

The Shadow Money Lenders: The Real Significance of The Fed's Zero-Interest-Rate Policy (ZIRP)

The Battle To Save The Fiat Money System Has Begun

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Global Central Banks Acting In Concert - Disinformation In Financial Dailies To Confuse The People When The Truth Dawns On Hapless People, There Will Be Blood On The Streets. This Is The Warning By IMF!

INTRODUCTION

The disinformation by the global financial dailies in the last twelve months as to the cause of the global financial tsunami, serve the same purpose as the global mass media when they perpetuated the lies that lulled the people to support the war criminals Bush, Blair and Howard to launch the barbaric war against Iraq and Afghanistan which resulted in the genocide of millions, the mutilation of hundreds of thousands, physically and psychologically, and the devastation of an entire nation.

The wars unleashed thus far, specifically the "War on Terror" was launched to preserve the shadow money-lenders' political and military power.

This War on Terror is the greatest military sideshow that distracted the great American people from the financial rape and plunder of their economy and the destruction of their Constitution.

Since the summer of 2007, we have witnessed a concerted effort by the world's central banks and global commercial and investment banks to preserve the shadow money-lenders' financial power, one that is founded on fraud and structured in every detail as in the infamous Ponzi scheme.

In the last seven years, the Ponzi scheme was globalised by the Shadow Money-Lenders, siphoning hundreds of billions from so-called sophisticated investors and sovereign wealth funds. At its peak, the Ponzi scheme was estimated to be worth over \$500 Trillion, with the Credit Default Swap (CDS) portion just under \$60 Trillion!

Hidden behind the headlines of the financial destruction that is sweeping across the globe, lies another story – a dark tale of men who orchestrated the crisis and have amassed enormous wealth and power at the expense of the millions who are now unemployed and whose homes have been foreclosed. This select group of men is in absolute control of the unfolding events. Who are they? THE

HIDDEN POWER

The hidden power is almost indestructible because throughout the ages, any attempt to unveil their hidden agenda and to expose the men behind the screen has been labeled "a Conspiracy Theory" and those who risk their wealth and reputation to expose this power are accused of being "Conspiracy Theorists".

This is notwithstanding the fact that many insiders who were previously seduced by the power and recanted, have written about such men and their global agendas.

Some "do-gooders" who have visited my website have pleaded with me not to make any reference to the hidden power as "I would be condemned as a conspiracy theorist and lose my credibility." It is these do-gooders who are unconsciously, the allies and propaganda tools of the hidden power. They are the foot soldiers of the Hidden Power and the first to be slaughtered. They never learn and if they persist, must be considered collaborators.

I have made detail references to the hidden power in my books. I shall recap herein what the insiders have been saying for years. For those who are aware of these writings, it would serve them well to revisit these writings again so as to strengthen their resolve to expose the hidden power until total victory.

In essence, the hidden power is the Global Shadow Money-Lenders - the men and women who control and manage the Shadow Money-Lending System. And they also control all political leaders, directly and indirectly in every part of the world, in every country, Malaysia included!

Anyone who denies this is a fool from our perspective but an indispensable ally from the shadow money-lenders' point of view.

Please consider the following exposé by renowned insiders.

Napoleon Bonaparte

"When a government is dependent upon bankers for money, they and not the leaders of the government control the situation, since the hand that gives is above the hand that takes. Money has no motherland; financiers are without patriotism and without decency; their sole object is gain."

Niccolo Machiavelli

"For the great majority of mankind are satisfied with appearances as though they were realities, and are often more influenced by the things that seem than by those that are."

President James Madison

"History records that the money changers have used every form of abuse, intrigue, deceit, and violent means possible to maintain their control of governments by controlling money and its

issuance.”

President Abraham Lincoln

“The money power preys upon the nation in times of peace and conspires against it in times of adversity. It is more despotic than monarchy, more insolent than autocracy, more selfish than bureaucracy.”

President James A Garfield

“Whoever controls the volume of money in any country is absolute master of all industry and commerce.”

