Government "is the machinery by which the Nation, organized as a State, carries out its State functions" and "a framework of the administration of laws, and the carrying out of the public force."
- A NEW FORM OF EXCHANGE & TRADE:
 - We need to think about building a world defined by networks governed by rules, but with no rulers.
 - Bitcoin has shown to the world. It is a global network/community of people who have voluntarily opted into an alternative monetary system with no one in charge. Let me repeat that again, nobody is in charge. There's no CEO, there's no individual empowered to come in and just make changes to the code. In contrast, there's a sprawling community of developers, entrepreneurs, thinkers, writers, etc, whose degree of influence within the network changes over time.
 - Bitcoin's governance can be best described as anarchy, and it's precisely this structure that appeals to so many. **It's a voluntary system governed by rules, but there are no rulers.** There are key influencers and people whose opinions matter to the direction of the project, but these people have no official position, and their influence can disappear as quickly as it rose. It may not be clean and pretty, but it's the way I think governance ought to work.
 - Bitcoin is the global community that's been built around it. This global network helps people understand how connected we are as human beings. That we have infinitely more in common with each other than the corrupt governments and sleazy oligarchs who rule our respective nation-states. It's a very valuable lesson that "we the people" on a global level need to internalize if we're to overcome the centralized hierarchies that dominate human affairs on earth at this time.
- A NEW FORM OF GOVERNANCE:
 - POLITICAL CORRUPTION: The perception of broad based government corruption and crony capitalism has reached a critical inflection point. There is a public sense that governments have been taken over and no longer are intent on serving the needs of the people but rather are serving the needs of the "elite" and powerful. The growing pervasive view that governments are manipulative (or being manipulated) and their elected politicians are corrupt (or minimally controlled) has achieved the level that their Governance is polarizing public opinion and jeopardizing their ability to influence public opinion and to effectively lead.
 - CRISIS OF TRUST: The electorate is withdrawing from the political process – They don't believe in what their elected politicians tell them, they distrust their government and the "system" isn't solving their needs.
 - SHIFTING VIEWS: Governance is shifting towards 1- Bottom Up Power, 2- Collaboration, 3- Specialization and 4-"Real" Leadership. What is driving these shifts is the perception of government corruption, polarization of opinion and new modern communication technology in the form of social media.
 - MISSING GLOBAL GOVERNANCE: There is no rule of law at the international level, enforced by a neutral legislator and referee. There are sectoral guidelines here and there, and the unilateral imposition of regulations by one or two superpowers within their territorial jurisdiction.

- FAILED INSTITUTIONAL ROLES: The United Nations has been an abject failure as an institution for Global Governance! Frankly, it was not designed as such nor as it intentionally given the power to act as such. The UN's role as a "coordinator" for "collaboration" in future governance is going to be critical going forward but likely will take another reincarnation like its evolution from the "League of Nations".
- NEW FORMS OF INSTITUTIONS:
 - We need to think about building a world defined by networks governed by rules, but with no rulers.
 - If you avoid the reform of political institutions then even the strongest of them will weaken over time!
 - Across the developed world (with the notable exception of Japan), popular trust in technocratic/bureaucratic institutions has declined steeply, in some instances as a result of direct political interference in their work. And so most of the advanced industrial democracies—those countries on the top right side of the "J Curve" (describing the relationship between stability and openness)—are starting to edge down to the left. This will be an important global story in 2018.
 - Ever-larger segments of the public and their representatives have lost faith in the exercise of bureaucratic functions, inviting the political capture of more organs of the state. It's not an accident that the phrase "deep state"—which made its debut nearly a century ago in Mustafa Kemal Atatürk's Turkey—has now made its way to Washington and into the president's tweets.
 - Institutional erosion across many countries risks structural instability in the global system. Absent solutions from global leaders—which aren't in the offing in the foreseeable future—traditional state-based international relations will become more and more unstable. Conflict will become more frequent, decision-making degraded, and internal chaos common.
 - The community of nations has shifted into "multi-lateral" gear in a stealth fashion. Between 1945 and 2000 a host of regional and global organizations were created to help deal with the world's problems. These multilateral organizations generally came in three flavors. The first is the IGO or intergovernmental organization, where the members are sovereign governments usually represented by plenipotentiary ambassadors. The second is the NGO or non-governmental organization, where the members are from the private sector but reach across international borders. The third was a hybrid of the IGO & NGO.
 - The present system of both public and private multilateral organizations appears to be seriously flawed and, in its present configuration, unlikely to meet the challenge of coping with globalization and its asymmetrical shocks. Here are some of the most obvious weaknesses in the IGOs: A haphazard architecture, Agenda Duplication, Agenda Gaps (insufficient attention to linkages), Rigid Decision Rules.

4- WHAT AN INTEGRATION OF THE NEW FORMS WILL LOOK LIKE

I would like to propose a "strawman" structure as a platform to begin the dialogue on how the forms may come to be and operate. What the "strawman" must incorporate is:

- Electronically Networked Federalism that can initially role up to Regional "Trade Zones" and down to autonomous self governing units at the lowest level.
- Eventually have the Globe as a single "Trade Zone".
- Employs blockchain technology for trade transaction, exchange currency and the voting apparatus,
- Define global "separation of powers" specifically by "roles in resolution",

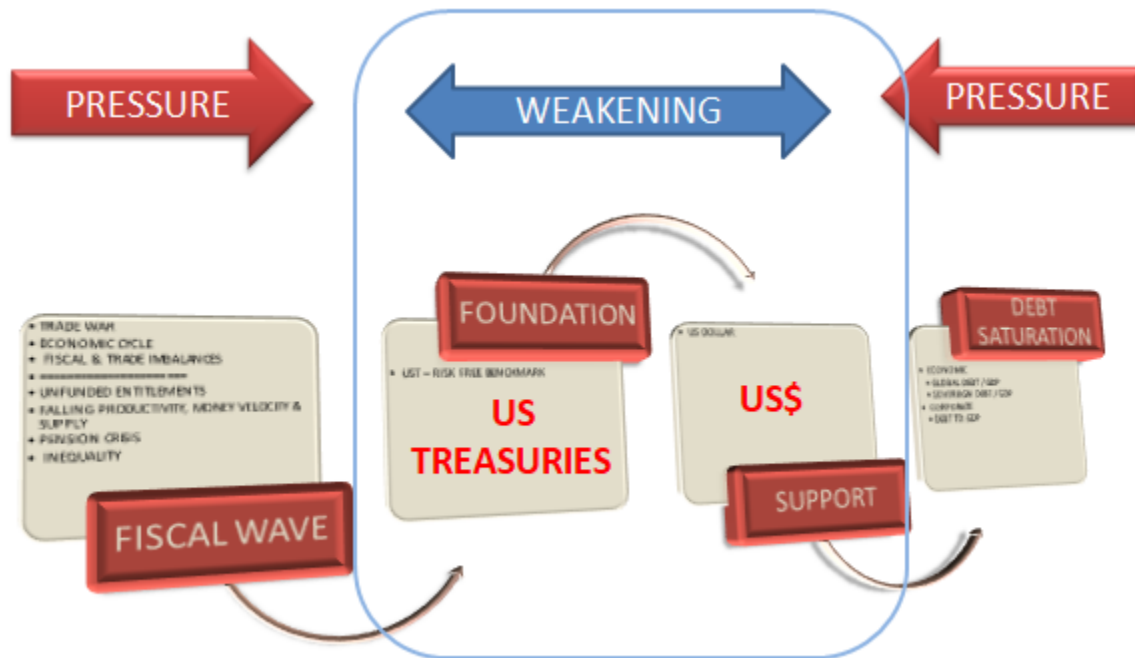
6- HOW THE NEW WORLD ORDER WILL COME ABOUT –*Triggering Events*

- Political developments have fractured the west as an ideologically coherent entity.
- Modern western ideals of democracy and liberal global markets have lost prestige and appeal.

- The old days of domination by the leading high-income countries are over. Securing co-operation among such diverse countries is extremely hard.
- The position of today's high-income countries, though still enormously powerful, is in relative decline.
- The election of Donald Trump would lead to the world experiencing an unraveling of the US-created, post-second world war liberal order into de-globalization and conflict, or a resurgence of co-operation. Evidence after one year suggests the former is ahead.
- In 2017 autocracy was on the rise. The "democratic recession" continues.
- Financially & Economically, a stealth, secular, structural shift is underway as leverage is beginning to fail because of collateral shortages,
- The End of the Debt Super-Cycle has Begun,
- The Baby Boomer Equity Bull Market is Coming to a Close,

THESIS 2019 – DE-DOLLARIZATION

There is a massive Fiscal Tsunami on the horizon that over the next 5 years will wash up against the shores of equally massive problems associated with historic Global, Sovereign, Corporate & Household Debt Saturation. Unfortunately the entire global financial foundation has been built on the US Treasury being the measure of Global Risk as the “Risk Free” benchmark. What is even more troubling is that foundation is in turn supported by the value of the US Dollar as the dominate Global Reserve Currency. De-Dollarization is the process which will soon devastatingly removing that support!



SITUATIONAL ANALYSIS

- In its quest for world domination, which the White House has been pursuing for more than a century, it has relied on two primary tools:
 - The US dollar and
 - Military might.
- Washington relies on the policy of deepening regional destabilization, which, according to the White House strategy, must lead to a considerable weakening of any potential US rivals.
- Petrodollars became the basis for America domination over the global financial system which resulted in countries being forced to buy dollars in order to get oil on the international market.
- The share of the United States in today's world gross domestic product shouldn't exceed 22%. However, 80% of international payments are made with US dollars

US SANCTIONS – WEAPONIZING THE US DOLLAR

- Convinced of an existential threat from competitors, America is weaponizing the dollar to preserve its global economic and geopolitical position.
- The real power of the dollar is its relationship with sanctions programs:

- Legislation such as the International Emergency Economic Powers Act,
- The Trading With the Enemy Act and
- The Patriot Act

... This allows Washington to weaponize payment flows.

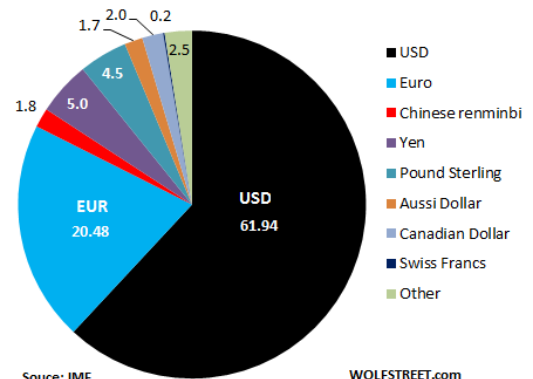
- The proposed Defending Elections From Threats by Establishing Redlines Act
- Defending American Security From Kremlin Aggression Act

... This would extend that armory.

- When combined with access it gained to data from Swift, the Society for Worldwide Interbank Financial Telecommunication's global messaging system, the U.S. exerts unprecedented control over global economic activity.
- Sanctions target persons, entities, organizations, a regime or an entire country.
- Secondary curbs restrict foreign corporations, financial institutions and individuals from doing business with sanctioned entities.
- Any dollar payment flowing through a U.S. bank or the American payments system provides the necessary nexus for the U.S. to prosecute the offender or act against its American assets.
- This gives the nation extraterritorial reach over non-Americans trading with or financing a sanctioned party.
- The mere threat of prosecution can destabilize finances, trade and currency markets, effectively disrupting the activities of non-Americans.

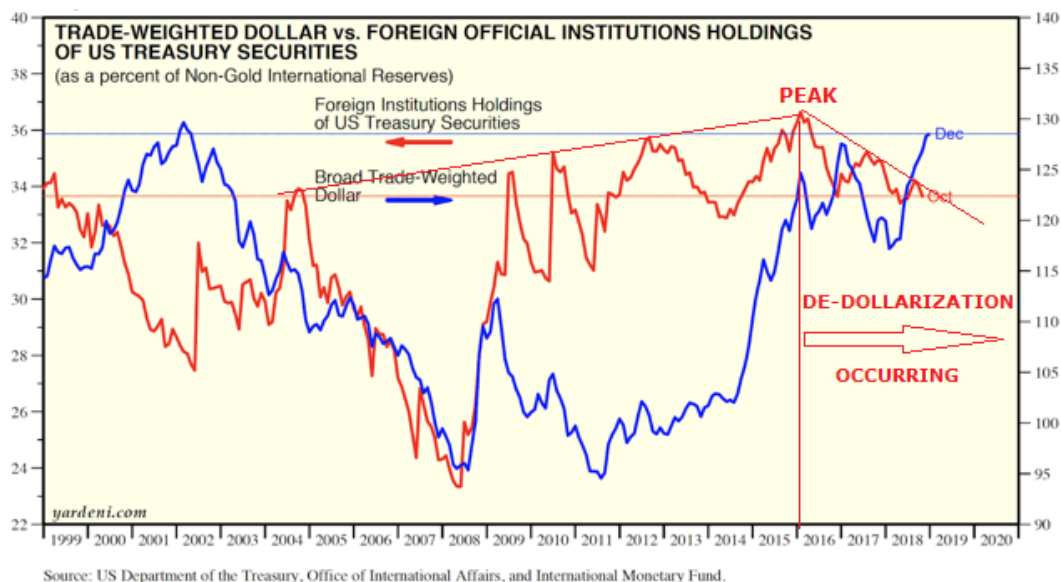
US Dollar Hegemony

Composition of Official Foreign Exchange Reserves
% of allocated reserves



GLOBAL REACTION – ACCELERATED DE-DOLLARIZATION

- The world increasingly does not want to rely on US dollars anymore.
- In order to prevent Washington from establishing complete global hegemony, certain countries have recently been revising their positions towards these two elements by:
 - Developing alternative military alliances and
 - By breaking with their dependence on the US dollar — De-Dollarization



The Foreign Benefits of De-Dollarization Are Primarily:

- Helps states weaken America's influence on their economies.
- Removes Sovereign finances from foreign dependence,
- Saves time and money by reducing the number of transaction steps in financial operations.

OUTCOME OF DE-DOLLARIZATION

- As De-Dollarization occurs, money will be returned to the US. This effectively begins to flood the US with dollars which drives up inflation. Inflation which the central bank can't stop by printing money nor by taking money out of circulation without a massive depression (deflationary effect of reduction of debt),

- There is also evidence that during the last credit crisis in 2008, the Russians were tempted to interfere with the Fed's rescue attempts, potentially crashing the whole US financial system. At that time, they failed to get the support of the Chinese. Now that Russia has disposed of most of its dollar investments in return for gold, and following an escalation of geopolitical conflicts, a new financial crisis may be regarded as an opportunity by America's enemies to emasculate America's financial and geopolitical power.
- In 2008, the yields on US Treasuries declined as investors sought safety from private sector investments. This time, foreigners selling dollars and USTs are likely to overwhelm domestic safety-seekers and drive bond yields higher. Critically, the US Government financing has become heavily dependent on foreign investment inflows continuing.

INVESTMENT STRATEGY

A CEO on how the company went broke:

"Slow at first, then all of a sudden"

STAGE I – 2019-2020

The following "slow moving glaciers" will lead to Stage II

- Trade Wars – Tariffs act as a US Consumption Tax,
- Unfunded Liabilities come due,
- Underfunded Pension come due,
- Contingent Liabilities in the \$210T Fiscal Gap triggered,
- Falling Productivity reduces standards of living,
- Employment Income growth fails to support middle class and bottom 40% lifestyles in a 70% consumption economy,
- US faces its first Recession in over a decade with highly leveraged corporate debt levels.

STAGE II – 2020-2021

The following results of falling productivity because of 'consumption' versus investment of 'savings' will lead to Stage III

"A Steady Decline in Standards of Living"

- Tax Revenues shrink,
- Fiscal Expenses mount,
- US dollar begins to weaken with advancing "De-Dollarization" & US Credit downgrade,
- Price inflation becomes a concern,
- Economic Stagnation can't be fixed by Deficit stimulus,
- A Sudden & unexpected surge in sovereign debt is experienced,

STAGE III – 2022-2024

The US experiences "Hyper-Inflation" and a Crack-up Boom as the currency loses its "Exorbitant Privilege"

- US Dollar falls significantly as confidence is lost in the US economy & leadership,
- Price Inflation Surges as goods become more expensive,
- Yields rise rapidly,
- Government funding expenses soar,

STAGE IV – 2025

- US Dollar becomes part of a Global Reserve Currency "Basket"

The Key messages the 2019 Thesis are as follows:

INTRODUCTION

The first thing we need to fully appreciate is what the benefits of a globally dominant US dollar are and consequentially what risks come with a shift towards De-Dollarization.

The Benefits of Dollar Dominance are:

1. The value of the US dollar becomes exceedingly high in comparison with other currencies,
2. Consumers in the United States receive imported goods at extremely low prices,
3. Provides the United States with significant financial profit,
4. High demand for dollars in the world allows the US government to refinance its debt at very low interest rates.

Additionally we need to come to grips with the reality that:

- In its quest for world domination, which the White House has been pursuing for more than a century, it has relied on two primary tools:
 - The US dollar and
 - Military might.
- In order to prevent Washington from establishing complete global hegemony, certain countries have recently been revising their positions towards these two elements by:
 - Developing alternative military alliances and
 - By breaking with their dependence on the US dollar.
- Petrodollars became the basis for America domination over the global financial system which resulted in countries being forced to buy dollars in order to get oil on the international market.
- The world does not want to rely on US dollars anymore. In these circumstances, Washington relies on the policy of deepening regional destabilization, which, according to the White House strategy, must lead to a considerable weakening of any potential US rivals.
- The share of the United States in today's world gross domestic product shouldn't exceed 22%. However, 80% of international payments are made with US dollars

The Foreign Benefits of De-Dollarization Are Primarily:

- Helps states weaken America's influence on their economies.
- Removes Sovereign finances from foreign dependence,
- Saves time and money by reducing the number of transaction steps in financial operations.



2- DRIVERS OF GLOBAL DE-DOLLARIZATION – *What Has Changed & Why?*

SANCTIONS

- It is surprising that the United States itself has, in recent years, commenced to push various countries to De-Dollarization by threatening their opponents with sanctions for conducting economic operations, in which, until recently, dollars were the primary currency.
- In August 2017, the United States passed the Countering America's Adversaries Through Sanctions Act.
 - The law also allows for secondary sanctions to be imposed against states and organizations working with countries that the US considers 'enemies'.
 - According to the law, the US may freeze their dollar accounts and transfers made outside American jurisdiction.
 - American companies are also prohibited from working with countries and organizations listed in deals with US enemies.

- Convinced of an existential threat from competitors, America is weaponizing the dollar to preserve its global economic and geopolitical position.
- The real power of the dollar is its relationship with sanctions programs.

- Legislation such as the International Emergency Economic Powers Act,
- The Trading With the Enemy Act and
- The Patriot Act

... This allows Washington to weaponize payment flows.

- The proposed Defending Elections From Threats by Establishing Redlines Act
- Defending American Security From Kremlin Aggression Act

... This would extend that armory.

When combined with access it gained to data from Swift, the Society for Worldwide Interbank Financial Telecommunication's global messaging system, the U.S. exerts unprecedented control over global economic activity.

- Sanctions target persons, entities, organizations, a regime or an entire country.
- Secondary curbs restrict foreign corporations, financial institutions and individuals from doing business with sanctioned entities.
- Any dollar payment flowing through a U.S. bank or the American payments system provides the necessary nexus for the U.S. to prosecute the offender or act against its American assets.
- This gives the nation extraterritorial reach over non-Americans trading with or financing a sanctioned party.

The mere threat of prosecution can destabilize finances, trade and currency markets, effectively disrupting the activities of non-Americans.