The Rt. Hon. Reginald McKenna – Chancellor of the Exchequer

“I am afraid that the ordinary citizen will not like to be told that the banks can, and do, create money. The amount of money in existence varies only with the action of the banks in increasing and decreasing deposits and bank purchases. Every loan, overdraft, or bank purchase creates a deposit and every repayment of a loan, overdraft or bank sale destroys a deposit. And they who control the credit of a nation direct the policy of governments, and hold in the hollow of their hands the destiny of the people.”

Sir Josiah Stamp – Bank of England

“Banking was conceived in inequity and was born in sin. The bankers own the earth. Take it away from them, but leave them the power to create deposits, and with the flick of the pen they will create enough deposits to buy it back again. However, take it away from them, and all the great fortunes like mine will disappear and they ought to disappear, for this would be a happier and better world to live in. But, if you wish to remain the slaves of bankers and pay the costs of your own salary, let them continue to create deposits.”

President Woodrow Wilson

“A great Industrial nation is controlled by its system of credit. Our system of credit is concentrated in the hands of a few men. We have come to be one of the worst ruled, one of the most completely controlled and dominated governments in the world – no longer a government of free opinion, no longer a government by conviction and vote of majority, but a government by the opinion and duress of small groups of dominant men.

“I am a most unhappy man. I have unwittingly ruined my country.”

(President regretted signing into law the Federal Reserve Act)

Supreme Court Justice Felix Frankfurter

“The real rulers in Washington are invisible and exercise power from behind the scenes.”

Louis T. McFadden, Chairman of Banking & Currency Committee

In 1932:

"The truth is the Federal Reserve Board has usurped the Government of the United States. It controls everything here and it controls all our foreign relations. It makes and breaks government at will ..."

In 1933:

"Roosevelt has brought with him from Wall Street James P. Warburg, son of Paul M. Warburg, Organizer and first Chairman of the Board of the Federal Reserve System..."

In 1950:

"This same Warburg had the audacity and arrogance to proclaim before the U.S. Senate: 'We shall have World Government whether or not we like it. The only question is whether World Government will be achieved by Conquest or Consent'."

Senator Barry Goldwater

"Most Americans have no real understanding of the operation of the international money-lenders. The accounts of the Federal Reserve System have never been audited. It operates outside the control of Congress and manipulates the credit of the United States."

Henry Ford

"It is well enough that people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning."

The above is the truth laid bare before your eyes and which the shadow money-lenders have spent billions over the years for the control of the global mass media, and paid handsomely specially cultivated economists, historians and politicians to disseminate lies, divert attention and to cover up their hidden agenda.

The next quotation will shock most of you and will change your perspective of many global issues. It is written by a courageous Jew to another courageous Jew.

Benjamin H. Friedman

Letter to Dr. David Goldstein dated October 10, 1954

"The history of the world for the past several centuries and current events at home and abroad confirm the existence of such a conspiracy (to destroy Christianity and obtain global power). The world-wide net-work of diabolical conspirators implements this plot against the Christian faith while Christians appear to be sound asleep. The Christian clergy appear to be more ignorant or more indifferent about this conspiracy than other Christians ... It seems so sad."

A HISTORICAL DETOUR

To secure their global agenda, the shadow money-lenders needed a national base to first consolidate their power and to legislate laws that would secure their monopoly to issue money and credit. The target country was England and that is why the first central bank was the Bank of England. Almost all the laws that secured the money-lenders their unbridled economic and political power can be traced back to the legal basis for the establishment of the Bank of England as a central bank and their unfettered right to create "credits".

The £ was the currency of choice for world conquest and the result was the mighty British Empire, where the sun never sets! It was an empire based on debt. When the £ Ponzi scheme unraveled, Britain outlived its usefulness and the shadow money-lenders relocated to structure another Ponzi scheme.

The next target country was the United States and the vehicle was the Federal Reserve System. It was a long struggle, but the shadow money-lenders finally prevailed. Thereafter, they established the greatest financial empire in history, but they are still short of their ultimate hidden agenda, as arrogantly proclaimed by James P. Warburg – the establishment of a World Government by conquest or by consent!