- Russian, Iran and Venezuela sanctions are driving them away from the US\$,
- China is also openly promoting its currency for oil trade and all trade. The internationalization of the yuan is part of the New Silk Road initiative of President Xi and given China's level of oil consumption, oil trade is a big part of this internationalization,
- Russian oil exporters are pressuring Western commodity traders to pay for Russian crude in euros and not dollars as Washington prepares more sanctions for the 2014 annexation of Crimea by Moscow,
- Venezuela, for one, has bet on digital currency as a way of skirting Washington sanctions that have added to the pressure created by the 2014 oil price crash and years of PDVSA mismanagement—both factors which have plunged the Venezuelan economy into a possibly irrecoverable crisis,
- Iran banned purchase orders denominated in U.S. dollars and said that any merchant using dollars in their orders will not be allowed to conduct the import trade. Tehran also announced that it will

publish all its official financial reports in euros instead of dollars in a bid to encourage a switch to euros from dollars among state agencies and businesses,

REDUCED EXPORT TRADE

- The kingpin role of US policy and the dollar in world finance is an issue, and the US economy, over [the last] 30 years, has gone to less than 20 percent of world GDP, and yet the dollar is seemingly playing this dramatic role,”
- “We live in this very peculiar situation where the role of the dollar in global finance is just idiotically more important than the US economy.
- America’s share in the global economy has been dramatically falling since the Second World War
- The US share of global GDP now stands at 18 percent, a significant slide from the 30 percent seen after World War II.
- The Chinese economy has quadrupled to 16 percent, while emerging markets like the BRICS countries (Brazil, Russia, India, China, South Africa) and others account for 60 percent of global GDP.
- The dollar is predominantly used by some 60 percent of countries, accounting for 70 percent of global GDP because of the Bretton-Woods system.
- The Chinese yuan has become more widely used, but still accounts for just 1.84 percent of global reserve currencies, while the US dollar reserves still have a vast 62.25-percent share, although this is its lowest level since 2013.

NON US\$ BI-LATERAL TRADE

- Bi-Lateral Trade Agreements are aggressively being made between members of the Eurasian Coalition: Turkey, India, Qatar, Pakistan, Lebanon, Syria, Libya, Egypt, Philippines and more
- Presently 9% of payments for supplies from Russia to China were made in rubles; while Russian companies paid 15% of Chinese imports in yuan.
- While the numbers seem modest, consider that just three years ago, the numbers were 2% and 9% percent, respectively.

ABUSED RESERVE CURRENCY “EXORBINATE PRIVILEGE”

- The Trump administration seems to have accidentally stumbled upon a means to weaponize America’s “exorbitant privilege.”
- In times of global economic turbulence, exorbitant privilege means that safe-haven flows benefit U.S. financial conditions, especially the “risk-free” U.S. treasury market.
- If such flows are combined with glacial increases in short-term interest rates by the Federal Reserve and substantial fiscal expansion by the U.S. government, global turmoil can actually allow the U.S. to economically outperform the rest of the world.
- The role of the US dollar in the global economy has created a paradoxical arrangement: whenever risks in the global economy rise, capital flows to the United States, and the USD appreciates. This is even the case when economic turmoil emanates from the United States itself.
- since the USD is the world’s dominant reserve currency, when things go wrong, everyone flees into the safety of U.S. assets, and especially U.S. treasury securities, which are traded in the most liquid market on the globe and seen as the least risky asset class.
- The United States benefits from greater macro-economic stability, since the risk of a currency crisis does not exist – the United States owes all its debts in its own currency, so all it needs to do is print more dollars. This can help smooth out the boom-bust cycles of capitalism. When things go wrong anywhere in the world, everyone flees to the USD, giving the Federal Reserve greater leeway to stimulate the economy.
- No one accuses the Fed of maliciously creating the housing bubble to gain more power. At the end of the day, U.S. policy-makers have never deliberately engineered economic havoc for the purpose of creating safe-haven flows that lower U.S. interest rates, especially long-term rates.
- We might be entering a new era.

SHRINKING PETRO\$ REQUIREMENT

- The reason the dollar plays such an important role in the world economy is due to the following three major factors:
 - The Petrodollar,

- The Dollar as World Reserve Currency,
- Nixon's decision in 1971 to no longer make the dollar convertible into gold.
- As is easy to guess, the petrodollar strongly influenced the composition of the SDR basket, making the dollar the world reserve currency, spelling grave implications for the global economy due to Nixon's decision to eliminate the dollar's convertibility into gold.
- Until a few decades ago, any idea of straying away from the petrodollar was seen as a direct threat to American global hegemony, requiring of a military response.
- In recent years, it has become clear to many nations opposing Washington that the only way to adequately contain the fallout from the collapsing US empire is to progressively abandon the dollar.

CHANGING CURRENCY RESERVE BALANCES

- The US dollar's days as the dominant global reserve currency are numbered,
- Widening US deficits will soon alienate foreign buyers of US Treasuries, sending yields soaring higher while causing the dollar to depreciate by as much as 30% (**though at least the Fed would no longer have any trouble meeting its inflation target**),
- The loss of the dollar's reserve status would be America's "worst nightmare.",
- "The role of the U.S. dollar will diminish, and the returns on U.S. dollar-denominated debt will suffer," --- "Then I think you will see the emergence of other currencies,"
- the entire world is "leveraged long", and that asset returns in the coming years would be middling to negative for the foreseeable future,
- "When you're at a zero interest rate in the US, a zero interest rate in Europe and a zero interest rate in Japan, I think we've squeezed out a lot of assets.
- I think the world by and large is leveraged long. Meaning the buying of debt - corporate debt.
- One of the biggest sources of returns on assets was the fact that the interest rate was low relative to the return on equity. There were a lot of buybacks and mergers and acquisitions by companies buying companies. Then you had corporate tax cuts... all of those things have pushed asset prices to the level where it's difficult to see if you could squeeze more."
- Total global foreign exchange reserves, in all currencies, came in at \$11.4 trillion in the third quarter,
- The amount of USD-denominated exchange reserves was \$6.63 trillion. This amounted to 61.9% of total foreign exchanges reserves held by central banks, the lowest since 2013
- The combined share of the dollar and the euro, at 82.4%, leaves only 17.6% for all other currencies combined.
 - The two currencies with the largest share in that group are the Japanese yen, at 5.0%, and the UK pound sterling, at 4.5%.
- In Q3, the euro's share rose to 20.5%, the highest since Q4 2014. The creation of the euro was an effort to reduce the dollar's hegemony. At the time, the theme was that the euro would reach "parity" with the dollar.
 - The euro Debt Crisis ended that dream.
- On October 1, 2016, the IMF added the Chinese renminbi to its currency basket, the Special Drawing Rights (SDR). This elevated it to a global reserve currency.
 - The RMB's share, after jumping nearly half a percentage point to 1.84% in Q2, has now inched down to 1.80% in Q3.
 - Given the size and globalized nature of China's economy, Central banks remain less than enthusiastic about holding RMB-denominated assets:
- The fact that the dollar is still the top reserve currency and top international funding currency allows for its trade deficits to be financed easily, and this has made those trade deficits possible over the past two decades.
- There is no telling for how long this can continue without causing some sort of never-before-seen financial mess.
- Total allocated reserves increased to \$10.71 trillion in the third quarter from \$10.51 trillion in the previous quarter
- Central banks appear to further diversify their reserves away from the greenback

CHANGE

- US\$: The U.S. dollar's share of currency reserves reported to the International Monetary Fund fell in the third quarter to a near five-year low,

- Reserves held in U.S. dollars rose to \$6.63 trillion, or 61.94 percent of allocated reserves, in the third quarter, from \$6.56 trillion, or 62.4 percent, in the second quarter.
- The share of allocated U.S. dollar reserves declined to its smallest since the 61.27 percent in the fourth quarter of 2013
- EURO: The euro's share of reserves grew to its largest in almost four years,
 - The euro's share of global reserves climbed to 20.48 percent, its biggest since the fourth quarter of 2014. It was 20.25 percent in the quarter before.
- YEN: Reserves held in Japanese yen reached a 16-year peak in the third quarter
 - The yen's share of allocated reserves expanded to 4.98 percent, its largest since the third quarter of 2002. The Japanese currency's share of reserves was 4.86 percent in the second quarter.
- YUAN: The Chinese yuan's share of allocated reserves shrank for the first time in the third quarter since the IMF began reporting its share of central bank holdings in the fourth quarter of 2016.
 - The share of allocated currency reserves held in yuan, also known as renminbi, slipped to 1.80 percent in the third quarter from 1.84 percent in the prior quarter.

EMERGENCE & RISE OF EURO & YUAN CURRENCIES

EURO

- The Euro is the 'single currency' of the European Monetary Union, adopted on January 1, 1999 by 11 Member States. Greece became the 12th Member state to adopt the Euro on January 1, 2001. On January 1, 2002, these 12 countries officially introduced the Euro banknotes and coins as legal tender.
- In just over 15 years the Euro has become a standard global currency thus taking away from US Dollar Dominance.

YUAN

- When used in English in the context of the modern foreign exchange market, the Chinese yuan (CNY) refers to the renminbi (RMB), which is the official currency used in mainland China.
- Chinese yuan officially became a world reserve currency on November 30, 2015. It represents 10.92% of the IMF's Special Drawing Rights currency basket.
- This makes Chinese yuan the third reserve currency after the US dollar and Euro.
- In just over 15 years since becoming part of the WTO, the Chinese currency has become a world reserve currency thus taking away from US Dollar Dominance.

3- COUNTRY ACTIONS



CHANGING SENTIMENT TOWARDS THE US

- The dumping of the dollar is a process that is clearly underway. There has been a steady uptick in the number of countries dumping significant portions of their dollar holdings as a result of them having been targets of American sanctions and financial bullying in the "post 9/11 world,"

- The United States maintains sanctions on all of its target nations such as Iran, Syria, North Korea, Russia, and others. But the US also threatens its “allies” with sanctions if they dare act rationally on the world stage or refuse to follow American dictates,
- Countries like Russia feel they can no longer trust the US dollar-dominated financial system since America is imposing unilateral sanctions and violates World Trade Organization (WTO) rules. They feel the dollar monopoly is unsafe and dangerous for the global economy.

THE DRIVING FORCE

- Aggressive American sanctions and financial bullying over the past few decades,
- Countries tired of being victims of the empire,
- Those who dare act rationally on the world stage or refuse to follow American dictates,
- Those who desire a “multi-polar” world,
- Those seeking to expand their own empires,
- Those who smell blood is wafting through the air.

THE RESULT

- Major countries (China, Russia, Turkey, Iran) are Liquidating their US Treasuries, one of the world’s most actively-traded financial assets, has recently become a trend among major holders.
- Increasingly transacting trade in non US Dollar Currencies,
- Finding alternatives to the US “SWIFT” system,

IMPACT TO INVESTORS

- Interest rates will most assuredly go up,
- The potential for widespread inflation and devaluing of the currency

EXPECTED AMERICAN REACTION

The United States has used its status as a method of financing itself into maintained prosperity, the loss of that status would remove that privilege. Instead, the United States would be forced to either:

1. Knuckle under to the dictates of the financiers that will have the country on its knees or
2. Do what it should have done all along – [nationalize the Federal Reserve](#) and begin issuing credit stimulus and imposing across-the-board tariffs on imports.

A MULTI-POLAR WORLD

- The US economic system, partially as a result of becoming an empire with all its requisite destabilizations and wars, mostly a result of Free Trade, and partially a result of private central banking among a host of other factors, has been sacrificed on the altar of globalism.
- Aggressive behavior on the financial, political, and military fronts has thus created a world seething with anger and hatred at the United States, who is now willing and able to begin weakening the dollar dominance in hopes for the creation of a new “multipolar” world out of the ashes of the old “American” one.
- There are no signs that anyone in the American government is either prepared to defend against the dollar collapse or to prevent it. In fact, all signs point to the possibility that such a collapse is desired by the Anglo-financier community.

4- KEY DEVELOPMENTS



ENERGY TRADING

- It is now ten months since China launched its oil futures contract, denominated in yuan (renminbi), on the Shanghai International Energy Exchange.
 - China's futures contracts have established themselves and have overtaken in volume terms the dollar-denominated oil futures traded in Singapore and Dubai.
 - These results suggest that China's oil futures could bring the renminbi to the core of global commodity markets,
 - The launch of the oil futures contract can be anticipated to widen the scope for renminbi-denominated commodity trading,
 - This can be anticipated to strengthen Chinese capital markets and promote the renminbi's internationalization – or at least the progressive de-dollarization of the oil market.
- Possible further development of renminbi-based trade in other commodity markets, suggests that the US dollar could face an unprecedented challenge to its hegemony.
 - It may in the near future no longer be seen as the anchor of the international monetary system,
 - Bringing to an end to what Valéry Giscard d'Estaing famously called the "exorbitant privilege" enjoyed by the US as a result of the dollar's centrality in international trade.

If China's ultimate goals include internationalizing the renminbi, its more immediate objective, prompted in part by US tariffs or sanctions on China and other countries, is de-dollarization of the international system. This is reflected in the shift to promoting an oil futures contract traded in Shanghai, which represents a decisive break with China's SDR-focused strategy.

CRYPTOCURRENCIES

- Venezuela will present its state-backed cryptocurrency Petro as a unit of account for crude oil trading to the Organization of the Petroleum Exporting Countries (OPEC) in 2019,
- Petro will be offered as a unit of account for global crude oil trading, noting that all Venezuelan oil will be traded for Petro,
- Venezuela officially launched the sale of its widely discussed oil-backed cryptocurrency at the end of October,
- The country's leader announced the national coin, Petro can now be purchased directly from its official website or from six local crypto exchanges authorized by the government,
- Maduro appealed to the country's citizens in October, asking them to invest in gold and Petro while the national currency, the sovereign bolivar, is facing hyperinflation,

- The country's president also stated that Petro would be used for international commercial transactions starting in October 2018. Moreover, Venezuela announced that the currency would be used as a unit of account within the country, making salaries and pricing systems tied to Petro,
- The PDVSA, which reportedly backs Petro, had \$45 billion in debt and showed no signs of any trading activity. This might mean the currency is only a "smoke curtain" to conceal Maduro's recent failure to reanimate the national fiat currency.

SWIFT SYSTEM

- The U.S. doesn't only project power across the globe through its massive military. It also weaponizes the U.S. dollar, using its economic dominance as both a carrot and a stick.
- The U.S. government approach:
 - FRIENDS: Showers billions of dollars in foreign aid to "friends."
 - ENEMIES: Enemies can find themselves locked out of the global financial system that the U.S. effectively controls using the dollar.

The U.S. has used the system as a stick before.

- In 2014 and 2015, it blocked several Russian banks from SWIFT as relations between the two countries deteriorated.
- More recently, the [US threatened to lock China out](#) of the dollar system if it failed to follow U.N. sanctions on North Korea. Treasury Secretary Steven Mnuchin threatened this economic nuclear option during a conference broadcast on CNBC.

5- INTERNATIONAL MONETARY FUND – IMF & SDR's

- The BRICS are considering an internal gold trading platform,
- The level of trust between BRICS countries can help them establish intra-group gold trading, which would be 100 percent physically backed.
- The BRICS initiative is just part of a geopolitical tectonic shift which started decades ago.
 - We have seen a constant outflow of physical gold from the West to the East.
 - At the same time, the West has lost the economic war, and as a consequence, the focus now turns to the financial system.
 - China dominates the world economy and has displaced the US as the world's most formidable economic powerhouse,"
- Beijing and Moscow understand that America used the dollar to control the world.
 - Implementing a new kind of 'Gold standard 2.0' is a way to distance themselves from this control.
 - The vast majority of the people in Asia sees gold as superior, or 'real' money, something the West has forgotten, because of all the paper wealth (credit) they have accumulated,"
- "In combination with the following, China is setting up an alternative to the post-Bretton Woods establishment
 - The announcement of pricing oil in yuan,
 - Using a gold-backed futures contract in Shanghai,
 - The establishment of the Asian Infrastructure Investment Bank and
 - The New Development Bank,

A BLATANT SCAM - ***It will all end once the BRICS have accumulated sufficient Quantities of Gold***

- According to London gold clearing statistics for 2016, the total trading volume in the London Over-the-Counter (OTC) gold market is estimated at the equivalent of 1.5 million tons of gold.
- The volume of 100 oz gold futures on New York's COMEX reached 57.5 million contracts during 2016 or 179,000 tonnes of gold, the analyst notes.
- "If we now take into consideration that only approximately 180,000 tons of gold have actually been mined up to today the scam is just gigantic and obviously unsustainable.
- The paper scams in London and New York will either blow up when the paper price of gold drops to zero or when just a fraction of investors insists upon receiving physical gold in return,"

In their own words, a "radically reformed" SDR could 'conceivably serve as a global currency'"

A FALSE RECOVERY

- The post 2008 'recovery' was nurtured by central banks.
- Central bank intervention has coincided with the increased accumulation of debt in both major and emerging economies
- The challenge for central banks is to meet their inflation target

REQUIRED STRUCTURAL REFORMS IN PARALLEL TO "NORMALIZATION"

- Governments must quickly implement 'growth-friendly structural reforms' as monetary policy is 'normalized'
- The latter bullet point refers to Basel III,
 - the regulatory reforms that were devised through the BIS in response to the financial crisis triggered in 2008.
 - The BIS have been pushing the line in recent communications that without these reforms being fully implemented by national administrations, the financial system will remain vulnerable to a renewed downturn.
 - Full adoption of the reforms is not due to occur until 2022.

LOOMING & TO BE EXPECTED LIQUIDITY PROBLEM

- 'Asset purchase programs may have contributed to liquidity illusion', which may prompt investors to pull money out of 'riskier bonds' and back into government bonds instead.
- There is a clear indication that as the Fed withdraws liquidity, it will serve to intensify volatility in markets.
- Central banks did after all "help nurture the recovery". They did more than nurture it. They backstopped the entire financial system and managed to cultivate the narrative of a "recovery". The truth is there never was a recovery, only the false impression of one.

NO "CRISIS RESOLUTION" EFFORTS

- There is no focus on crisis resolution, possibly because a perpetual state of conflict and chaos is more advantageous to the BIS and the IMF when it comes to the goal of consolidating power.

A GROWING REQUIREMENT OF THE IMF'S SDR

- The IMF may not have enough resources to manage a future financial crisis
- A symbiosis between the BIS and the International Monetary Fund exists where 'crisis management' and building a 'strong safety net' is required in the event of future turbulence.
- Reserves of money are required to be held at the international level, where there is a 'strong need for the global safety net meant to be provided by the IMF, on top of national and regional arrangements.'
- "We need an effective lender of last resort with global reach".
- There has been limited progress in scaling up the IMF's core resources. Without this, the global safety net remains incomplete.
- The IMF's lending capacity was increased during the global financial crisis to about one trillion dollars – a forceful response from the membership at a time of dire need.
- One lesson from that crisis was that the IMF went into it under-resourced; we should try to avoid that next time.
- Leaders are calling for a 'continued commitment to strengthen the safety net, with a strong and adequately financed IMF at its center'. This refers to the renewal of quotas
- As 2018 comes to a end, the prospect of reforming the SDR is prominent in the minds of central bankers. Given that quotas are coming up for renewal, the avenue is gradually being created for the IMF to use geopolitical events – namely the scapegoats of nationalism and populism – as a cover for attempting to move the financial system closer to the implementation of a global currency.