Today, the shadow money-lenders have achieved unrivalled military power, but in the process they have put at risk the fiat money system. This is because so much money was required to maintain and sustain the military might of the US and its military bases in client states all over the world and the occupation of Germany and Japan since their defeat in 1945.

What is important to understand is that the shadow money-lenders are parasitic in nature and they have to feed on a continuous diet of debts. The financing of military adventures ensures a continuous stream of debts and compound interests. Debts beget more debts!

When the debts reach saturation point, the Ponzi scheme will collapse and hence, the need to revive and or re-establish another Ponzi scheme, failing which the shadow money-lenders' financial empire cannot be sustained.

BRETTON WOODS (I) – POST WORLD WAR II PONZI SCHEME

At the end of the Second World War, the United States was the indisputable super-power and largest creditor.

The shadow money-lenders created various covers for massive lending such as the Marshall Plan, supposedly to revive the devastated economies of Europe and Asia. Under the cover of the aforesaid altruistic economic plan of post war recovery, was the hidden agenda for the establishment of the US dollar as the one and only supreme currency to replace the £.

The shadow money-lenders had under their control the following sovereign debtors post World War II:

Canada

The countries of the South American Continent

The countries of Europe, west of the then "Iron Curtain"

The countries of the African continent

The countries of the Middle East

The countries of Asia, west of the then "Bamboo Curtain"

Australia and New Zealand

To secure the sovereign debtors' consent to the use of the dollar as reserve currency, it was agreed that the dollar was redeemable in gold at US\$35 per oz of gold.

The shadow money-lenders never had it so good. Then they got greedy.

Like the goldsmiths of yester-years, the shadow money-lenders created more credits than there was gold to sustain the dollar reserve currency. There were also the numerous wars that needed to be financed, principally the Vietnam War and the proxy wars in Africa and Latin America. There was a huge drain in the gold holdings at Fort Knox.

This gave rise to a crisis of confidence in the Bretton Woods (I) dollar system.

To resolve the crisis and to maintain the unrivalled position of the US dollar, the shadow money-lenders devise a brilliant scheme – a variation of Bretton Woods (I)

BRETTON WOODS (II) – PURE FIAT MONEY SYSTEM

The dollar would no longer be redeemable in gold as decreed by President Nixon.

There were two parts to the overall scheme to secure full compliance.

Part 1 was the use of the simple bully tactic. The Cold War was engineered and intensified to create the myth that the Soviet Union would unleash a nuclear war against the "free countries" and therefore there was a need for collective security in which only the United States could provide the necessary defense, as it was the most powerful nation in the world.

The quid pro quo for the protection under the umbrella of the US led collective security was that countries must continue to use the US dollar in all international trades.

Notwithstanding the fact that the client states agreed to the new arrangement, there was still the fear by the shadow money-lenders that sooner or later the debtors will wise up to the fact that they were holding mere toilet papers. Should this happen, the dollar would be dumped as toxic waste and that would spell the end of the shadow money-lending system.

Part 2 was therefore initiated and the man chosen to implement the con-game was none other than Henry Kissinger. He secured an agreement with the corrupt Saudi monarch and lesser

tyrants in the region that the oil price would be manipulated to hit the roof and in return for their untold wealth and financial power, all future crude oil trades must be denominated in dollars, and the petro-dollars must be repatriated to the United States, to be invested in dollar assets.

In a warped sense, dollar was now backed by crude oil instead of gold, as without dollars, no nation could purchase crude oil.

The dollar toilet paper over-night regained its stature and value as the global reserve currency.

Yet, and once again the shadow money-lenders got greedy. They came to the insane conclusion that they could create limitless credits (debts) out of thin air and none would be wiser!

By the late eighties, it was apparent to the shadow money-lenders that the demand and use of crude oil would not be able to sustain the level of dollar credits needed to support the debt pyramid.

Plan B, the Yen Carry Trade was put into action – borrowing yen at zero interest rate to invest in dollar assets, bearing higher interest rates. The Japanese could not complain, being a conquered race and still under military occupation, and so for over a decade, they suffered in silence. The dollar as the global reserve currency was saved, but, not for long.

The instability in the Middle East became a major concern. Saddam Hussein had grandeur ideas. He aspired to be the regional power but Desert Storm scuttled his grand designs. Iran having recovered from the devastation of the eight-year war with Iraq, began to assert itself and their growing strength was perceived as a threat to the security interests of the shadow money-lenders and their partners-in-crime, the big oil companies.

A Plan C was needed. The China card had to be played!

THE CHINA FACTOR

Deng Xiaoping in the 1980s announced to the world that China would practice socialism with Chinese characteristics. Being Red was not critical, for the colour of the cat was not important so long as the cat catches mice!

China wanted to modernize and catch up with the West. It had abundant cheap labour and a disciplined workforce. But development was slow and foreign investments were confined to certain regions.

Back home in the US, manufacturing concerns were being clobbered by the Japanese and the Koreans. Industry after industry became less competitive and costs were rising. A solution had to be found.

The shadow money-lenders have their share of worries – How to accelerate the momentum of credit creation in an economy that is slowing down? Less debts mean less compound interests and therefore less profits. Q.E.D.

The shadow money-lenders realized soon enough that if debt-driven consumption is the solution, then there must be a manufacturing base that can produce the massive quantities of goods that

would meet the demands for debt.

China loomed large in the overall scheme of things.

The shadow money-lenders entered into an agreement with the Chinese along the lines of the petro-dollar agreement. There will be massive relocation of industries to China, massive investments in plants and equipment to produce goods for the US and European markets in exchange for dollar denominated trade. And more importantly, it was agreed that the dollar trade surplus would be re-invested in dollar assets.

It was an offer that China found hard to refuse. It was the fast track to economic development and the rapid modernisation of China. China agreed and the rest is history!

Debt exploded in the US and in Europe. Consumers were borrowing as never before to purchase the goodies from China. The recycled dollars from China funded the consumer bubble from home ownership to motorcars, electronic goods, toys, clothing etc. China became the world's factory and her economy surged. Within a decade, China accumulated dollar reserves amounting to \$2 Trillion. Other Asian countries jumped on the bandwagon, and accumulated huge dollar reserves. These huge reserves must be invested and the US lured them to the exotic investments created by Nobel Laureates and rocket scientists.

THE DERIVATIVE CASINO

Financial engineering by the shadow money-lenders accelerated further credit creation. The United States led the way. During the past ten years, while income stagnated, consumer spending rose to a record \$8.34 trillion fueled by cheap consumer loans – home mortgage, credit-card loans, car loans, holiday loans etc.

The securitization of the growing stream of compound interests from the wide range of consumers' debts was the natural and logical step in the next round of credit creation for the derivative casino. These debts were sliced and diced into tranches to form CDOs, synthetic CDOs, CLOs, MBS and CDS etc. and marketed worldwide. The demand for securitization was so great that banks and mortgage brokers were even willing to lend to borrowers on the barest of credit information. They were aptly called "Liars' Loans"!

In 2004, \$157 billion CDOs were issued but rocketed to an amazing \$557 billion in 2006. And when there were insufficient mortgages to be securitized into CDOs, Wall Street created the "synthetic CDOs" – bonds which have no underlying loans and or security but allegedly have an income stream based on a parallel contract and on contingencies which may or may not result in any interest payments. Investment is risk, stupid! Higher risks, higher payouts!

In the first quarter of 2007, the creation of CDOs surged further, led by Merrill Lynch which sold nearly \$29 billion in February and March, sixty per cent more than the preceding two-month period; Goldman Sachs pushed \$10 billion in March which more than double the value in February and Citigroup sold \$9 billion in March, one third more than the previous month. CDOs were the rave and the ticket to glorious wealth.

The US, specifically Wall Street became the "Mecca of debts".

The rest of the world jumped on the bandwagon. So much CDOs were packaged and sold so quickly that no one even had the time to determine which and what securities were being securitized in the CDOs. "Just do the trade, just do the trade" was the chorus line for the traders.

The following table says it all – the Sub-Prime Fiasco.