6- THE GLOBAL OUTLOOK GROWTH

POSITIONING DE-DOLLARIZATION

- Never forget Money is borrowed into existence.
- Money is debt - You can nor pay down debt without getting rid of Money

- The Developed nations are Consuming More than they Produce versus Producing More than they Consume,
- There is no Savings today. Savings which is invested into Productive Assets. Productive Assets which raises the standard of living,
- Today we have credit (or debt) which is spent on consumption. Consumption is not a Productive Asset that raises the standard of living over the long run. In the short run it may appear to raise standards of living but that is an illusion (even to the borrower),
- The clear evidence of this is that Productivity in the US and Velocity of Money have been steadily falling since the 2008 Financial Crisis when Central Banks were forced to accelerate Financial Repression and implement policies of Quantitative Easing (US), CSPP (ECB), QQE (Japan) and historic credit growth (China).
- When central banks expand the quantity of money early in the credit cycle, they always store up trouble for later. The inevitable credit crisis eventually occurs and it will be in proportion to the earlier stimulation. Since 2008, globally that has been unprecedentedly large. To this we must add earlier credit distortions that were not expunged by the last credit crisis, and even the one before that.

OUTCOME OF DE-DOLLARIZATION

- As De-Dollarization occurs, money will be returned to the US. This effectively begins to flood the US with dollars which drives up inflation. Inflation which the central bank can't stop by printing money nor by taking money out of circulation without a massive depression (deflationary effect of reduction of debt),
- There is also evidence that during the last credit crisis in 2008, the Russians were tempted to interfere with the Fed's rescue attempts, potentially crashing the whole US financial system. At that time, they failed to get the support of the Chinese. Now that Russia has disposed of most of its dollar investments in return for gold, and following an escalation of geopolitical conflicts, a new financial crisis may be regarded as an opportunity by America's enemies to emasculate America's financial and geopolitical power.
- In 2008, the yields on US Treasuries declined as investors sought safety from private sector investments. This time, foreigners selling dollars and USTs are likely to overwhelm domestic safety-seekers and drive bond yields higher. Critically, the US Government financing has become heavily dependent on foreign investment inflows continuing.

CENTRAL PROBLEM

- An Overvalued dollar;
- Over-owned by foreigners;
- Puffed up on speculative flows;
- Driven by interest rate differentials.
- The problem is compounded because the next crisis is likely to be triggered by a required normalization.
- These problems must be urgently corrected by the European Central Bank and the Bank of Japan if the distortion is to be prevented from becoming much worse.
- Disparity in bond yields, particularly at the short end of the yield curve:
 - Two-year US Treasuries yield are 2.74%,
 - Two-year German Bund yields are minus 0.55%.
 - Two-year JGBs are minus 0.12%
 - All are also out of whack with USTs. You do not get disparities like this at the short end of the yield curve without moving massive quantities of short-term money.

When flows into the dollar subside and reverse, bond yields can be expected to rise sharply in all the major currencies.

- There will also be a number of other unhelpful factors, particularly rising commodity prices, the timing of the Trump stimulus and trade tariffs pushing up price inflation.

- Coupled with a declining dollar, price inflation and therefore interest rates are bound to rise significantly.
- Obviously, investors are not ignoring currency risk. It is possible to use out-of-the-money currency derivatives to cap the risk, and indeed, that's one reason why **OTC foreign currency derivatives stood at over \$87 trillion in the second half of last year.**
- Due to legislative changes that were made after the 2008 Financial Crisis it is now more difficult to execute as it was in 2008, such as the confusing bank bail-in provisions we now have.
- Annual U.S. productivity gains have slipped from an average of 2.3% during the seven decades starting in Q4 1948 to just 1.1% in the decade following the start of the 2007 financial crisis.

WHY IS US PRODUCTIVITY COLLAPSING?

- **MAL-INVESTMENT:** The U.S. Federal Reserve's low interest rate policies have made it more profitable for businesses to buy back stock than reinvest in technology.
 - Bail-outs of large U.S. banks, automotive companies and other key sectors have stifled private sector innovation for a generation.
- **BUREAUCRACIES:**
 - Increased government borrowing has enabled vast, inefficient bureaucracies at the U.S. federal, state and local levels to avoid reform.
 - The productivity drain stemming from bloated state, local and federal government spending, which now accounts for more than 60% of U.S. GDP is significant,
- **ENTITLEMENTS:**
 - America's seniors are draining productive resources from the economy by collecting pensions and healthcare benefits they never funded.
 - The growing drag on potential growth stemming from the increasing resources transferred to the more than 100 million working age Americans who are unemployed, out of the labor force or in jail.
- **INEFFICIENCIES:** Inefficiencies are startling:
 - U.S. governments routinely transfer massive subsidies to the big banks.
 - The Department of Defense can't account for trillions of dollars of missing funds.
 - Ongoing regressive U.S. Federal Reserve interest rate policies transfer huge wealth to the top 10% of income earners.

WHAT HIDES IT -- **UNRELIABLE ACCOUNTING**

- America's free-fall in productivity is likely even worse than the estimates
- BEA data don't account for the massive debt and unfunded liability increases needed to juice up existing economic growth.
- If those effects—which suggest that U.S. GDP is as much as 30% smaller than experts claim—are included, they could herald a coming slow-motion, Soviet Union-style collapse in the American economy.
- The BLS calculations rely on the flawed GDP totals produced by the Bureau of Economic Analysis. As John Williams of ShadowStats notes, the results are likely overestimated, because the deflator the BEA uses does not fully account for the loss in purchasing power in the U.S. dollar—the unit of measure used in its calculations.
- The U.S. economy is no bigger than it was two decades ago. Yet America's population has shot up by 15% since then. This suggests the country's per capita productivity has fallen by 0.75 percentage points per year on a straight-line basis since then.



MACRO ANALYTICS & TECHNICAL ANALYSIS

MATASII

STRATEGIC INVESTMENT INSIGHTS



THESIS 2020 – GLOBAL CONFLICT SITUATIONAL ANALYSIS

- Global conflicts arise when rising powers challenge established powers, and one side miscalculates its strength / ability to win any conflict. This over-confidence can work both ways--the rising power can overestimate its strength and so can the established power.
- Any quasi-military conflict is fundamentally a financial conflict: who can borrow more as the global economy unravels.
- What exactly are the benefits of winning a conflict? The object may not be victory so much as crippling a global competitor with high costs and low growth.
- Today's geopolitical arrangement is multi-polar, with China's rise creating potential conflicts with Europe, the US, Japan and India, and even Russia, despite the lovey-dovey talk and energy pipelines. Beneath the surface, Russia is as concerned about China's ambitions as all the other powers.
- The ability to borrow immense sums of money to pay for armed forces and R&D is a core asset. Nations that lack a global currency and the ability to borrow trillions of dollars will be at an extreme disadvantage. Thus the USSR collapsed when it could no longer maintain high military spending once oil revenues plummeted. The USSR did not have the ability to sell trillions of dollars of bonds denominated in rubles.
- The traditional prizes of winning a war are simply not that valuable: conquered territory, for example, requires immense resources to occupy and control. The resources gained may not even pay for these costs.
- Imposing trade route restrictions requires a global blue-water Navy which is increasingly vulnerable to low-cost missiles, drones, etc. Again, the costs of maintaining a global blue-water Navy are crushingly high. Are the gains enough to pay these extraordinary costs?
- Historically, wars arise when the population of unmarried young men peaks. Demographically, that surplus labor is put to work fighting a war. This dynamic is most visible now in Africa. The demographics in China and its competitors are not conducive to conventional war (the population of young unmarried men is needed in the civilian workforce) and so nations will choose low-intensity conflict such as cyber warfare, economic/financial warfare, etc.

A GLOBAL STABILITY TEST

- It is an undeniable fact that the global economy is experiencing a secular slowing of the REAL economic growth RATE.
- Poor policy decisions have moved the developed economies off sound money and unto Fiat Currencies.
- As a consequence Global Imbalances have been left to grow unchecked risking global financial markets to an inevitable stability test which is to be expected within a cycle of change.
- What can only be termed Monetary Malpractice has resulted in the mispricing of risk and lack of price discovery. This in turn has contributed along with other poor policies and regulations with the effective impairment of capitalism.
- We no longer operate in a true Capitalist System but rather what is better termed an artificial Creditism System.
- We are now faced with a fragile global economic system and levels of Inequality which historically has lead to social unrest and major changes in the status quo.

EMERGING ERA OF POLITICAL & SOCIAL CONFLICT

- The end of what many call the "Debt Supper Cycle" or Kondratieff's Long Wave is now near at hand which will have major global ramifications.
- Policies enacted over the last decade since the Financial Crisis have basically been ones of "Kicking-the-Can-Down-the Road" and papering problems over. These unresolved problems manifest themselves into Economic problems on a larger regional basis and then inevitably lead to Political problems on a global basis as Slowing Economic Growth and Inequality caused the breakdown of the Social Contract between the governing and the governed -- which we are now seeing across the globe in the form of "Populist" movements.
- Unresolved Problems" lead to a Bad Cocktail Mix. They inevitably lead to Conflicts in various forms - Financially - Economically and Politically
- We can expect: Currency Wars, Trade Wars, Capital Wars, Cyber Disruption Wars, Military Wars etc.
- To keep the global economy from imploding policy planners have resorted over the last decade to Economic policies that only a decade ago would have been considered heresy! Like Quantitative Easing (QE).

- We see three big events or forces ahead:
 - The point where there's an economic downturn and central banks can't cut interest rates further and their asset purchases cease being effective,
 - When rising inequality sparks "extreme" conflicts between the rich and poor,
 - The battle for global dominion between the rising power of China and the incumbent world power, the US.

NEW WEAPONS OF CONFLICT

- In this section we explore the drivers of increasing global chaos and a permanent state of intensifying conflict in both domestic (internal) and global (external) affairs.
- Geopolitics has moved from a slow-moving, relatively predictable chess match to rapidly evolving 3-D chess in which the rules keep changing in unpredictable ways.
- A declining standard of living in the developed world, declining growth for the developed world and geopolitical jockeying for control of resources make for a highly combustible mix awaiting a spark: welcome to the era of intensifying chaos and the rapid advance of new weapons of conflict as ruling elites attempt to stamp out dissent and global powers pursue supremacy by whatever means are available.
- **Domestic conflict is erupting and intensifying across the globe:** political polarization and populism, driven by soaring wealth/income inequality and the decay of the social contract and the erosion of standards of living, and social disunity and disorder as cooperation has failed to fix what's broken.



- **Geopolitical conflicts are now expanding across a vast spectrum** from endless wars in contested regions to cyber-meddling in other nation's domestic affairs, cyber-warfare via theft of intellectual property and targeting essential digital infrastructure, economic sanctions and currency-based warfare, along with a wide array of disruptive military technologies, including "first strike"-enabling hypersonic weaponry, anti-missile technologies and space-based weaponry.
- The relative stability of the Cold War has given way to a multi-polar world in which nations are competing with a host of other nations, including erstwhile allies and economic/trade rivals. Geopolitics has moved from a slow-moving, relatively predictable chess match to rapidly evolving 3-D chess in which the rules keep changing in unpredictable ways.

With so many sparks flying, the combustible mix is looking increasingly unstable, chaotic and risky.



ADVANCED FINANCIAL & CURRENCY WARS

- The Debt Super-Cycle which was kicked off in 1980 with International Balance of Trade Settlements using credit versus gold is coming to an end.
- The Kondratieff Long Wave Cycle is in the “winter” part of its cycle and has been delayed from ravaging the economy and financial markets by untested massive monetary policies of Financial Repression.
- Debt usury fees which have been growing at a faster rate than the economy for an extended period of time are now consuming much needed investment capital.
- Lending is based on Collateral which through Rehypothecation and Collateral Swaps is now highly suspect and exposed to third party failure and collateral contagion.
- The 2008 Financial Crisis which stemmed from the short term funding market seizing up due ABCP being used to borrow short and lend long has been replaced by Repo funding with inherent problems associated with Failing Excess Bank Reserves and banks unwillingness to lend overnight / short term to other banks.
- Policies of Unsound Money and Global Imbalanced are now placing strains on Fiat Currencies which are well advanced on the roadway to failure which has historically always occurred with Fiat Currencies.

RESULTING INVESTMENT TRENDS FOR THE 20's

- The Era of Global Conflict will result in radical policy extremes in an attempt to maintain the status quo.
- Politicians and Policy Planners will resort to changing established rules.
- Expect changes in the laws, regulations and taxation.
- Disruptions will cause increasing shortages and attempts at hoarding. This will add further to inflationary pressures.
- The challenge to Investors will be to maintain the real value of their capital holdings.
- Investments in various forms of Defense, Value versus Growth, Hard Assets, Precious Metals and Commodities will have their “day in the sun”.
- Currency erosion will drive perceived inflation higher with some Fiat Currencies seeing early signs of Hyper-Inflation in the 20's
- Investors will need to pay particular attention to short versus intermediate versus long term timing of investments. The coming Fiat Currency collapse will go through various stages which will require many longer term investment themes and strategies to shift as they develop.

CONCLUSIONS

- The 20's will be about managing Risk to protect capital. This will contrast with the last two decades that have been primarily about growing capital.
- Our Thesis papers over the last decade have pointed the way. The fact that problems have not been addressed has only lead to heightened investment risk.
- Capitalism has been morphed into Creditism which is only sustainable if lenders can afford to lend and borrowers can afford to borrow, Creditism comes to an abrupt end when insufficient wealth is being created to increase collateralized lending leverage at a sufficient rate to match the rate of growth of the debt/credit burden.
- In an Era of Conflict Economic Growth is stymied while lending becomes riskier and hence more costly!

THESIS 2021 – SOCIAL SUPPRESSION

EVOLVING THESIS PAPERS

- A progression of Economic & Financial Security worries, followed by Physical and Health Safety fears, has resulted in an increasing surrender of Personal and Economic Freedoms,
- Major unresolved Global problems have shown themselves in Financial and Economic crisis at the Domestic and Regional levels and now have become Global political resolution problems,
- The world's modern post WWII financial system is built on two bedrocks which are under assault:
 - US DOLLAR: The World's Reserve Currency & Trade Currency is the US Dollar.
 - RISK FREE BENCHMARK: The US Long Bond is still considered the benchmark for the pricing of risk.

LONG CYCLES & THE FOURTH TURNING

- All the major cycles are converging in an unprecedented fashion between 2018-2023 with many centered on 2020-2022, marking a period of social turmoil and major global change.
- We should expect to witness unprecedented shifts in global wealth and power as the world shifts from a Unipolar to a Multi-Polar leadership basis, thereby impacting financial, economic and political systems and dependencies.
- If you feel like events occurring around you as reported on "the nightly news" seem bizarre and even preposterous, you are witnessing what occurs when major long term cycles occur. Since the cycles are long cycles, few people have lived long enough to have experienced similar historical occurrence of almost "madness like" behavior other than through historical reading.
- Human history manifests cycles of social disintegration and integration in which the impulse to cooperate in large social structures waxes and wanes.
- Technology Innovation (AI, Robotics, and Biotech) will increasingly be the central driving catalyst.
- On the other side of the coming turmoil & discord is likely to be the greatest acceleration in productivity, innovation and global standard of living in the history of mankind.

All of the above longer term issues are now resulting in the following:

ROAD TO STATISM & TOTALITARIAN CONTROL

- We have witnessed Aldous Huxley warning of increasing state control occurring through MANIPULATION of our perceptions & images and the fulfillment of our desires and wants, in addition to George Orwell's view of increasing REPRESSIVE measures such as surveillance, fear, ordered compliance and the control of the fulfillment of our needs.
- We have witnessed in the last decade the inevitable progression from MANIPULATION towards REPRESSION through a 'TRANSITION' visible in the form of increasing authoritarian control. This came in the form of increasing government Central Planning, Regulations, Rules and Control.
- We have witnessed the power of Human Cycles in the form of current events and public policy reactions.
- We have witnessed the destruction of many myths regarding our Beliefs, Freedoms and Rights over the last decade.
- Our Constitution, Bill of Rights and Separation of Powers are now under attack with the potential for changes regarding 'Packing of the Courts', Changes in the Electoral College, and Congressional Procedures.

FINANCIAL REPRESSION v SOCIAL SUPPRESSION

- We are presently experiencing the double forces of Financial Repression and Social Suppression occurring simultaneously.
- FINANCIAL REPRESSION: Good-intentioned objectives by government & central banks translate into policies, financial reform and regulations which collectively cause unintended consequences ultimately resulting into the adverse risks to investors and retirees.
- SOCIAL SUPPRESSION: Forms of Personal Freedoms Under Attack:
 - Americans' constitutional rights as safeguarded by the Bill of Rights.
 - Freedom of Speech,
 - Right to Bear Arms
 - Religion
 - The Rule of Law and Equal Justice to All,

- Public Health Safety,
- Moral Courage, Values and Compassion being taught by our Educational Institutions,
- Rulers and Those Ruled have common interests.
- The Mainstream Media and Social Media can be trusted & are "on the side" of the Public,
- Politicians rule with the "consent of the governed".
- Personal Physical Freedoms of Travel and Congregation,
- The People's Voice.

TODAY'S SOCIAL SUPPRESSION

- US Economic Inequality could become so severe, wealth concentrated in the hands of so few, that it is contaminating the political realm, where those vast wealth disparities are rendering political rights and legal equality illusory.
- When the First Amendment was written, the media, our elected representatives and "We the People" were on the same side. The Amendment was intended to protect "We the People" from the encroachment of government on our inalienable rights. It therefore also protected the freedom of the press as watchdogs on government for "We the People".
- Today:
 - "We the People" have lost our Voice,
 - Politicians Are Controlled by Party & Media Coverage,
 - Unelected Party Bosses Are In Control,
 - Campaign Funding Dictates Policy,
 - We now have Top Down versus Bottom up Control Messaging & Public Consensus,
 - The Government Has Stopped Listening & As Such Is Freed From Accountability,
 - A Bureaucracy of Unelected or Appointed Officials In Control
- We have witnessed a dangerous consolidation of the US Media which now sells Narrative and Censors Opposing Narrative.
- Economic power has become so concentrated in the hands of such a small number of U.S. corporate giants and mega-billionaires, and that this concentration in economic power has ushered in virtually unchallengeable political power in their hands and virtually none in anyone else's, that the U.S. resembles more oligarchy than anything else,
- Economic elites and organized groups representing business interests have substantial independent impacts on U.S. government policy, while mass-based interest groups and average citizens have little or no independent influence.
 - The Media is now an Extension of the Political Apparatus,
 - The Media Now Sells Narrative and Censors Opposing Narrative.
 - Media is Now a Commodity that can be (and is) bought,
 - Propaganda (Narrative) is not News nor does it actually inform the electorate,
 - Media is now a tool for the "Powers to Be" to Sell their desired agenda,
- We no longer have free market capitalism rewarding innovative titans, but rather crony capitalism that is abusing the power of the state to crush small competitors, lavish corporate giants with ever more wealth and power, and turn millions of Americans into vassals whose best case scenario is working multiple jobs at low hourly wages with no benefits, few rights, and even fewer options.
 - Those most disgusted by this outcome should not be socialists but capitalists,
 - This is a classic merger of state and corporate power — also known as a hallmark of fascism in its most formal expression — that abuses state interference in markets to consolidate and centralize authority in a small handful of actors in order to disempower everyone else.
 - Those trends were already quite visible prior to Trump and the onset of the pandemic, but have accelerated beyond anyone's dreams in the wake of mass lockdowns, shutdowns, prolonged isolation and corporate welfare thinly disguised as legislative "relief".

*"The dominant strain of U.S. Neo-Liberalism — the ruling coalition that has now consolidated power again — is **Authoritarianism**. They view those who oppose them and reject their pieties not as adversaries to be engaged but as enemies, domestic terrorists, bigots, extremists and violence-inciters to be fired, censored, and silenced. And they have on their side — beyond the bulk of the corporate media, and the intelligence community, and Wall Street — an unprecedentedly powerful consortium of*

tech monopolies willing and able to exert greater control over a population that has rarely, if ever, been so divided, drained, deprived and anemic”.