YEAR	TOTAL MORTGAGE ORIGINATION	VALUE OF SUB-PRIME MORTGAGES	VALUE OF SUBPRIME MORTGAGE-BACKED SECURITIES
2001	\$2.21 Trillion	\$190 Billion	\$95 Billion
2002	\$2.89 Trillion	\$231 Billion	\$121 Billion
2003	\$3.95 Trillion	\$335 Billion	\$202 Billion
2004	\$2.92 Trillion	\$540 Billion	\$401 Billion
2005	\$3,12 Trillion	\$625 Billion	\$507 Billion
2006	\$2,98 Trillion	\$600 Billion	\$483 Billion

The Shadow Money-lenders also came up with a scheme to protect investors and which brought another massive stream of revenue. The scheme was called "Credit Default Swaps" (CDS).

Total Face Amount of CDS was estimated as follows:

2001 \$918.9 Billion
 2002 \$ 2.2 Trillion
 2003 \$ 3.8 Trillion
 2004 \$ 8.4 Trillion
 2005 \$ 17.1 Trillion
 2006 \$ 34.4 Trillion
 2007 \$ 62.2 Trillion
 2008 \$ 54.6 Trillion as of June 2008

The world became addicted to debt!

Then the housing bubble busted, and with it the gigantic Ponzi scheme.

Creditors are now faced with a dilemma, what to do with the loads and loads of dollar toilet paper, now derisively referred to as "toxic wastes" – stand pat, sell down, continue to be paid in dollar toilet papers or shut down the printing press?

We are now at this juncture.

THE SHADOW MONEY-LENDERS' LAST GAMBIT

The Fed's decision to cut the Fed Fund Rates to 0.25 percent means that the Fed has embarked on a Zero-Interest-Rate Policy (ZIRP) and to proceed with the policy of Quantitative Easing (QE) – to turn on the spigot for "limitless supply of credit".

In layman's jargon, to encourage more debts – mortgage debts, credit-card debts, car loans, and more importantly to revive the derivative casino, presently on life support. This was the drug addiction that sustained the global financial system in the last twenty years and more intensely in the last seven years!

The announced policy (ZIRP / QE) is the last bullet in the Fed's arsenal or as I have stated earlier, using another analogy, the final gamble, the last chip on the betting table. There will be no more ammunition left after this.

This huge gamble will take six months to play out but it will end in failure as surely as the sun will rise in the East tomorrow.

But a more sinister aspect of the zero-interest-rate policy which has not been highlighted by any economist or financial commentator is that the United States under the present Bush regime has declared to the entire world that the United States cannot and will not service anymore interest payments on the nation's outstanding debts amounting to trillions.

Bush has declared that the United States for all intent and purposes is bankrupt and have no means to service the interest due, what more the principal sum.

Bush, Bernanke and Paulson have therefore collectively agreed to give the "two-finger sign" to the world's creditors and in no uncertain terms are saying that:

You creditors, you a@#holes, you can jerk off. You know, I know and the whole bloody world knows that the US of A have no income to even service the interest which amounts to a few hundred billion a year.

So let us stop the pretense. We owe trillions and interest on top of that runs to hundreds of billions, which when unpaid is capitalized. And every year we have to borrow from you guys just to pay the interest so as to avoid a call on default. There were so many occasions when we have defaulted, but you guys allowed us to roll over to maintain the façade that the US of A is still floating.

We ain't floating like a bee, but we are sinking fast! Let's cut the crap and be real.

So this is the offer. And you jerks better listen good because this will be said once and once only.

You guys should be more than happy with so much interests already accruing on the outstanding. All these years, you guys have been only too happy to see us print the toilet papers in payment of your goods and to service the interests. It was an incredible con and what a free ride we had all these years. You guys were part of the con as well.

If you insist that I continue to pay you in toilet papers, why do you insist that we issue more toilet papers as interest payments? It is just more toilet papers. You guys are swarmed with toilet papers!

The toilet paper is worthless. So what is the point of paying "toilet paper interest" on outstanding toilet papers?

This is it! We are not paying anymore toilet paper interest. We are going to print more toilet papers to pay for whatever we want to purchase. If you want to sell to us, you will get toilet papers but with no interest. Period!