THREE CONTROLLING INFLUENCES

“America will never be destroyed from the outside. If we falter and lose our freedoms, it will be because we destroyed ourselves”. - President Abraham Lincoln

“America’s Biggest Weakness is Corruption” - Chinese Military Strategist

THE THREE DRIVING FORCES OF SOCIAL SUPPRESSION

THE GLOBALISTS (The Davos Crowd)

- WEF, WHO, UN, World Bank, IMF
- Proponents: The Great Reset

CHINESE COMMUNIST PARTY (CCP)

- A “Slow US Coup”
- “Implementing” a New Form of ‘Color Revolution’

DEEP STATE & BIG MONEY/MEDIA (Public Private Partnerships – PPP)

- Deep State (CIA, NSA, FBI, DOJ, MI),
- Crony Capitalists (Big Media: Big Tech + MSM),
- The Unelected Permanent Bureaucracy,
- Think Tanks (Creators of Bills, Narrative, Spin and Talking Points),

CONCLUSIONS

“A Society Not Built on TRUTH is built on TYRANNY!” Our founding fathers & framers of the Declaration of Independence

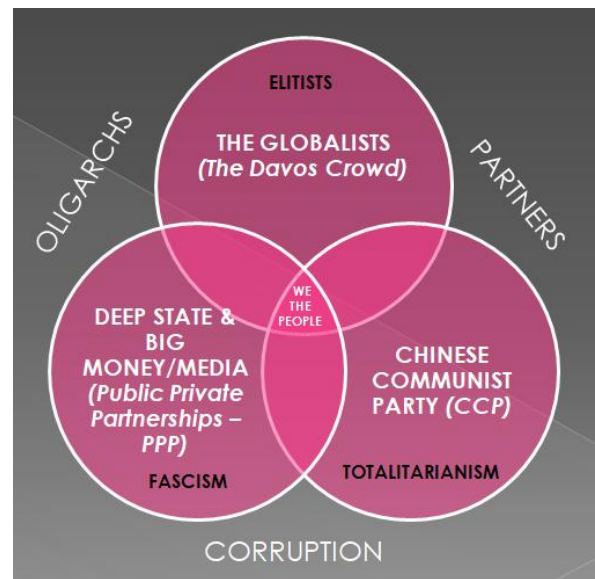
What is Actually Under Attack?

- Importance (Value & Rights) of the Individual in Self Determination,
- The foundational understanding that political power comes from the ‘Consent of the Governed’,
- The understanding and appreciation of the unwritten ‘Social Contract’ between the electorate and the elected,
- The Global ‘Beacon of Light’ & Moral Compass which the US Constitutional Democratic Republic has been the world holder for everyone alive today.

How Does Something Like This Change?

It starts with the generational change of young minds.

- First through Revisionist History,
- Secondly through Educational Indoctrination (Mandated “Diversity Training”)
- Thirdly through Media Control
- Fourth through Corruption



APPENDIX II: Supporting Materials from Previous Writings

VIDEO: [UnderTheLens - 11 24 21 - DECEMBER - Investment Significance of COP 26](#)

NEWSLETTER: [WILL THE CURRENT ENERGY SHORTAGE SHOCK IMPEDE THE CLIMATE CHANGE JUGGERNAUT?](#)

NEWSLETTER: ["GLOBAL WARMING" IS MOST FUNDAMENTALLY ABOUT "GLOBAL MONEY PRINTING"!](#)

NEWSLETTER: [NEVER MIX POLITICIANS WITH SCIENTISTS!](#)

NEWSLETTER: [FUTURE FINANCIAL REPRESSION IS GREEN!](#)

DAVOS & THE WORLD ECONOMIC COUNCIL: THE GREAT RESET

As paraphrased by the World Economic Forum,

"You will own nothing, have no privacy, and be much happier!"

The media is now the catalyst for creating change to support globalist views like the "Great Reset" which they are propagating.

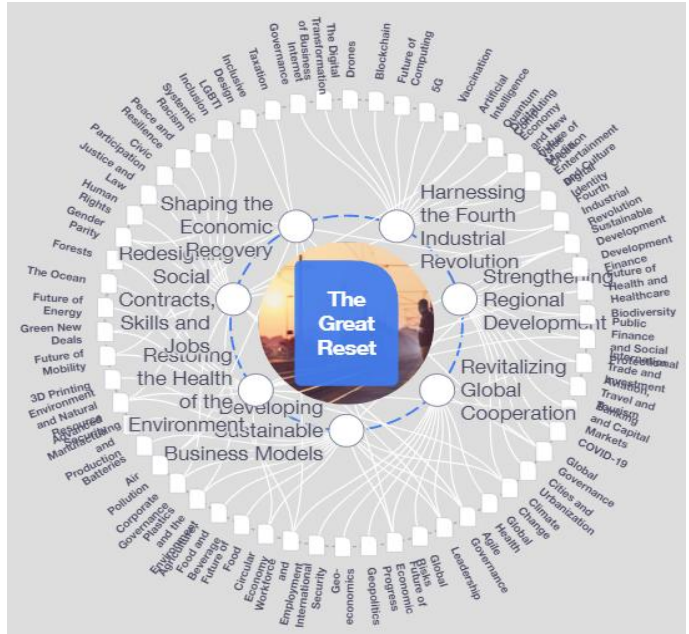
HOW IT IS BEING SOLD

The Great Reset agenda would have three main components.

1. The first would steer the market toward fairer outcomes.
2. The second component of a Great Reset agenda would ensure that investments advance shared goals, such as equality and sustainability.
3. The third and final priority of a Great Reset agenda is to harness the innovations of the Fourth Industrial Revolution to support the public good, especially by addressing health and social challenges.

OUR TRANSLATION:

- 1- STEER THE MARKET:
Capitalism Steers the Market
- 2- ADVANCE SHARED GOALS:
A Globalist Agenda
- 3- HARNESS INNOVATIONS for SOCIAL CHALLENGES:
A Coming Social Credit System



THE REQUIRED CENTRAL ROLE OF THE MEDIA FOR THE GREAT RESET

- Create Catalysts for Change
- Slant Events to Support Direction – Covid-19
 - Lockdowns (Similar to 911 'Terrorist' & Patriot Act)
 - Government Mandates (Control)
- Placing Chosen Leadership in Power,
 - Biden-Harris
- Condition Public Expectations,
 - Bigger Government & Reliance
 - Government Assistance / Dependency

PLEASE REVIEW OUR VIDEO ON THIS SUBJECT:

20 Minutes with 29 supporting slides

UnderTheLens - 11-25-20 - DECEMBER - The Great Reset

VIDEO LINK:

[SUBSCRIBERS LINK](https://youtu.be/xrBjeYfKwPA)

<https://youtu.be/xrBjeYfKwPA>

TRANSCRIPTION:

[SUBSCRIBER LINK](https://bit.ly/3lcP3sJ)

<https://bit.ly/3lcP3sJ>-Transcription



MAJOR LONG CYCLES

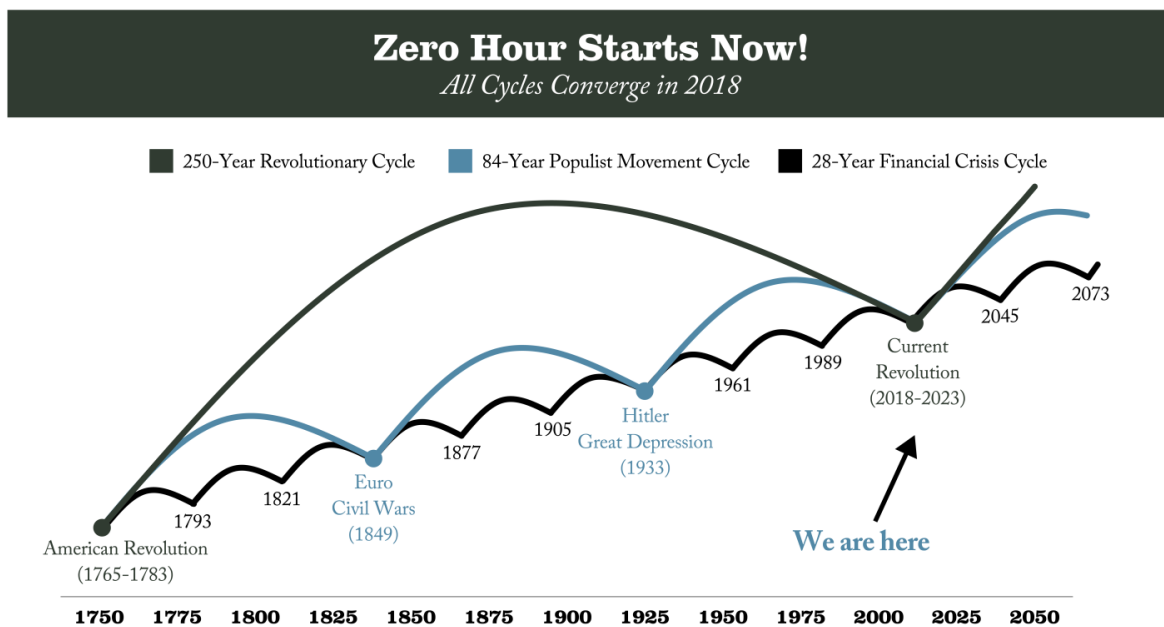
There are many types of long term cycles ranging from the 500 year Empires Cycle to the 7 Year Credit Cycle. We have distilled the cycles most important as we enter the early stages of the next decade.

What we will see is that all the major cycles are converging in an unprecedented fashion between 2018-2023, with many centered on 2020-2022, marking a period of major social turmoil and likely resulting global change.

Three Longer Term Cycles

All three of the following cycles are pointing to a converging era from 2018-2023.

- 250 Year Revolutionary Cycle,
- 84 Year Populist Movement Cycle,
- 28 Year Financial Crisis Cycle.

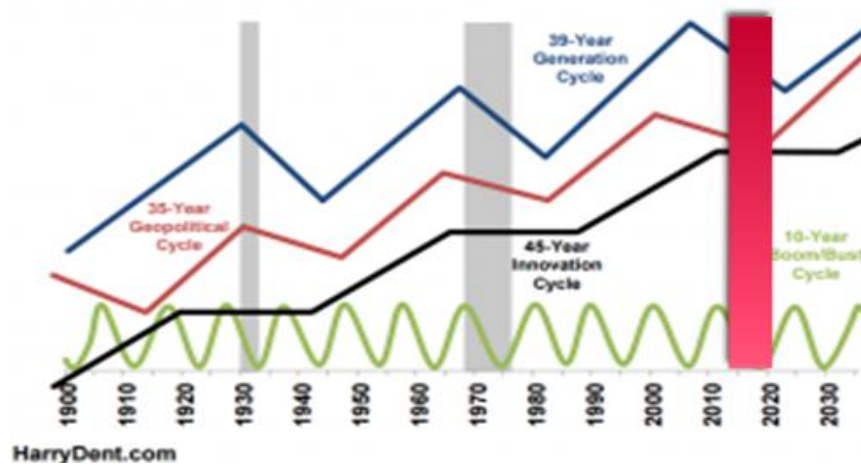


Four Shorter Term Cycles

All four of the following cycles are pointing to a converging era from 2019-2021.

- 45 Year Innovation Cycle,
- 39 Year Generation Cycle,
- 35 Year Geo-Political Cycle,
- 10 Year Boom Bust Cycle.

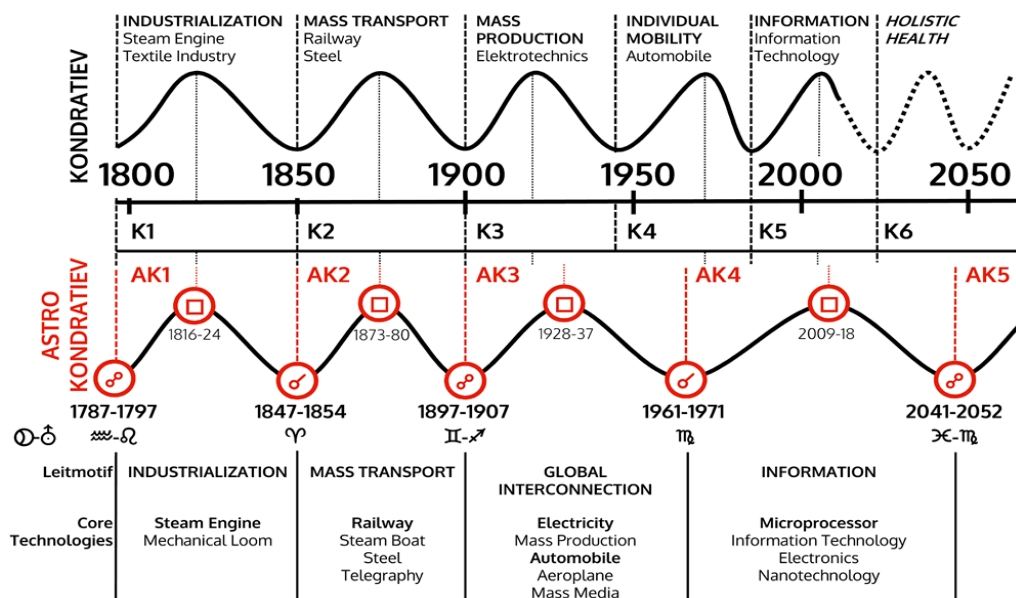
Hierarchy of Macroeconomic Cycles Developed Countries



The Kondratieff Cycle

The well followed Kondratieff Cycle has been greatly distorted due to removal of currencies from Sound Money to "Fiat Currencies", based solely of the "Faith and Good Credit" of their sovereign issuers.

The Kondratieff Cycle is indicating a K5 low in approximately 2025.



FOURTH TURNING & THE AGE OF DISCORD

Fourth Turning

The very popular "American Cycles and Turnings" by Strauss and Howe predicts the Fourth Cycle (Millennial: 1946-2026) and its sub-cycle, the Fourth Turning, to occur during the period from 2008-2026.

American Cycles and Turnings as Defined by Strauss and Howe with Its Wars, 1704 to present		
Cycles	Turnings	Wars
(1) Revolutionary (1704-1794)	1- High; 2- Awakening 3- Unraveling (1748-1773) 4- <i>Crisis</i> (1773-1794)	French and Indian Wars American Revolution
(2) Civil War (1794-1885)	1- High; 2- Awakening 3- Unraveling (1844-1880) 4- <i>Crisis</i> (1880-1885)	Mexican War The Civil War
(3) Great Power (1885-1946)	1- High 2- Awakening (1888-1908) 3- Unraveling (1908-1929) 4- <i>Crisis</i> (1929-1946)	Spanish-American War World War I World War II
(4) Millennial (1946-2026?)	1- High; 2- Awakening 3- Unraveling (1984-2008) 4- <i>Crisis</i> (2008-2026?)	Iraq Wars War in Afghanistan World War III (?)

The molten ingredients of the climax should include the following:

Economic distress, with public debt in default, entitlement trust funds in bankruptcy, mounting poverty and unemployment, trade wars, collapsing financial markets, and hyperinflation (or deflation).

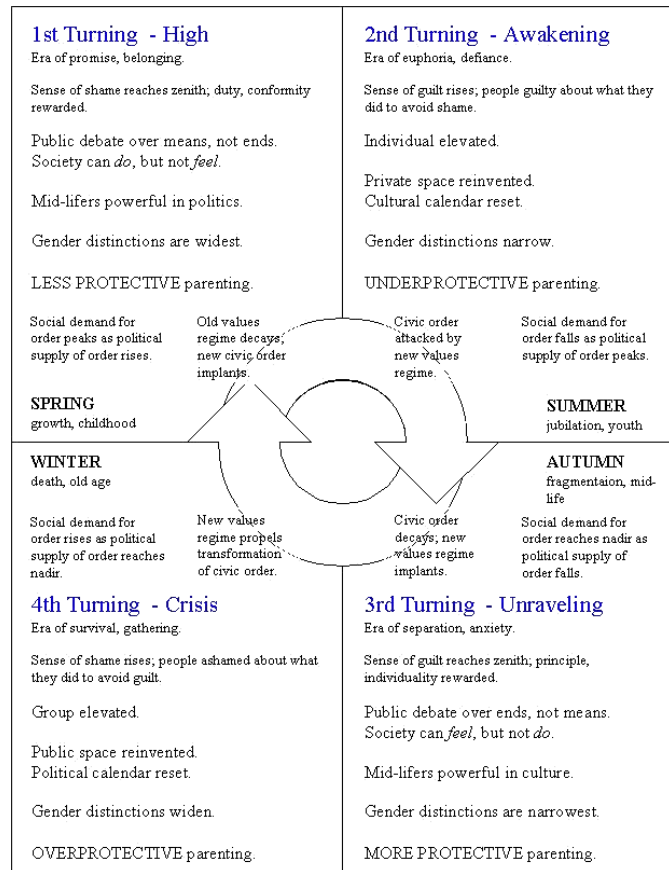
Social distress, with violence fueled by class, race, nativism, or religion and abetted by armed gangs, underground militias, and mercenaries hired by walled communities.

Cultural distress, with the media plunging into a dizzying decay, and a decency backlash in favor of state censorship,
-Technological distress with cryptoanarchy, high-tech oligarchy and biogenetic chaos.

Ecological distress, with atmospheric damage, energy or water shortages and new diseases

Political distress, with institutional collapse, open tax revolts, one-party hegemony, major constitutional change, secessionism, authoritarianism and altered national borders

Military distress, with war against terrorists or foreign regimes equipped with weapons of mass destruction



By Steve Barenas (sbarenas@mindspring.com), adapted from *The Fourth Turning*, William Strauss and Neil Howe, 1997, Broadway Books.

Peter Turchin's "Age of Discord"

Another well researched work on cycles is the 'Ages of Discord' by Peter Turchin

Turchin advocates that:

"Human history manifests cycles of social disintegration and integration in which the impulse to cooperate in large social structures waxes and wanes".

According to Turchin WE ARE ON THE WRONG TRACK!

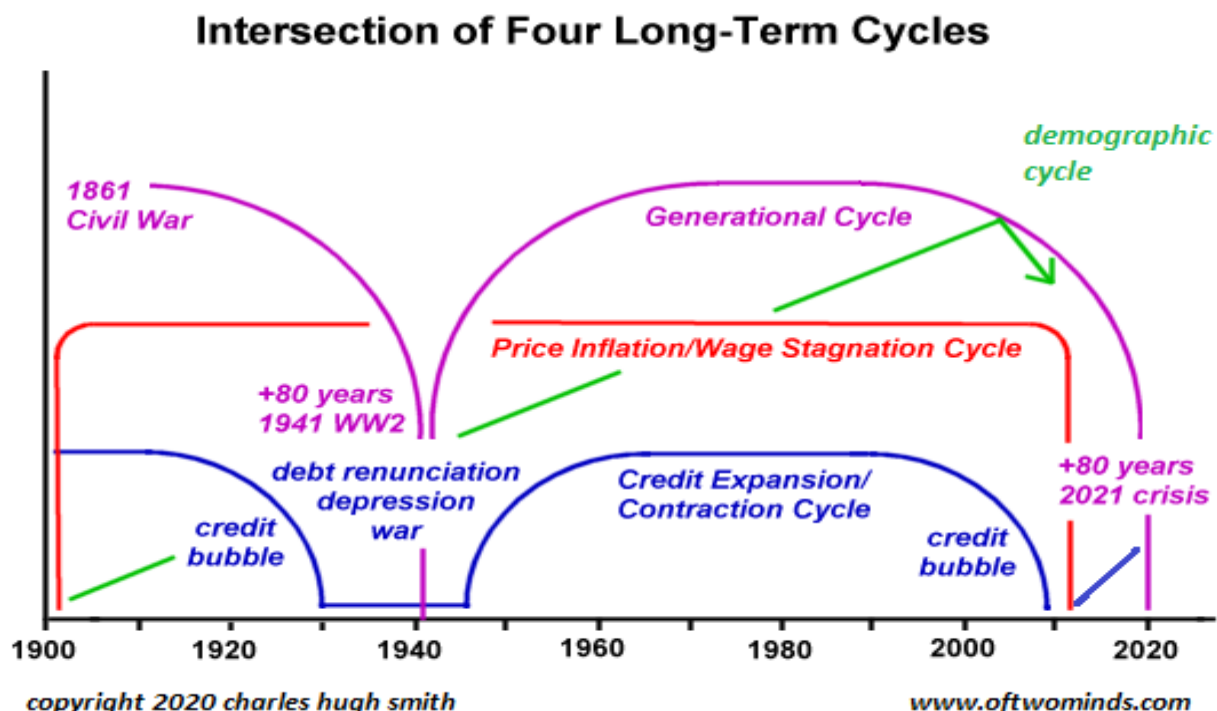
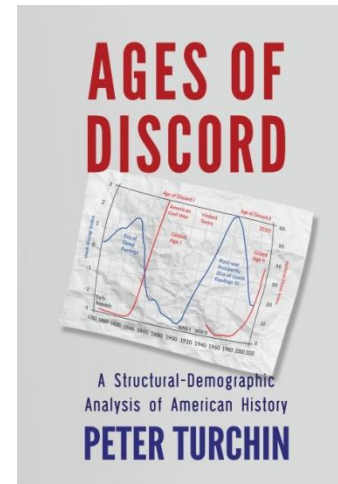
Seventy percent of Americans (and counting) think so. The real wage of a US worker today is less than it was 40 years ago, but there are four times as many multimillionaires. As inequality grows, the politics become more poisonous. Every year, more and more Americans go on shooting sprees, killing strangers and passers-by and now, increasingly, representatives of the state.