This is the greatest irony. The Fed, the world's biggest money-lender and its partners-in-crime are telling their creditors to stuff it! When debtors cannot pay the exorbitant interests and the principal, these financial predators demand that the debtors give their pound of flesh in lieu of cash. But when they borrow, they repay in toilet paper money and get away with it!

And now they even have the audacity to give an ultimatum:

We are the biggest buyers in town. If you don't want toilet papers from us, that is fine by us. You can get tissue papers from the Europeans, bamboo papers from the Japanese and whatever that is on offer. Who is going to argue whether tissue paper would do a better job than plain toilet paper? Hey, this is a free market. Pick your choice!

This is the ultimate poker game. Bush, Bernanke and Paulson is betting that no one will call their bluff, turn away and stop selling anymore goods to the US of A. Bush is counting that the fear of recession and or social unrest in the creditors' countries will force the creditors to capitulate.

Unfortunately, this gambit will fail. The reason is simple. The US cannot supply the goods that the American consumers want, even the most basic stuff. The manufacturing industries are all anemic, while others are on life support. Without imports, the United States will have to shut down within six months.

There will be massive riots all over the US, with people killing for food and other basic necessities. Basic raw materials, commodities for manufacturing etc. will be unavailable. There will be no more cars on the freeways! Millions of Americans licensed to carry arms will stalk the streets for whatever scrap they can get their hands on.

You can bet your bottom dollar, the Shadow Money-Lenders and its military partner will impose martial law.

Preparation is already on the way.

PRESIDENT BUSH'S STARK WARNING

On Tuesday, December 9th 2008, President Bush in fascist speak stated that, "I have abandoned free market principles to save the free market system."

If you guys out there still don't get it, this is what Bush is saying:

I am imposing dictatorial rule!

This is because the opposite of "free market" according to conventional wisdom is "state-control economy". In a word, Socialism – Big Government.

The Fed and the Treasury, in connivance with Congress, have already approved and financed big time, the acquisition of the major banks in Wall Street through the Troubled Asset Relief Program (TARP), the Term Asset-Backed Securities Loan Facility (TALF), and the \$700 Billion bailout plan. Several US financial commentators have already conceded that this is outright nationalization of the financial institutions.

Soon it will be the nationalization of the big corporations like GE, GM, Ford and Chrysler, all too big to be allowed to fail.

Too far fetched? Just look back to the events leading to World War I and World War II and to the dictatorships in Latin America in the 1970s.

How did Franklin Roosevelt get out of the 1930s mess if not for big government policies and engaging in the wars in Europe, against Germany and Japan in Asia? He even decreed Americans could no longer own gold in any form. They were all confiscated. President Roosevelt ruled with an iron fist, and don't you believe otherwise.

Now that the entire world knows that the Federal Reserve Note (the dollar bill) is toilet paper and even though in law is "legal tender" (i.e. by law the toilet paper must be accepted as full payment of any debt, failing which the debt is deemed paid), the Shadow Money-Lenders cannot afford the risk of an armed open rebellion and the fiat money system to be overthrown. It is therefore necessary in these circumstances to enforce the use of the US dollar toilet paper by military rule and brutality.

To those who are not attuned to "dictatorship speak", there is no clearer message to prepare the elites for the coming catastrophe than the announcement that free market principles will no longer apply. The emphasis is on the word "free" and not the word "market".

We can argue till the cows come home whether my reading of events is correct. Time will be the final judge.

WORLD GOVERNMENT BY CONQUEST OR CONSENT

James P. Warburg, the son of Paul M. Warburg (first Chairman of the Board of the Federal

Reserve System), had proclaimed that world government is their ultimate objective. But that objective cannot be achieved unless and until the United States is completely subdued. A world government can only come about if there is created a crisis that will engulf the entire world, starting from America. Such a crisis will not and cannot be resolved by any one country. It will have to be a global solution. And since countries can only work through a common mechanism, there is therefore a need for an international institution or mechanism.

The United Nations is the precedent from which a new world government will emerge.

Henry Kissinger, since the onset of the crisis, has been calling and cajoling world leaders to submit to such an endeavour if the world is to avoid a global calamity.

And it will be a socialist world government. Before anyone protest and declare that I have gone insane, let me state here once and for all, I am in full command of my faculties. I have done my research.

Capitalism and Socialism are two sides of the same money-lender's coin. Both ideologies serve a common master - the global shadow money-lenders.

For doubting Thomases, please consider the following facts:

1) The Russian October Revolution, led by Lenin was financed by bankers, to be precise, the bankers in New York and Berlin. In New York, the money was organized by the banking firm of Kuhn, Loeb & Co whose directors included Mr. J. Schiff and Mr. Warburg, founder of the Federal Reserve System. In Berlin, the German banker was the brother of the New York Warburg.

2) On January 16, 1962, the Look and Life magazine published the following statement by David Ben Gurion, the first Prime Minister of Israel who was then still in office:

"The image of the world in 1987 as traced in my imagination: The Cold War will be a thing of the past. Internal pressure of the constantly growing intelligentsia in Russia for more freedom and the pressure of the masses for raising their living standards may lead to a gradual democratization of the Soviet Union. On the other hand, the increasing influence of the workers and farmers and the rising political importance of men of science, may transform the United States into a welfare state with a planned economy. Western and Eastern Europe will become as federation of autonomous states having a socialist and democratic regime ... countries will become united in a world alliance, at whose disposal will be an international police force. All armies will be abolished and there will be no more wars. In Jerusalem, the United Nations (a truly united nation) will build a shrine of the prophets to serve the federated union of all continents; this will be the seat of the Supreme Court of Mankind, to settle all controversies among the federated continents, as prophesied by Isaiah."

3) On the success of the Russian October Revolution and the abdication of the Czar Nicholas II, the British Premier David Lloyd George said in Parliament, that Britain had achieved one of its major war aims.

4) The principal aim of Capitalism and Socialism is the centralized rule of an elite political group which owns and or controls all the means of production and the issuance of money and credits –

in the case of the former, through various forms of monopoly and in the case of the latter, public monopoly.

WHY WAR IS INEVITABLE

To prove the point, let me use a simple analogy.

It is often reported in the headlines of newspapers that a certain gentleman or woman had been brutally beaten up for failing to pay the debts due to a money-lender. In Malaysia, money-lenders are often referred to as "Ah-Longs". This is even the case when the debt is paltry. If the money-lender adopts the "soft method" in recovering a loan, it may encourage defaults and non-payments. Brutality ensures full compliance!

So is the case with nations. When the very survival of a nation is at stake because of economic and or currency warfare, do you really think that the nation at risk would not go to war?

The US invaded Iraq not because of the threat of Saddam's WMD but for the crude oil and because Saddam was selling crude oil in Euros instead of the dollar toilet paper.

The shadow money-lenders are in a desperate situation and they will start a world war to avoid the collapse of the fiat money system. The war will be financed by the major central banks and their proxies – the 8 to 10 global commercial and investment banks. As in World War I and II, the elites of the City of London and Wall Street will be the primary movers of this insidious plot.

Anyone who doubts this scenario need only to ask one simple question – Do you think the financial powers centred in the West would accept and tolerate their loss of financial power?

I am using such graphic terms because the average Joe Six-Packs have yet to appreciate the full import of the latest announcements by President Bush that the US will abandon "Free market principles", and by Bernanke of the Fed's Zero-Interest-Rate Policy. Worst still, the majority of the political leaders of the third world are equally ignorant. This was evident in the APEC Summit in Peru. Like the average Joe Six-Packs, these leaders have no idea how the fiat money system works. When Washington and London say "print", "open the spigots", "lower interest rates", and vice-versa they just follow blindly. There was just one rare exception, when Malaysia opted out during the 1997 financial crisis. Even then, this was temporary as the new Badawi regime has succumbed to the old ways.

The IMF has already warned that if the US fails to resolve the crisis, there will be massive social unrest. There will be blood flowing on the streets! Military power would be pitted against brave militias with a proud tradition of having once defeated the mighty British colonial power.

Dare we hope for a second American Revolution?

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