Troubling trends of this kind are endlessly discussed by public intellectuals and social scientists. But mostly, they talk about only a small slice of the overall problem. After all, how on earth can yet another murderous rampage have anything to do with polarization in Congress? And is there really a connection between too many multimillionaires and government gridlock?

Historical analysis shows that long spells of equitable prosperity and internal peace are succeeded by protracted periods of inequity, increasing misery, and political instability. These crisis periods - "Ages of Discord" - have recurred in societies throughout history.

Modern Americans may be disconcerted to learn that the US right now has much in common with the Antebellum 1850s and, more surprisingly, with ancient régime France on the eve of the French Revolution.

Can it really be true that there is nothing new about our troubled time and that similar ages arise periodically for similar underlying reasons? Ages of Discord marshals Structural-Demographic Theory and detailed historical data to show that this is, indeed, the case.



Ray Dalio's 'The Changing World Order'

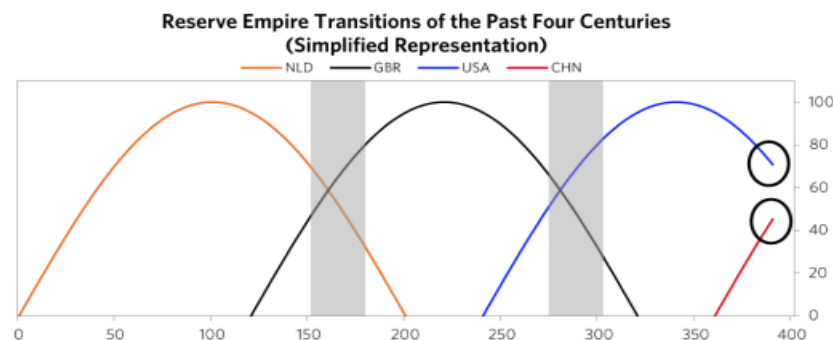
The Changing World Order: The Big Cycles over the Last 500 Years

Ray Dalio is one of the world's largest money managers. He has spent half a century studying global markets. His latest published work *'The Changing World Order'* examines history's most turbulent economic and political periods to reveal why the times ahead will likely be radically different from those that we've experienced in our lifetimes.

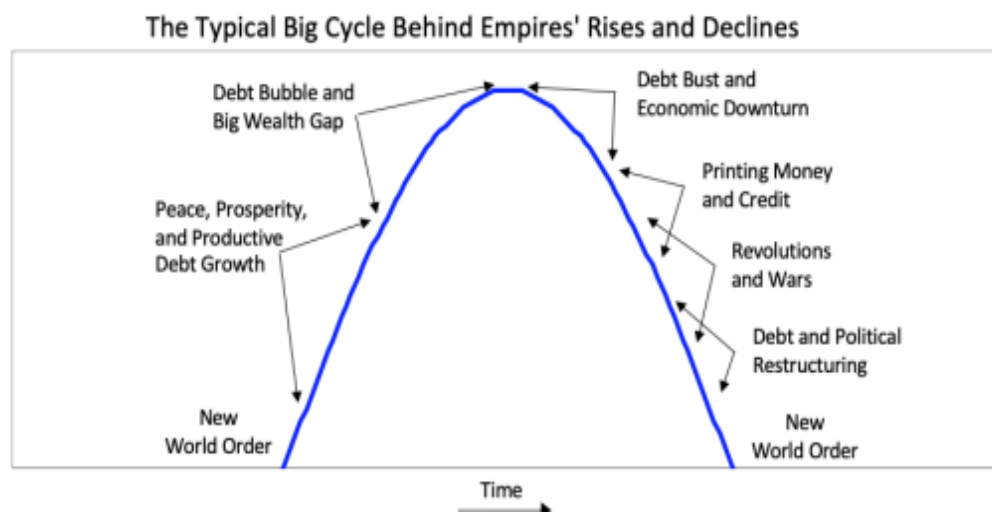
A few years ago, renowned investor Ray Dalio began noticing a confluence of political and economic conditions he hadn't encountered before in his fifty-year career. They included large debts and zero or near-zero interest rates in the world's three major reserve currencies; significant wealth, political, and values divisions within countries and emerging conflict between a rising world power (China) and the existing one (US).

Seeking to explain the cause-effect relationships behind these conditions, he began a study of analogous historical times and discovered that such combinations of conditions were characteristic of periods of transition, such as the years between 1930 and 1945, in which wealth and power shifted in ways that reshaped the world order.

*Looking back across five hundred years of history and nine major empires—including the Dutch, the British, and the American—*The Changing World Order* puts into perspective the cycles and forces that have driven the successes and failures of all the world's major countries throughout history.*



Dalio's research reveals the timeless and universal dynamics that were behind these shifts, while also offering practical principles for policymakers, business leaders, investors and others operating in this environment.



APPENDIX III: Three Competing Global Forces

THREE COMPETING FORCES

"America will never be destroyed from the outside. If we falter and lose our freedoms, it will be because we destroyed ourselves"

President Abraham Lincoln

"America's Biggest Weakness is Corruption"

Chinese Military Strategist

THE THREE DRIVING FORCES OF SOCIAL SUPPRESSION

THE GLOBALISTS (The Davos Crowd)

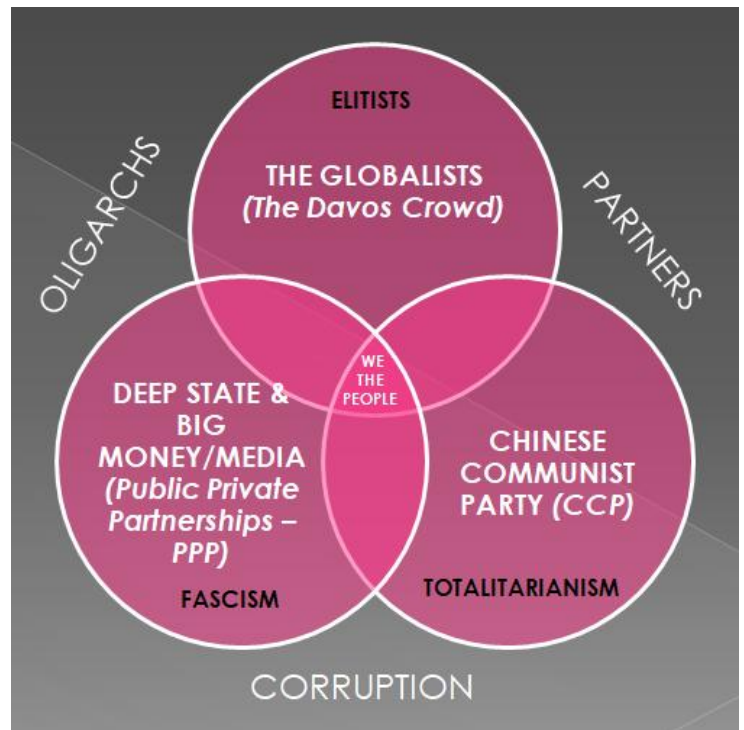
- WEF, WHO, UN, World Bank, IMF
- Proponents: The Great Reset

CHINESE COMMUNIST PARTY (CCP)

- A "Slow US Coup"
- Implementing a New Form of 'Color Revolution'

DEEP STATE & BIG MONEY/MEDIA (Public Private Partnerships – PPP)

- Deep State (CIA, NSA, FBI, DOJ, MI),
- Crony Capitalists (Big Media: Big Tech + MSM),
- The Unelected Permanent Bureaucracy,
- Think Tanks (Creators of Bills, Narrative, Spin and Talking Points)



They were all temporarily aligned to achieve the removal of President Donald J Trump.

A SHOCKING PERSPECTIVE

The following eight pages contain two research article clips that you need to read in their entirety to gain some possible unappreciated insights. I am not endorsing the work, but rather I think it is important to assist you in developing your own views regarding what possibly is at the center of the current "push" towards Social Suppression. What are the possible motives, how is it organized and how could it have emerged?

The opening comments of this section (above) are my own, as is the rest of this section, where a lot of my own views seem interestingly to have some similar correlations to the following:

Clip #1: Taken from the extensive work by:
Global Intel Hub, Second Sight Analysis – Crediblock.com 1/1/2021

THE GLOBALISTS (The Davos Crowd)

They are Globalists. They are anti-nation state. They don't believe in Nationalism. They believe that people are stupid, and that it's their job to make the decisions for people. The only thing standing in their way of global domination is a strong United States.

Problem: Trump

Reaction: Trump is a liar and evil dictator, and needs to be removed 'by any means necessary', meaning even if by force or illegally. We need to throw the constitution out, and legal system if needed.

Solution: Global dictatorship, one single Crypto currency for the whole world, managed by not one dictator but a group of 12 wise men (Swiss system) where individual nations have no sovereignty or rights, all under the auspices of 'saving the planet.'.

As paraphrased by a leading think tank of the new world order, the World Economic Forum, "You will own nothing, have no privacy, and be much happier".

CHINESE COMMUNIST PARTY (CCP)

To be clear, the Elite are using China to erode the US from within.

The GLOBALISTS themselves simply doesn't have the resources. They needed to make a deal with China and it was a very synergistic partnership because China wants the same thing.

- They want US property,
- They want to expand their Empire,
- They want a seat at the table of 12 seats.

In exchange, China allows the Elite to do whatever they want in China (like release the Wuhan Virus) and it's completely secret, China is a black hole. Perhaps in the terms of the deal they gave China Hong Kong.

This de-nationalization process already happened in the European Union starting in 1990ish and culminating in 1999 with the Euro. A country is a currency, without a currency, there is no sovereignty. The Euro was great for European Elites and terrible for the masses, another proof of what's going on in the U.S. domestically.

The same group of people, call them what you will, Globalists, has done the same thing in hundreds of countries. The plot is the same.

- First you send in the bankers, who offer you loans which would be illegal under U.S. usury rules, 20% interest and so on. For billions of dollars.
- They find a corrupt dictator and bribe him. He gets millions, they default on the loans, and the bankers get the collateral, which can be oil, water, factories, or some other resources.
- If the bankers don't work, they send in the jackals (hitmen) and if that fails, such as in Iraq, in comes the US Army 'Coalition of the Willing.'

- We must remember that the US is not the brains behind this system; the brains and planners are the British. The US is the muscle, the vast resources.

So you see, if this same plot was to be carried out domestically, a foreign power like China was necessary. US military soldiers will never turn on their own no matter how much you pay them. You can pay Americans to kill Iraqis, but never their own brothers in another state. So for operation US Coup, China is the muscle and the black hole where they could release Wuhan Flu and [launch a digital currency](#):

- China may be the first major country to launch a central bank digital currency or CBDC.
- The Chinese CBDC, named DCEP, will strengthen the position of the central bank and help to further modernize the Chinese economy.
- The DCEP will probably also be available for China's trade partners, to begin with Africa.
- The DCEP may strengthen the international position of the renminbi to the detriment of the euro.
- The arrival of the DCEP should be a strong wake-up call for Western, especially European, policymakers.

The Chinese are not innovators, they are being supported by major US and global interests in the technology and banking sectors. For technology, Google has invested billions of dollars in Artificial Intelligence for the Chinese Military, and that has been flagged by Palantir founder Peter Thiel. Goldman Sachs is playing banker for the Chinese, and they have been rewarded for their efforts being the first company to buy out their Chinese partners, being the [first western bank to own 100% of their own Chinese company](#):

Goldman Sachs Group Inc. is moving to acquire 100% ownership of its securities joint venture in China, deepening its investment in the world's second-largest economy after partnering with a domestic brokerage for 17 years.

If you look at a single news piece such as the above WSJ article, you may not connect the dots. The critical mass which tipped this to the point of alarm is the fact that in investigation of the election fraud, there is an overwhelming amount of evidence pointing to China. China did not design the fix, they implemented it, they are the muscle. They built the voting machines, supplied special paper ballots and activated their US spies to disrupt the physical election process. Finally, they bought Dominion Voting Systems from Staple Street Capital thirty days before the election, in a deal organized by UBS Hong Kong.

[Bombshell SEC Form D filing](#), showing that their STAPLE STREET CAPITAL III, L.P. fund sold \$400,000,000 worth of securities to global investment bank UBS Securities on October 8, 2020. Note that this is a notice of sale of securities, it does not mean that a transaction took place. But under the circumstances you wouldn't file a form D unless you absolutely had to (transaction is imminent). We've downloaded a [PDF copy](#) should this vanish from the SEC's site on the [Global Intel Hub Library](#). Another piece of critical info we don't have - what is included in the STAPLE STREET CAPITAL III, L.P. What we do know is the rough size of the 2018 transaction, about \$265 Million, according to a [Pitchbook story](#): [Staple Street Capital](#) has purchased [Dominion Voting Systems](#) alongside company management. Dominion is a provider of election tabulation services for state and local governments in the US and Canada. Funds for the investment came via Staple Street's second flagship vehicle, which closed on \$265 million in 2015.

This accomplished a few things, it paid off Staple Street in a sweet profit on a multi-year investment, but it more importantly washed the hands of Staple Street in any wrongdoing. It also clouds the ownership structure so no one can be held accountable. Who the investors were in Staple Street we don't know, it's Private Equity. But we know who signed off on the deals, Stephen Owens and Hootan Yaghoobzadeh (Iranian).

DEEP STATE & BIG MONEY/MEDIA (Public Private Partnerships – PPP)

You may be thinking at this point, where is the CIA? Don't we spend billions on intelligence in order to prevent this kind of infiltration? It's a valid question, but one needs to further understand what the CIA is and its origins. It was a product of the global power shift after World War 2, a real Globalist institution. The fact that it is financed by US taxpayer money is really only a financial relationship, part of the Marshall Plan. The CIA offers no accountability, no transparency to its activities. But based on what we see from the outside, the CIA is a private intelligence service that supports Globalism and the business of Empire. The first example of this was in 1954 when a CIA backed coup overthrew the democratically elected Arbenz, who

was swapped out for US backed brutal military dictator Carlos Armas. Why would the US support an authoritarian dictatorship? Simple, it's easier to work with a single powerful dictator, which is basically a local Monopoly. The US wanted bananas. To this day, Guatemala is the largest source of US bananas. In the process, the US business Elite got rich. Blue blood [Bradley Palmer](#) created United Fruit, which was represented by corporate lawyer John Foster Dulles, creator of the CIA:

John Foster Dulles, who represented United Fruit while he was a law partner at Sullivan & Cromwell – negotiated that crucial United Fruit deal with Guatemalan officials in the 1930s – was Secretary of State under Eisenhower; his brother Allen, who did legal work for the company and sat on its board of directors, was head of the CIA under Eisenhower; [Henry Cabot Lodge](#), who was America's ambassador to the UN, was a large owner of United Fruit stock; Ed Whitman, the United Fruit PR man, was married to Ann Whitman, Dwight Eisenhower's personal secretary. You could not see these connections until you could – and then you could not stop seeing them.^{[21][23]}

The motto of the CIA which is engraved on the entrance to the main building is "The truth will set you free". It is true that they will take out a foreign operation, but only when it suits US interests. In other words, the CIA is a business, which eliminates the competition. This is done through fixing elections, sponsoring coups and revolutions, spreading pro-America propaganda throughout the world and sponsoring bloody dictatorships such as Augusto Pinochet (Chile), Saddam Hussein (Iraq) and hundreds of others. The list is so long, [Wikipedia has an entire entry on "Regime Change"](#) by the United States.

In other words, the Globalists have a history of regime change, but it has never happened before in USA. So the Globalists needed the Chinese, as a scapegoat and operational partner. As far as the CIA, it was not a purely American operation from day one. The Americans simply didn't have the experience in skullduggery, that's a British game invented hundreds of years prior. When Bill Donovan created the CIA, [it was done in partnership with Churchill and Britain's MI6](#):

Donovan began to lay the groundwork for a centralized intelligence program. It was he who organized the COI's New York headquarters in Room 3603 of [Rockefeller Center](#) in October 1941 and asked [Allen Dulles](#) to head it; the offices that Dulles took were on the floor immediately above the location of the operations of Britain's [MI6](#).^[45]

The full extent of the CIA's partnerships with foreign intelligence services will never be known unless the agency is broken up, because everything is 'classified' and whistleblowers typically have heart attacks or car crashes.

But the results of how the CIA works with foreign intelligence to create business is all public. Another bright example you can read about in the book by [Anthony Sutton Wall Street and the Bolshevik Revolution](#) where NY bankers, Rockefeller interests and even the Federal Reserve Bank provided money, supplies, and diplomatic cover without which the Red Revolution would not have succeeded in 1917. This is hard to understand as it goes against the commonly taught narrative, why would Capitalists finance Communists? The reason is because they became a single Monopoly customer. Billionaires like Armand Hammer made large fortunes selling Soviets pencils. In fact, the Soviet Union was a great customer for US weapons manufacturers, as outlined in the book "The Best Enemy Money Can Buy" – not only did the US provide the Soviets with military technology (for a fee) – but the Soviet Union bought products like IBM mainframes, through proxy country Yugoslavia. So you won't see US-Soviet trade reported in official figures, because it was all done on a black market. The point was that US bankers wanted brutal communist dictators because they were good customers without 'problems' i.e. human rights. In the case of China, the side benefit is manufacturing without pesky labor rights laws.

If the CIA was in bed with China, it would not be surprising, and it would fit the pattern of behavior over the last 50 years.

But the sale and purchase of Dominion is just one layer. [Many of the parts of the voting machines](#) not only dominion but also for competitor ES&S are made in China (what isn't made in China today):

"The voting machine lobby, led by the biggest company, ES&S, believes they are above the law," said Sen. Ron Wyden, D-Ore., a member of the Intelligence Committee who co-signed the letter. "They have not had anybody hold them accountable even on the most basic matters." December 2019

There were alarms raised in 2017, 2018, 2019, all before the election. And now during forensic audits, it is now confirmed that during elections, packets of wireless traffic have been [detected leaving the voting machines en route to Chinese IP addresses](#). The conclusion of the experts in Georgia that were monitoring the systems during a live election concluded that remote access and manipulation was possible. Someone was remotely reading and writing the Linux based operating system, in real time, as votes were being tabulated. Furthermore, baked into the design of the voting machines, is an insecure file/server architecture whereby once the votes are counted, they are uploaded by the machines to an open FTP server via flat text file, a server in Spain or Germany, that was found to have no security (blank username/password)! That means anyone with the IP address could not only change the votes, they could change the audit logs, so there would be no trace of them changing the votes. Unfortunately there are not enough Computer Science majors in the world to understand how ridiculous this election fraud is. Your free Gmail account has more security.

For a great resource on the technicalities of the election fraud, [refer to this page from Softpanorama](#) (a software developer).

Not surprisingly, Bill Gates has ties to China that go back to his father's law office having a major presence there. Bill Gates Sr. was a partner in law firm [Preston Gates & Ellis](#) founded in 1883, with offices in Seattle, China and Taiwan. In 2007 the firm ceased to exist, and in that same year the Bill & Melinda Gates Foundation [opened an office in China](#). The manager of the office there, Steve Davis, has ties to the Rockefeller Foundation and the WHO, also funded by Bill Gates:

He is a lecturer in social innovation at the Stanford University Graduate School of Business and serves as a Distinguished Fellow with the World Economic Forum. He also co-chairs the WHO's Digital Health Advisory Group serves on the boards of Philanthropy University and The Trinity Challenge, and sits on the advisory board or consults with a range of institutions and initiatives, including the Rockefeller Foundation, the New York University School of Global Public Health, Challenge Seattle, the International Digital Health & Artificial Intelligence Research Collaborative (I-DAIR), and the World Economic Forum.

NON-GOVERNMENT ORGANIZATIONS (NGOs)

What's important to understand is the method in which the Elite rule the world - through NGOs (Non-Governmental Organizations). Since the end of World War 2, the rise of NGOs has created a new type of Globalist shadow power that didn't exist before. Popular NGOs include the WHO, Rockefeller Foundation, Bill & Melinda Gates Foundation, the Clinton Foundation (Clinton Global Initiative) and hundreds of others ([see this list on the UN site that excludes private foundations](#)).

While NGOs like the Rockefeller Foundation aren't listed as NGOs, they clearly are non-governmental sources of power. They wield extreme influence by lobbying politicians, manufacturing public consent (Chomsky) and influencing the influencers. Politicians cultivate policy advisors from these circles, and they are all connected. It's useful for the Elite because they provide a total cover to their activities. In the past 50 years in America, transparency in government has been a huge issue. Freedom of Information Act requests have become commonplace. Campaign donations and even purchases need to be disclosed. For this reason, most activities that wish to remain private, stay away from operating in the public sphere which has become extremely transparent.

Publicly traded companies for example have huge due diligence burdens and disclosure liabilities. Not only are [insider trades reported to the SEC](#), but they are publicly available by the SEC via RSS or API. There are large data services like [spiking.com](#) and [whalewisdom.com](#), who have made successful trading signals businesses just out of these disclosure requirements. But what happens in BVI, stays in BVI. For this reason, tax loopholes and legal offshore tax havens and other programs will continue to exist. Of course, billionaire Democrats want to raise taxes – they're never going to pay it. If they really wanted to raise money for the US Treasury, the answer is closing the loopholes and collecting monies that would be due under fair rules, if the AMT was strictly enforced. But the thinking of the Elite is to tax the middle class in order to oppress the poor.

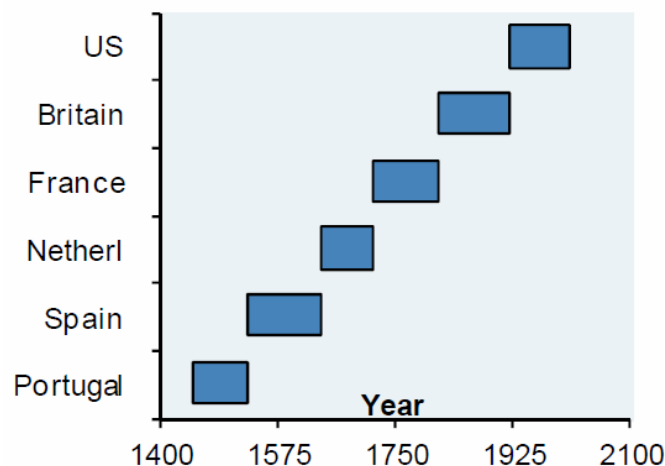
Another point, we tried to hammer across in Splitting Pennies – it is also counterintuitive to 99% of the population the mindset of investment banking. If you have a billion dollars in your account, and you have a bank license, you have the ability to create assets at will – literally. Banks in the United States are required to have an account at the Federal Reserve which means zero interest loans are just a phone call away. The discount window is always open to a member in need. Banks don't want to get rich and they don't want to grow wealth – they want to make their potential competitors poor.

Take COVID for example – in the past 12 months, the Elite have raked in more than \$1 Trillion in profits (individuals) but your average small business is struggling, broke, bankrupt, or somewhere in between. Stimulus payments are literally the difference between real civil revolt and a continuation of the status quo. Stimulus must continue to a battered and abused lower class.

The IQ of this complex system is impossible to measure it's so high, because IQ is a bell curve averaged against your peers. The Elite function as one group, even though not all of them participate actively in these games, they do not have peers or competitors. There is not a single one of them saying "Globalism is bad, let's go back to Nationalist Mercantilism." Perhaps Donald Trump, Peter Thiel, and Patrick Byrne are a few voices of the Elite who do not buy in to the standard line, but look at the reaction they are getting, an onslaught of crap thrown on them.

For 10 years we have listened to talk of a global currency system, some have speculated based on SDRs or Special Drawing Rights backed by the IMF. Some have claimed that China would replace the US Dollar as the world reserve, frequently re-posting this chart:

(c37) Reserve currency status does not last forever



The problem is that each of these nations were stronger economically and militarily when they seized the torch from the previous runner. Currently, the US maintains global military and economic supremacy. China is a toxic house of cards on the verge of collapse, a topic for another article – they are not a contender to replace the United States as the world's banker. They need another 50 years at least to hope to try, and they are not going in the right direction. They need a solid legal system, open and free markets, advanced technology that's home grown (and not copied/imported), and a track record of success managing capital markets. Say what you will about the United States, the stock markets are the most robust in the world. The Federal Reserve system, although it has created inflation and widened the wealth gap, has maintained stability of the US Dollar and enabled the USD to remain the only trade currency in the world.

So, in reference to this above chart, the only thing to make the US pass the global currency regime to another party, would be to lose a major kinetic war, default on the US debt obligations, and have massive damage domestically. That may happen as the insane leaders in DC such as Neo Cons and other warmongers would do anything to make a buck, but it remains a small probability. Without the US being defeated in a kinetic war – not an information war (that's already happening!) – the USD is going to be the global reserve for the rest of our lifetimes – with one big catch.

It looks likely they are going to roll out a new global digital currency created by the central banks, but the USD is going to be the primary currency in the basket. It may even be called the digital dollar. In other words, the new one world currency is going to be a derivative of the USD, and perhaps the EUR as well, but not GBP or other dissenting nations. America can easily absorb countries like Japan, Canada, Latin America into the trade bloc if they wanted. The seeds of this were planted by Globalist Bill Clinton in the 1990s with NAFTA, the most ridiculous anti-trade deal ever to be concocted. Instead of buying tomatoes from the guy 20 miles outside your city, you will buy them from Mexico, shipped in by trucks (a huge majority of the

tomatoes will spoil during shipping, for various logistic reasons, so they have created mitigation strategies such as GMO and/or picking them a week before they are ripe and injecting them with red dye).

The Globalists have turned the world upside down and want us to thank them for it. They created COVID and now they want to sell us a vaccine. Hilarious! If you can be objective and see the humor in it, one must conclude that the British at least have a major role in the design of this plan.

RUSSIA

Russia is the interesting wildcard in our current geopolitical scenario. In the view of this author, they are the only country capable – and certainly more capable than China, of launching a global reserve currency. Firstly because of their military power, which may be 2nd to the US but it's 2nd in the world. 3rd place is far behind. Also, they have massive natural resources, and a homogenous culture that they maintain strictly (unlike the Europeans who want to be a melting pot like the US). Also, they are one of the only countries in the world not controlled by the Elite as we have been describing in this article. Globalists do not explicitly control Russia, in fact they have [kicked out the powerful Soros NGO in 2015](#). But Russia has its own domestic problems and growing pains, a huge brain drain issue. Russia is strong but has too many problems to solve to worry about running a global empire. Also, historically, Russia has never been interested in Colonialism. Their few attempts at establishing colonies sadly failed, including settlements in California and Alaska.

Russia is used as a scapegoat, fake villain, and fake enemy by US Elite's in order to justify their means, such as getting rid of Trump. As the evidence finally showed, Trump knows nothing about Russia. Although he was entrapped and the FBI tried to bribe him, corrupt him, he always refused. But Russia remains a major prize the Elite have had at the top of their list for hundreds of years. One theory as to why many prominent Jews like the Rothschild's backed Hitler, was to support his domination of Russia.

In any event, Russia is not a player in this game – they have nothing to gain and everything to lose. There is a reason that the Elite have blamed Russia for various hacks including putting Trump in office (it's not possible that people actually support someone other than a Globalist). It's to hide the real enemy: China. Unlike Russia that has no plans for global domination, China needs to expand. It needs land, resources, etc. They say in China there is only one thing stopping it from expanding: The United States.

The conclusion is frightening; there is nothing we can do about this situation other than spread the word.

Spinning the narrative on its head, basically – China is a serious threat to our way of life, and they are investing in a PR campaign saying the opposite. The fake threats of COVID, Russia, etc. are meant as a distraction to confuse unsuspecting sheeple who don't understand how the game is played. Only knowledge and wisdom can effect change, revolution only replaces a brutal regime with a more brutal one (historically). The renaissance was financed by de' Medici, or in other words, European civilization shifted from the dark ages to the age of enlightenment because of the financing of the Elite at that time. Today's Elite invest in weapons and social control technologies, rather than funding a new renaissance. The contention of many in the 'silent majority' is not that the Elite should be tarred and feathered, although there are many who believe so; it is that the current trend of Globalism is deeply flawed, and will have more negative unintended consequences than they can foresee, even with their AI. By pushing an agenda artificially, it's putting opinion and bias before science. They are 'making' the science to fit their opinion, rather than modeling optimal scenarios and building on that framework. It's going to be a disaster what they are trying to do. As one terrifying example, using mRNA 'vaccine' which is untested can have unknown teratogenic effects on your DNA, which means people can grow a 3rd ear or start to have an oversized foot. It's a complex system where zero mathematical modeling has been done and Genetic science is too new to make any speculations on what may come out of these grotesque experiments on the population.

The good news is that in the past 12 months millions of people around the world are waking up to reality, which is not as seen on TV. Based on this, real change is possible, and it's also possible that the plan of the Elite simply will blow up in their face. They will lose nothing, but the world will be freer than before. The other good news is we can stop wasting precious time and resources on b.s. 'fake' problems like "COVID" and "Terrorism."

The China issue needs to be looked at in a number of ways by our institutions but more importantly by people. Take a look at the next time you see China mentioned in the news or conversation, and bear this background in mind. If you want to understand their thinking, read the book all traders have read:

SunTzu – Art of War.

Clip #2: Taken from the Part III of work by:

[Michael Rectenwald via The Mises Institute.](#)

[Read Part I: Reduced Expectations And Bio-Techno-Feudalism here...](#)

[Read Part II: Corporate Socialism here...](#)

The Great Reset, Part III: Capitalism With Chinese Characteristics

Several decades ago, when China's growing reliance on the for-profit sectors of its economy could no longer be credibly denied by the CCP, its leadership approved the slogan "socialism with Chinese characteristics" to describe the Chinese economic system. Formulated by Deng Xiaoping, the phrase became an essential component the CCP's attempt to rationalize Chinese capitalist development under a socialist-communist political system.

According to the party, the growing privatization of the Chinese economy was to be a temporary phase—lasting as long as a hundred years according to some party leaders—on the way to a classless society of full socialism-communism. The party leaders claimed, and still maintain, that socialism with Chinese characteristics was necessary in China's case because China was a "backward" agrarian country when communism was introduced—too early, it was suggested. China needed a capitalist booster shot.

With the slogan, the party was able to argue that China had been an exception to the orthodox Marxist position that socialism arrives only after the development of capitalism—although Marx himself deviated from his own formula late in life. At the same time, the slogan allowed the CCP to confirm the orthodox Marxist position. China's communist revolution had come before developed industrial capitalism—an exception to orthodox Marxism. Capitalism was thus introduced into China's economic system later—a confirmation of orthodox Marxism.

Stripped of its socialist ideological pretensions, socialism with Chinese characteristics, or the Chinese system itself, amounts to a socialist-communist state increasingly funded by capitalist economic development. The difference between the former Soviet Union and contemporary China is that when it became obvious that a socialist-communist economy had failed, the former gave up its socialist-communist economic pretenses, while the latter did not.

Whether the CCP leaders believe their own rhetoric or not, the ideological gymnastics on display are nevertheless spectacular. On its face, the slogan embeds and glosses over a seemingly obvious contradiction in an attempt to sanctify or "recommunize" Chinese capitalist development as a precondition of full socialism-communism.

However, the Chinese slogan does capture an essential truth about communism, one that is either unrecognized or unacknowledged by the CCP and denied by Western Marxists. Contrary to the assertions of communist leaders and followers, and even contrary to the claims of many who oppose it, socialism-communism is not essentially an economic but rather a political system.

Once in power, socialist-communist leaders recognize that given their control over resources, they have effectively become the new owners of the means of production (whereas, as Ludwig von Mises suggested, consumers effectively hold the power of economic disposal in free markets). In attempting to implement a socialist-communist economy, they recognize that, in the absence of prices, large-scale industrial production requires supervisory decision-making. Likewise, decision-making is not democratic in the sense promised by socialist-communist ideologues. Decision-making must be centralized, or at least bureaucratized, to a great extent. Democratic decision-making is precluded by state-owned and controlled production and distribution.

Socialism-communism is a political system in which resource allocation is commanded by the state and thus effectively controlled by the state leaders, the real ruling class. The latter retain control through ideology and force.

As opposed to a fully implemented economic system, socialism-communism is always only a political arrangement. This is why socialism-communism can be combined with "capitalism" under such forms as "state capitalism" or corporate socialism. Its economic pretensions will be jettisoned as capitalist development is introduced and cleverly rationalized, as in China. **If such pretentions are maintained for long, they will wreck society, as in the former Soviet Union. In either case, the socialist-communist leadership will learn that wealth production requires the accumulation of privately held capital—whether they understand why or not.**

[Enter Corporate Socialism](#)

A socialist-communist sequel is coming to a theater near you. Some of the same old characters are reappearing, while new ones have joined the cast. While the ideology and rhetoric sound nearly the same, they are being put to slightly different ends. This time around, the old bromides and promises are in play, and a similar but not identical bait and switch is being dangled. Socialism promises the protection of the beleaguered from the economically and politically “evil,” the promotion of the economic interests of the underclass, a benign banning of “dangerous” persons from public forums and civic life, and a primary or exclusive concern for “the common good.” China’s “One Belt, One Road” initiative may hang the takers in Africa and other underdeveloped regions as if from an infrastructural noose. A different variety is on the docket in the developed world, including in the US.

The contemporary variant is corporate socialism, or a two-tiered system of “actually existing socialism” on the ground, coupled with a parallel set of corporate monopolies or would-be monopolies on top. The difference between state socialism and corporate socialism is merely that a different constituency effectively controls the means of production. But both depend on monopoly—one the state and the other the corporate monopolization of the economy. And both depend on socialist-communist ideology of democratic socialism, or, in a recent variant, “social justice” or “woke” ideology. Corporate socialism is the desired end, while democratic socialism and woke capitalism are among the means.

China is the model for the economic and political system being promoted in the West, and the Great Reset is the most forthright articulation of that system - although its articulation is anything but perfectly forthright.

The Great Reset represents the development of the Chinese system in the West, only in reverse. Whereas the Chinese political elite began with a socialist-communist political system and implemented “capitalism” later, the elite in the West began with “capitalism” and is aiming to implement a socialist-communist political system now. It’s as if the Western oligarchy looked to the “socialism” on display in China, and said, “yes, we want it.”

This explains many otherwise seeming contradictions, not the least of which is the leftist authoritarianism of Big Tech. Big Tech, and in particular Big Digital, is the ideological communications apparatus for the advancement of corporate socialism, or capitalism with Chinese characteristics.

The Chinese characteristics that the Great Reset aims to reproduce in connection with Western capitalism would resemble the totalitarianism of the CCP. It would require a great abridgement of individual rights—including property rights, free expression, freedom of movement, freedom of association, freedom of religion, and the free enterprise system as we understand it.

The Great Reset would implement the political system in much the same way as China has done—with 5G-enabled smart city surveillance, the equivalent of social credit scores, medical passports, political imprisonment, and other means of social and political repression and control.

In the end, socialism with Chinese characteristics and capitalism with Chinese characteristics would amount to the same thing.

THE GLOBALISTS: Elitists

As paraphrased by the World Economic Forum,

"You will own nothing, have no privacy, and be much happier!"

The media is now the catalyst for creating change to support globalist views like the "Great Reset" which they are propagating.

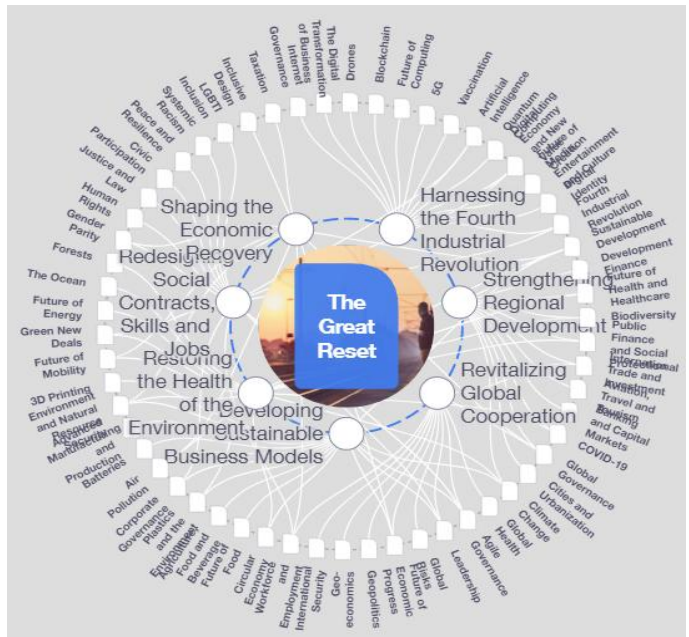
HOW IT IS BEING SOLD

The Great Reset agenda would have three main components.

4. The first would steer the market toward fairer outcomes.
5. The second component of a Great Reset agenda would ensure that investments advance shared goals, such as equality and sustainability.
6. The third and final priority of a Great Reset agenda is to harness the innovations of the Fourth Industrial Revolution to support the public good, especially by addressing health and social challenges.

OUR TRANSLATION:

- 1- STEER THE MARKET:
Capitalism Steers the Market
- 4- ADVANCE SHARED GOALS:
A Globalist Agenda
- 5- HARNESS INNOVATIONS for SOCIAL CHALLENGES:
A Coming Social Credit System



THE REQUIRED CENTRAL ROLE OF THE MEDIA FOR THE GREAT RESET

- Create Catalysts for Change
- Slant Events to Support Direction – Covid-19
 - Lockdowns (Similar to 911 'Terrorist' & Patriot Act)
 - Government Mandates (Control)
- Placing Chosen Leadership in Power,
 - Biden-Harris
- Condition Public Expectations,
 - Bigger Government & Reliance
 - Government Assistance / Dependency

PLEASE REVIEW OUR VIDEO ON THIS SUBJECT:

20 Minutes with 29 supporting slides

**UnderTheLens - 11-25-20 - DECEMBER -
 The Great Reset**

VIDEO LINK:

SUBSCRIBERS LINK

<https://youtu.be/xrBjeYfKwPA>

TRANSCRIPTION:

SUBSCRIBER LINK

<https://bit.ly/3lcP3sJ-Transcription>



CHINA: Chinese Communist Party

"The greatest way to fight a war, in the Chinese way of thinking, is not to have to fight at all. That's what they've done here" Byrne & Corsi

What we have is a new form of a 'Color Revolution' that was so ably orchestrated by the US CIA against other regimes in this millennium. The Chinese regime is fully engaged in "a slow coup" of the USA.



The Chinese regime has proven to be as treacherous and ungrateful as anyone could have imagined. What the Chinese did is they studied us, and they saw that corruption is our weakest point. They then infiltrated us, and corrupted exactly the institutions that they needed to corrupt in order to allow what's going on now to happen.

Sun Tzu AT HIS BEST

Traders and Wall St. people can understand the Chinese strategy, common people including Silicon Valley cannot. [Patrick Byrne has summarized this best:](#)

*The greatest way to fight a war, in the Chinese way of thinking, is not to have to fight at all. That's what they've done here. Though we spend a trillion dollars a year between our military and our intelligence, national security circles ... that trillion dollars we have and we've built, you know, things that can stop all their planes and their missiles and all kinds of things. But we missed the one they use, which is not a fight at all, not firing a bullet or missile at all, but **taking us out from within**. And that's what's going on."*

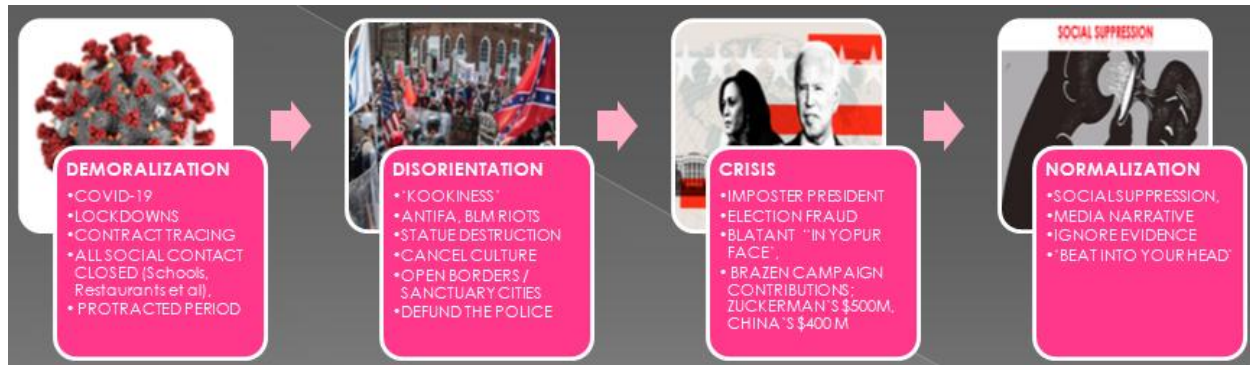
Byrne studied Chinese history at Beijing Normal University from 1983 to 1984. He has a Bachelor of Arts in Chinese studies from Dartmouth College and speaks Chinese fluently. He built Overstock.com on his understanding of China.

Patrick Byrne on Communist Chinese Interference in US 2020 Election



[VIDEO: https://d1zx92kpj8h90.cloudfront.net/dbdad1a9-b08d-41ec-8721-c51c6cbfe304.mp4](https://d1zx92kpj8h90.cloudfront.net/dbdad1a9-b08d-41ec-8721-c51c6cbfe304.mp4)

"In 10 years, there'll be prison camps with organs being harvested just as there are in western China, so we cannot bend a knee to this under any circumstance." Patrick Byrne



FOUR STAGES

DEMORALIZATION: PANDEMIC SCARE

- Demoralization is what happened in 2020 with COVID-19,
- What we had was an unusually bad flu season. ([FDA Admits PCR Tests Give False Results](#)),
- China is almost Covid free with no lockdowns – WHY?

DISORIENTATION

- ANTIFA and BLM open rioting,
- Defunding Police, Disbanding ICE, Open Borders, Sanctuary Cities,
- Illegal aliens criminals allowed to vote and receive public benefits,
- Buildings and police stations being lit on fire with no consequences nor government actions,
- People being harassed for their political views while dining out with no consequences,
- This intent is to disorient you. It's to tell you, 'You are not living in the America you thought you were living in'.

CRISIS

- "In your face" events which questions the very fabric and belief system of the country,
- A Fraudulent Election and Illegal President,
- Brazen election contributions: \$500M by Facebook's Zuckerberg and \$400M by China's CCP.

NORMALIZATION

- Open Censorship of what the public is allowed to see (Facebook, Twitter and Google Actions),
- The Media is violating every precept of journalistic integrity by ignoring the evidence that has been presented claiming election fraud.

EVIDENCE:

Some Recent Emerging Background Details (*Censored By the Mainstream Media [MSM]*):

[REVEALED: Full List Of Western Media Outlets Participating In Chinese Communist Propaganda Events](#)

[REVEALED: The Senior U.S. Officials Taking CCP-Subsidized Trips, Dinners for 'Favorable Coverage' \(LIST\)](#)

[REVEALED: Hillary Clinton Met With CCP 'Undercover Intel Ops' Group While Bill Floated Paid Speeches](#)

[STUNNING: All Major Western Media Outlets Take 'Private Dinners', 'Sponsored Trips' From Chinese Communist Propaganda Front](#)

[Biden CIA Appointee Worked With CCP Propaganda Org Conducting 'Undercover Intel Ops', Appears On China State Media](#)

['Republicans for Biden' Headliner Visited China On CCP-Sponsored Trip](#)

[Top Biden 'Pick' Led Group Which Took Sponsored Trips To China For Pro-Beijing Org, Co-Authored Reports](#)

[RECK: Politicians Are Arguing Over \\$600 While China Still Owes Us \\$2 Trillion.](#)

[Top Pandemic Scientist Admits Emulating Communist Chinese Model To Strip Civil Liberties Away](#)

[Evidence China Was Colluding with the Bidens and Providing Information on How to Defeat President Trump](#)

What we have is: AN INFLUENCED MEDIA
 AN INFLUENCED POLITICAL CLASS (Washington and State Level)
 AN INFLUENCED DEEP STATE

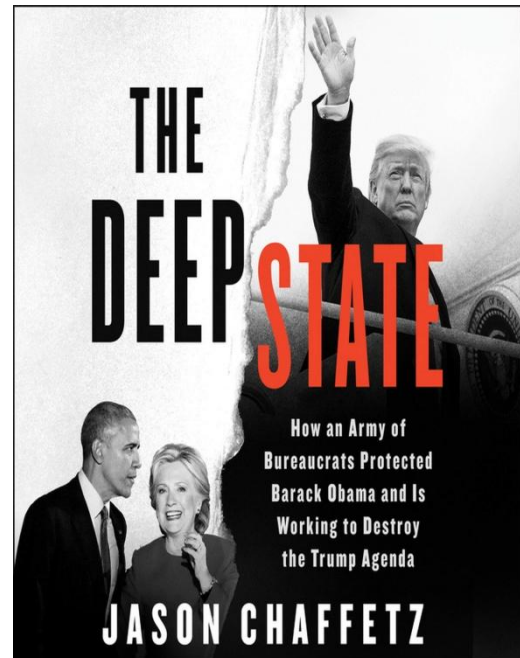
THE OLIGARCHY: Deep State & Big Money

The liberal media loves to characterize the Obama years as free of scandal. They pretend this is true because virtually every office in the executive branch worked to withhold evidence of wrongdoing, silence witness testimony, destroy federal records, classify embarrassing information and retaliate against truth tellers. Yet these same tight-lipped lifers leaked like a sieve once President Trump was sworn in, freely promoting the illusion that everything he does is the new Watergate.

Sometimes even conservatives portray the Deep State as nothing more than dumb inefficient bureaucracy. In fact, it's the opposite; the Deep State is:

- Intentional,
- Unconstitutional,
- Organized.

It is an entrenched leadership within the civil service that resists exposure, accountability and responsibility. At the highest levels, they fight back, outlast and work the system for their own advantage. And they certainly don't like disruptive forces such as Donald Trump.



THE DEEP STATE

In *Deep State*, by Jason Chaffetz highlights the Deep State's tactics, illuminates the problems and offers a way to fight back and win. It is important to expose the stories, but if the American People are going to win, Congress is going to have to do things differently. As Chairman of the House Oversight Committee, Chaffetz was the tip of the spear challenging the Deep State and trying to hold them accountable. He and his colleagues took on the powerful forces at the IRS, the EPA, the DOJ, the Department of State and more. The deeper he dove in, the more shocking he found the brazen approach by the power brokers.

The balance of power has shifted. The Deep State has gotten used to operating anonymously and without consequence. This is a problem bigger than we can even imagine and getting worse.

Unless we do something dramatic to wrest back control, we risk losing the ability to successfully challenge wrongdoing by the most powerful bureaucracy in the world.

This book helps the concerned citizen understand what must be done--so they can demand real change.



BIG TECH CEOS FAWN OVER XI JINPING



WHY IT HAS ALL BECOME HURRIED & OBVIOUS

The Hundred-Year Marathon by Michael Pillsbury reveals China's secret strategy to supplant the United States as the world's dominant power, and to do so by 2049, the one-hundredth anniversary of the founding of the People's Republic. He offers an inside look at how the Chinese really view America and its leaders – as barbarians who will be the architects of their own demise.

Recently China brought that date forward to 2030 as it aggressively began implementing its [Belt & Road Initiative](#). Many of its stealth plans for combating US "Imperialism" were taking hold (See Strategy: [Un-Restricted Warfare](#)) which included 15 types of new warfare being employed in order to avoid the standard military conflict. They included:

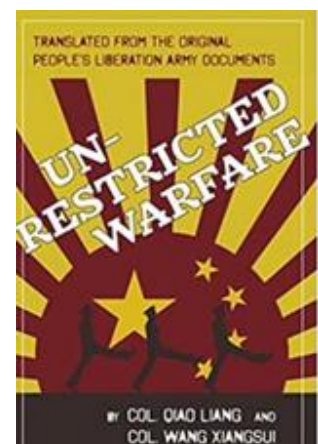
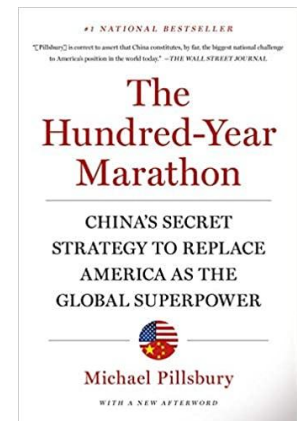
- New Terror Warfare,
- Drug Warfare,
- Smuggling Warfare,
- Economic Aid Warfare,
- Cultural Warfare,
- Media Warfare.

In Unrestricted Warfare, the authors specifically state, "the goal should be to use all means whatsoever ... to force the enemy to serve one's own interests".

COVID-19 & THE US PRESIDENTIAL CYCLE

A major 'push forward' opportunity presented itself for China with the Covid-19 Pandemic. It both allowed the ability to accelerate existing strategies but also to use the pandemic to significantly undermine the US Presidential race and the US politics position. There is strong evidence that China invested \$400M in the Dominion / SolarWinds / Systematics voting machine technologies.

Sensing the same opportunity, the Globalists launched the "Great Reset" and the



Deep State went full force against the Trump Administration with Mark Zuckerman's \$500M consortium of investments into the US election process.

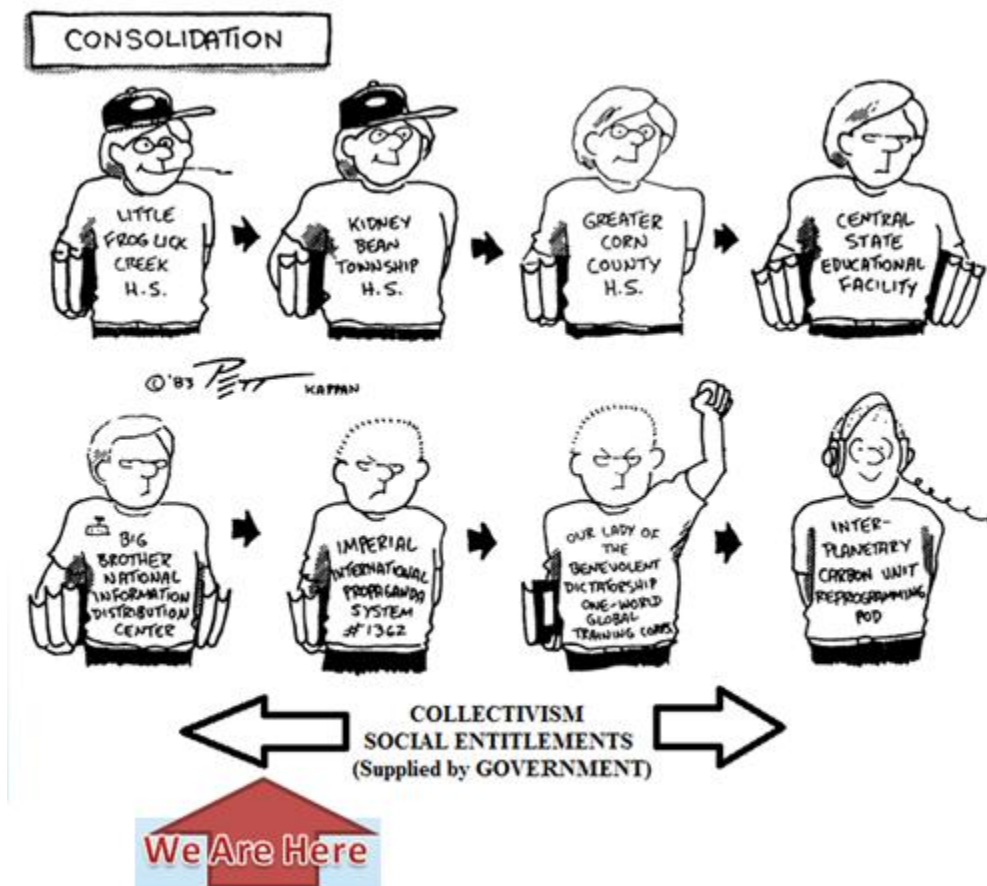
WHAT IS ACTUALLY UNDER ATTACK?

- I. Importance (Value & Rights) of the Individual in Self Determination,
- II. The foundational understanding that political power comes from the 'Consent of the Governed',
- III. The understanding and appreciation of the unwritten "Social Contract" between the electorate and the elected,
- IV. The Global 'Beacon of Light' & Moral Compass which the US Constitutional Democratic Republic has been the world holder for everyone alive today.

How Does Something Like This Change?

It starts with the generational change of young minds.

- I. First through Revisionist History,
- II. Secondly through Educational Indoctrination (Mandated "Diversity Training")



- III. Thirdly through Media Control,
- IV. Fourth through Corruption.

The Russian and Chinese (amongst others) have all concluded that America's Achilles Heel is not its military or economic system but rather its susceptibility to corruption.

"A REPUBLIC IF YOU CAN KEEP IT!"

As we discussed earlier in this paper, the dystopian novel "Brave New World" was written in 1931 by visionary Aldous Huxley. In his book, the author describes what life is like in a society that is under complete domination of a group of hardened autocrats. It's a tyrannical tale with a twist, however.

- Members of this society are kept in a state of perpetual bliss, despite having every aspect of their lives from birth to death controlled by a power-drunk ruling class.
- It's a society in which power is concentrated in the hands of a few, communication of information is meticulously managed, and endless distractions prevent people from thinking, reasoning or imagining.
- A drug is routinely dispensed to the masses (soma), so as to facilitate the exile of perceptible sensations of pain, stress or anxiety.
- Unhappiness is avoided through excessive indulgences in materialism, sexual promiscuity and altered states of mind.
- A synthetic religion substitutes for authentic faith.
- Technology is God, and as such is worshiped and adored ("Ford's in his flivver"). Pre-conditioned slaves delight in their own enslavement.
- Enduring human connections are reflexively thought of as repulsive.
- The optimum relationship status is summed up in seven short words of the state maxim: "Every one belongs to everyone else."

Sen. Ted Cruz, R-Texas, recently appeared on Prager U's "The Book Club" to discuss Huxley's "Brave New World". In an engaging discussion with host Michael Knowles, the senator pointed out that slogans of the government "sound wonderful but **they're all about destroying self, destroying who you are**".

The ultra-totalitarian state in Huxley's fictional world is splattered with virtuous sounding slogans. But as Sen. Cruz explained, global governance, the likes of which is seen in "Brave New World," is "**designed to produce a subservient collective**".

Sen. Cruz also talked about the many parallels in Huxley's "Brave New World" to the communism of today, explaining that:

- In the modern world, communism "is the ultimate totalitarian communal state".
- It just so happens that, in the real world, there is a group called the World Economic Forum (WEF). The group is comprised of a number of ruling class elites, who meet on a regular basis to determine the political, ideological and societal direction of the world.
- Attendees of the WEF include a host of global government advocates, such as chief executives of Big Tech, the U.N. secretary general, the president of the European Central Bank, the secretary general of the Organization for Economic Co-operation and Development, the managing director of the International Monetary Fund, union leaders from select countries, and representatives of left-wing political and environmental organizations.
- Klaus Schwab, founder and executive chairman of the WEF, recently wrote an article titled: 2021 Should be Year of the 'Great Reset'.
 - In the [article](#), Schwab proposed that 2021 be designated as the new "Year Zero."
 - Schwab borrowed the term "Year Zero" from the year immediately after World War II, a time when the world had to be rebuilt following the devastation that had occurred in war-torn regions.
 - "This time [2021] the focus is on the material world but also on so much more. We must aim for a higher degree of societal sophistication and create a sound basis for the well-being of all people and the planet," Schwab wrote.
 - He contends that free markets and limited government, which have actually produced decades of prosperity and progress, constitute instead a model that, in his words, has "broken down."
 - Consequently, the world, in his opinion, is in dire need of The Great Reset, and 2021 is the perfect year for the launch.

Eerily, the model that the Davos elites are proposing is strikingly similar to the one that Huxley previewed for us all. One word, albeit unspoken, hangs over all of the cunningly crafted phrases that describe The Great Reset. **That word is control.**

The final outcome that promoters of The Great Reset envision is one of:

- A highly regulated society,

- A massively intrusive government,
- The annihilation of individual liberties, and
- A centrally planned economy.

At the June 2020 meeting of the group, members expressed the idea that:

- The COVID pandemic could be used as a means of implementing their radical agenda.
- While at the meeting, Prince Charles said, "We have a golden opportunity to seize something good from this crisis."
- In June of 2020, Schwab wrote the following: "The pandemic represents a rare but narrow window of opportunity to reflect, re-imagine, and reset our world."
- He also disclosed the expansive nature of the **reset**, suggesting that "all aspects of our societies and economies must be revamped, from education, to social contracts and working conditions."

Much like the society in "Brave New World" the WEF envisions a populace that is sufficiently content with being manipulated. A video promoted by the WEF declares that by 2030, "You'll own nothing and you'll be happy."

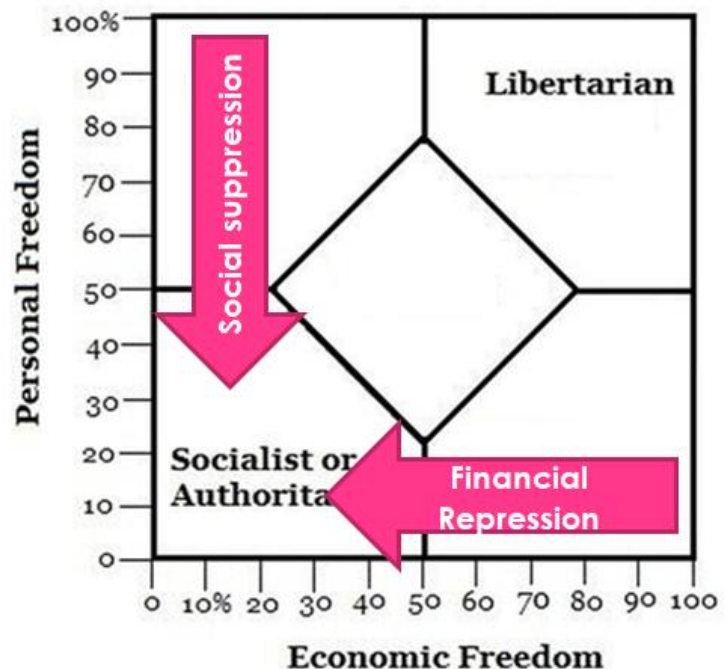
Let's stop and take a brief look at what has happened over the past ten months to so many people here in our own country and around the world:

- Millions have been deprived of individual freedoms at the hands of authoritarian leaders.
- Millions have witnessed the destruction of their businesses and livelihoods.
- Millions have been denied the opportunity to work and have endured severe economic hardship as a result.
- Millions have been living under strict mask mandates and social distance dictates.
- Millions have been forced out of their places of worship.
- Millions have been barred from attending school on campus grounds.
- Millions have had curfews imposed upon them.
- Millions have had neighbors, co-workers, members of the community and digital devices monitor them, and report them to the authorities.
- Millions have had their speech curtailed on social media platforms.

The list of infringement upon our freedoms at the hands of modern day autocrats goes on forever.

I think in order to avoid our own "Brave New World," we need to counter The Great Reset with The Great Return.

The return to freedom.



[*Ryan McMaken via The Mises Institute.*](#)

How Big Is the Cultural Divide in America?

For now, the cultural divide in the United States today has yet to reach the proportions experienced during the revolution — or, for that matter, during the 1850s in the lead-up to the American Civil War.

But if hostilities reach this point, there will be little use in discussions over the size of the tax burden, mask mandates or the nuances of abortion policy. The disdain felt by each side for the other side will be far beyond mere compromises over arcane matters of policy.

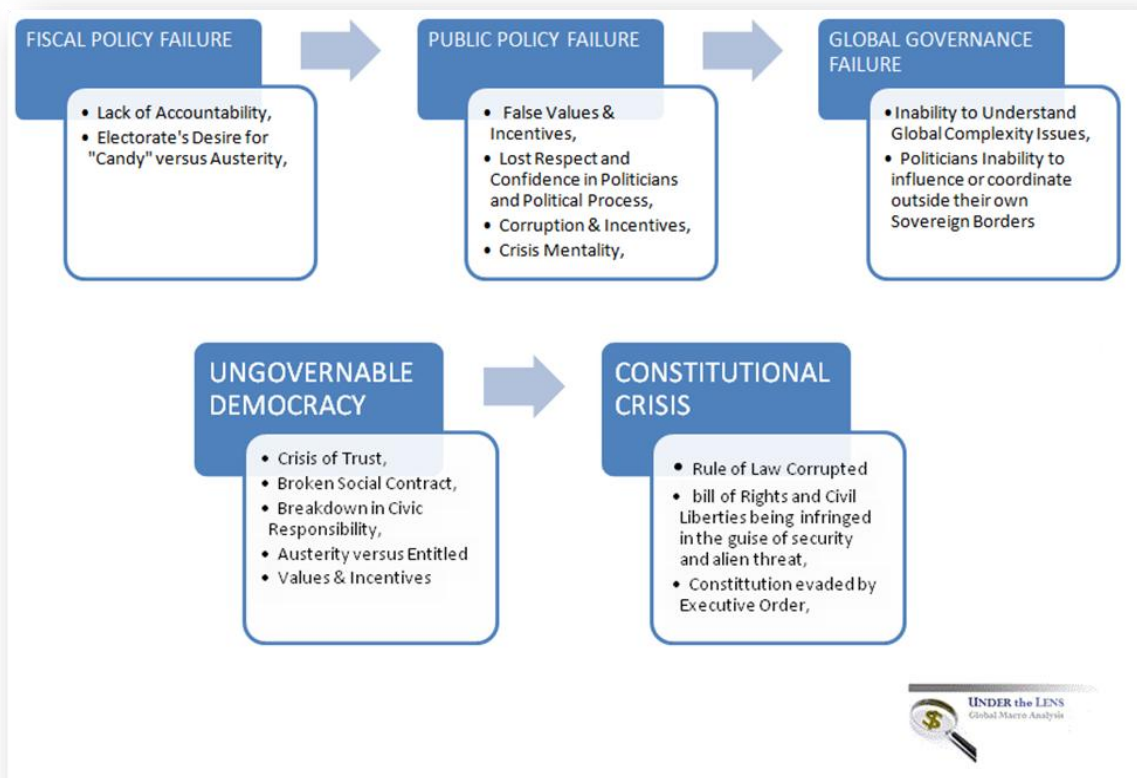
And just as discussions over "taxation without representation" miss the real currents underlying the American rebellion, any view of the current crisis that ignores the ongoing culture war will fail to identify the causes.

Yet, the culture war has also likely progressed to the point where national unity is unlikely to be salvaged even by charismatic leaders and efforts at compromise. When it comes to culture, there is little room for compromise.

It is increasingly apparent that the only peaceful solution lies in some form of radical decentralization, amounting to either secession or self-rule at the local level with only foreign policy as "national" policy. Had the British offered these terms in 1770, bloodshed would have likely been avoided. Americans must pursue similar solutions now before it is too late.

CONSTITUTIONAL PRESSURES

The above discussion has placed us on a roadmap to a Constitutional Crisis - a crisis that may not be resolved by the people but rather by the emergence of a Statist Government.



We are seeing many clues of this possibility emerging.

We have outlined this in DETAIL in a six part video series a year ago:

6 PART VIDEO SERIES

[Unsound Money Jeopardizes Constitutional Rights](#)

[Constitutional Pressures](#)

[Inequality Precedes Social Unrest](#)

[Instability & Political Turmoil Lay Ahead](#)

[An Un-Governable Democracy](#)

[The Fiscal Cliff & Constitution in Crisis](#)



Extracted from: The Frogs Will Boil Themselves by [Jeff Thomas via InternationalMan.com](#),

... Eventually, the American people on both sides of the fence may well not only suggest, but demand that the matter (*any social conflict of ideas*) be sorted.

At that point, the Government may announce that a Constitutional Review will be undertaken. It would not matter that most of those making the demand are the pundits on the media networks. What would be presented would be that "a majority of Americans demand that the review take place as soon as possible".

Although at the time, the propaganda may imply that the review will be focused on one part of the Constitution, such as the Second Amendment, Americans will soon discover that the entire document is up for grabs. Under the terms of the review, all facets of the Constitution may be questioned.

Each side will hope that their elected representatives will emerge as the heroes, but that is not how politics works.

In truth, elected leaders do not seek to serve the public but to dominate them. Invariably, their recommendations for change will be whatever transfers greater power to themselves.



Both Democratic and Republican members will argue forcefully for the rights of the American citizen. However, in the end, a "compromise" shall be made — one in which the rights of the populace are diminished and the Government has new powers to allow it to bypass the electorate in the future.

If this does occur, the public will, in effect, "boil themselves." They will have demanded that the Government act, and, when the dust has settled, each side will claim some sort of victory but will fail to understand that they have brought about their own loss of rights.

It is hoped that, when the day comes, a Constitutional Review is proposed, Americans will refuse to take the bait.

POSITIONING WHERE WE ARE

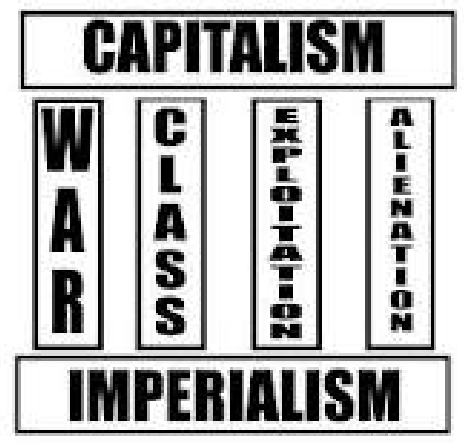
Identification of Fascism

CRONY CAPITALISM -> CORPORATOCRACY -> FASCISM

Fourteen Characteristics of Fascism

EARLY STAGES

1. **Powerful and Continuing Nationalism** - Fascist regimes tend to make constant use of patriotic mottos, slogans, symbols, songs and other paraphernalia. Flags are seen everywhere, as are flag symbols on clothing and in public displays.
2. **Controlled Mass Media** - Sometimes media is directly controlled by the government, but in other cases, the media is indirectly controlled by government regulation, or sympathetic media spokespeople and executives. Censorship, especially in war time, is very common.
3. **Supremacy of the Military** - Even when there are widespread domestic problems, the military is given a disproportionate amount of government funding and the domestic agenda is neglected. Soldiers and military service are glamorized.
4. **Obsession with National Security** - Fear is used as a motivational tool by the government over the masses.
5. **Corporate Power is Protected** - The industrial and business aristocracy of a fascist nation often are the ones who place the government leaders into power, creating a mutually beneficial business/government relationship and power elite.
6. **Rampant Cronyism and Corruption** - Fascist regimes almost always are governed by groups of friends and associates who appoint each other to government positions and use governmental power and authority to protect their friends from accountability. It is not uncommon in fascist regimes for national resources and even treasures to be appropriated or even outright stolen by government leaders.



MID STAGES

7. **Obsession with Crime and Punishment** - Under fascist regimes, the police are given almost limitless power to enforce laws. The people are often willing to overlook police abuses and even forego civil liberties in the name of patriotism. There is often a national police force with virtually unlimited power in fascist nations.
8. **Fraudulent Elections** - Sometimes elections in fascist nations are a complete sham. Other times, elections are manipulated by smear campaigns against or even assassination of opposition candidates, use of legislation to control voting numbers or political district boundaries, and manipulation of the media. Fascist nations also typically use their judiciaries to manipulate or control elections.

(Remember: Bush II Election Against Al Gore and the Florida Debacle)

WE ARE HERE

9. **Identification of Enemies/Scapegoats as a Unifying Cause** - The people are rallied into a unifying patriotic frenzy over the need to eliminate a perceived common threat or foe: racial, ethnic or religious minorities, liberals, communists, socialists, terrorists, etc.
10. **Labor Power is Suppressed** - Because the organizing power of labor is the only real threat to a fascist government, labor unions are either eliminated entirely or are severely suppressed.

LATE STAGES

11. **Disdain for the Recognition of Human Rights** - Because of fear of enemies and the need for security, the people in fascist regimes are persuaded that human rights can be ignored in certain cases because of "need." The

people tend to look the other way or even approve of torture, summary executions, assassinations, long incarcerations of prisoners, etc.

12. **Disdain for Intellectuals and the Arts** - Fascist nations tend to promote and tolerate open hostility to higher education and academia. It is not uncommon for professors and other academics to be censored or even arrested. Free expression in the arts and letters is openly attacked.

13. **Religion and Government are Intertwined** - Governments in fascist nations tend to use the most common religion in the nation as a tool to manipulate public opinion. Religious rhetoric and terminology is common from government leaders, even when the major tenets of the religion are diametrically opposed to the government's policies or actions.

14. **Rampant Sexism** - The governments of fascist nations tend to be almost exclusively male-dominated. Under fascist regimes, traditional gender roles are made more rigid. Divorce, abortion and homosexuality are suppressed and the state is represented as the ultimate guardian of the family institution.

List Development (Not the Evolutionary Stages) : [Dr. Lawrence Britt](#)



WHAT SHOULD WE NOW EXPECT?

John Whitehead via The Rutherford Institute.

"Twelve voices were shouting in anger, and they were all alike. No question, now, what had happened to the faces of the pigs. The creatures outside looked from pig to man, and from man to pig, and from pig to man again; but already it was impossible to say which was which."

George Orwell, **Animal Farm**

What should we expect in 2021?

So far, it looks like this year is going to be plagued by more of the same brand of madness, mayhem, manipulation and tyranny that dominated 2020.

Frankly, I'm sick of it: the hypocrisy, the double standards, the delusional belief by Americans at every point along the political spectrum that politics and politicians are the answer to what ails the country; when for most of our nation's history, politics and politicians have been the cause of our woes.

Consider for years now, Americans, with sheep-like placidity, have tolerated all manner of injustices and abuses meted out upon them by the government (police shootings of unarmed individuals, brutality, corruption, graft, outright theft, occupations and invasions of their homes by militarized police, roadside strip searches, profit-driven incarcerations, profit-driven wars, egregious surveillance, taxation without any real representation, a nanny state that dictates every aspect of their lives, lockdowns, over-criminalization, etc.) without ever saying "enough is enough."

Only now do Americans seem righteously indignant enough to mobilize and get active, and for what purpose? Politics. They're ready to go to the mat over which corporate puppet will get the honor to serve as the smiling face on the pig for the next four years.

Talk about delusion.

It's so ludicrous as to be Kafkaesque.

A perfect example of how farcical, topsy-turvy and downright perverse life has become in America: while President Trump doles out medals of commendation and presidential pardons to political cronies who have done little to nothing to advance the cause of freedom, Julian Assange rots in prison for daring to blow the whistle on the U.S. government's war crimes.

You'd think that Americans would be outraged over such abject pandering to the very swamp that Trump pledged to drain, but that's not what has the Right and the Left so worked up. No, they're still arguing over whether dead men voted in the last presidential election.

Either way, no matter which candidate lost to the other, **it was always going to be the Deep State that won.**

And so you have it:

- Reduced to Technicalities,
- Distracted by magician's con games, and
- Caught up in the manufactured, highly scripted contest over which beauty contestant wears the crown.

... We have failed to do anything about the world falling apart around us. Literally.

Our economy—at least as it impacts the vast majority of Americans as opposed to the economic elite—is in a shambles. Our infrastructure is falling apart. Our government has been overtaken by power-hungry predators and parasites. And our ability—and fundamental right—to govern our own lives is being usurped by greedy government operatives who care nothing for our lives or our freedoms.

Our ship of state is being transformed into a ship of fools.

We stand utterly defenseless in the face of a technological revolution brought about by artificial intelligence and wall-to-wall surveillance that is re-orienting the world as we know it. Despite the mounting high-tech encroachments on our rights, we have been afforded a paltry amount of legislative and judicial protections. Indeed, Corporate America has more rights than we do.

We stand utterly powerless in the face of government bureaucrats and elected officials who dance to the tune of corporate overlords and do what they want, when they want, with whomever they want at taxpayer expense, with no thought or concern for the plight of those they are supposed to represent. To this power elite, "we the people" are good for only two things: our tax dollars and our votes. In other words, they just want our money.

We stand utterly helpless in the face of government violence that is meted out, both at home and abroad. Indeed, the systemic violence being perpetrated by agents of the government — inflicted on unarmed individuals by battlefield-trained SWAT teams, militarized police and bureaucratic government agents trained to shoot first and ask questions later—has done more collective harm to the American people and their liberties than any single act of terror or mass shooting.

We stand utterly silenced in the face of government and corporate censors and a cancel culture that, in their quest to not offend certain viewpoints, are all too willing to eradicate views that do not conform. In this way, political correctness has given way to a more insidious form of group think and mob rule.

We stand utterly locked down in the face of COVID-19 mandates, restrictions, travel bans and penalties that are acclimating the populace to unquestioningly accede to the government's dictates, whatever they might be (as long as they are issued in the name of national security), no matter how extreme or unreasonable.

We stand utterly intimidated in the face of red flag laws, terrorism watch lists, contact tracing programs, zero tolerance policies and all other manner of police state tactics that aim to keep us fearful and compliant.

We stand utterly indoctrinated in the collective belief that the government — despite its longstanding pattern and practice of corruption, collusion, dysfunction, immorality and incompetence — somehow represents "we the people".

Despite all of this, despite how evident it is that we are mere tools to be used, abused and manipulated for the power elite's own diabolical purposes, we somehow fail to see their machinations for what they truly are: thinly veiled attempts to overthrow our republic and enslave the citizenry in order to expand their power and wealth.

It is a grim outlook for a new year, but it is not completely hopeless.

If hope is to be found, it will be found with those of us who do not rely on politicians that promise to fix what is wrong but instead do their part, at their local levels, to right the wrongs and fix what is broken. I am referring to the builders, the thinkers, the helpers, the healers, the educators, the creators, the artists, the activists, the technicians, the food gatherers, distributors and every other person who does their part to build up rather than destroy.

As I make clear in my book [*Battlefield America: The War on the American People*](#), "we the people" are the hope for a better year. Not Trump. Not Biden. And not the architects and enablers of the American Police State.

Until we can own that truth, and until we can forge our own path back to a world in which freedom means something again, we're going to be stuck in this wormhole of populist anger, petty politics and destruction that is pitting us one against the other.

In that scenario, no one wins.

There's a meme circulating on social media that goes like this:

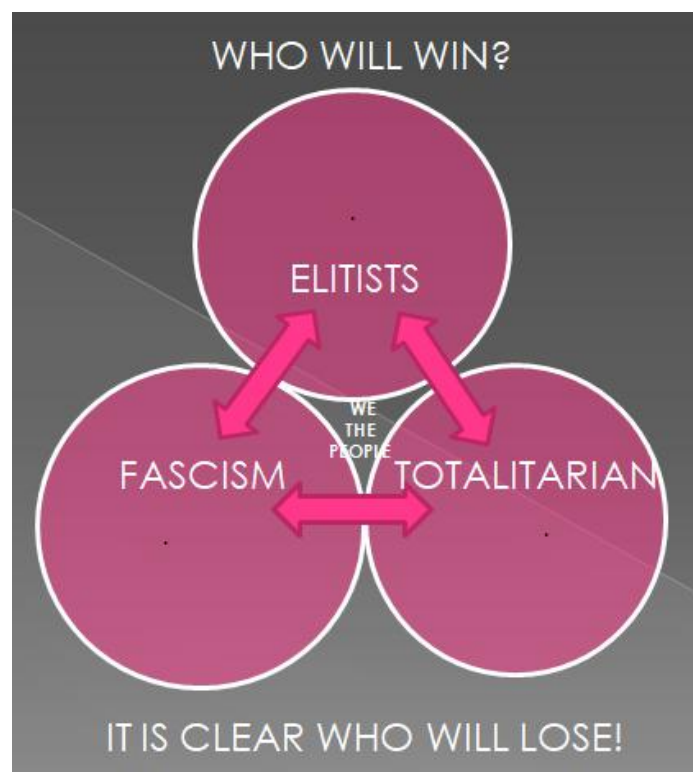
If you catch 100 red fire ants as well as 100 large black ants, and put them in a jar, at first, nothing will happen. However, if you violently shake the jar and dump them back on the ground, the ants will fight until they eventually kill each other. The thing is that the red ants think the black ants are the enemy and vice versa, when in reality, the real enemy is the person who shook the jar. This is exactly what's happening in society today. Liberal vs. Conservative. Black vs. White. Pro Mask vs. Anti Mask. The real question we need to be asking ourselves is who's shaking the jar ... and why?

Whether red ants will really fight black ants to the death is a question for the biologists, but it's an apt analogy of what's playing out before us on the political scene and a chilling lesson in social engineering.

So before you get too caught up in the circus politics and conveniently timed spectacles that keep us distracted from focusing too closely on the government's power grabs, first ask yourself: who's really shaking the jar?

It may not be clear who will eventually win.

However it is clear who will lose!!



In the end God always wins!

HOPE has two daughters: Anger and Courage

Without TRUTH there is no light. DEMOCRACY Dies in darkness!

Gordon T Long
Publisher & Editor

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