Exclusive to Birch Gold Group

The End Of The Dollar Empire

by Stephen K. Bannon

Volume 1: The Federal Reserve

How the Federal Reserve robs your wealth, enriches the wealthiest Americans, and distorts the free market

Dear fellow American,

Over the last few years I've become increasingly concerned by a number of growing economic forces that threaten the U.S. This "economic warfare" is taking place right now on a number of fronts.

The immediate goal is to undermine the U.S. dollar. This is a crucial step in removing the U.S. from its role on the world stage.

Whether you follow geopolitical struggles or not, this is important: As goes the dollar, so goes your savings. The struggle ahead may not only bankrupt our nation, but all of us as well.

This is the first of a series of sitreps [situation reports] I've assembled on the enemies of the dollar. I'm working with a trusted partner, Birch Gold Group, to distribute these reports to as many clear-thinking Americans as possible. You'll probably want to learn more about Birch Gold Group's services after finishing this report.

Today, we're taking a skeptical look at the one institution that's done more damage to the dollar than anything else over the last 100 years…

Your friend,

Stephen K. Bannon

The Fed's story actually started 230 years ago…

In 1791, the just-formed United States created the largest corporation of its time at the behest of Alexander Hamilton. It was called the First Bank.

Farmers of that era **resisted the idea of having a centralized corporate power controlling monetary resources**, and the charter expired without renewal. That experiment would repeat itself in 1816 and last for another 20 years, only to fail once again thanks to the resistance of Andrew Jackson.

After a long history of back-and-forth politics, the Civil War, various banking acts, and several severe financial panics that all took place between 1836 and 1913, monopolistic bankers still wanted even more control.

So the bankers locked arms with the United States government to get it. And way back then, just like today, when bankers want something, they figure out how to make it happen…

On December 23, 1913 the Federal Reserve Act was enacted. A centralized banking system with the Fed and twelve major banks in nearly absolute control of the entire monetary system was established.

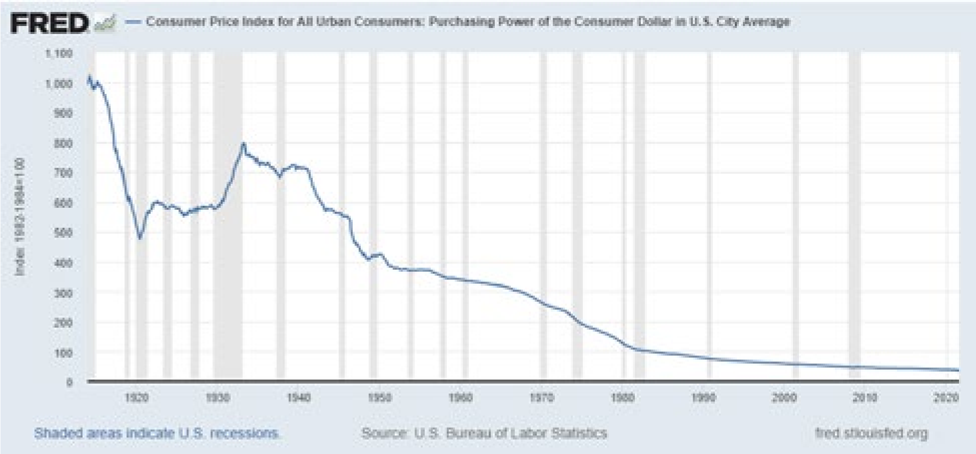
From that day forward, everything changed. But this report isn't an in-depth historical account of the Fed — entire books have been written on that subject.

So instead of covering that sordid history year by year, we're going to fast-forward to the present day to **examine the Fed's legacy and the impact it's had on Americans.**

One official chart summarizes the U.S. dollar's evaporating purchasing power from December 1913 to the present and reveals the Fed's "effectiveness" over the last 100+ years fairly well:

As you can see, **the purchasing power of the U.S. dollar has declined by approximately 96 percent** since the Federal Reserve took over.

Of course, there's much more to the Fed's malfeasance than this one chart reveals. In fact, over the last two decades the Fed has *continuously* intervened to keep inflation, lending rates, and unemployment "under control."

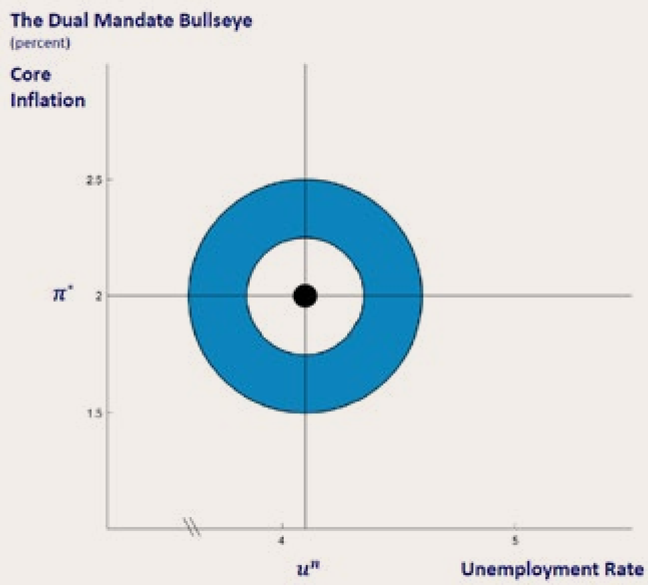


But, to put it bluntly, their best interests are not our best interests…

How Unelected Technocrats From the Ivory Tower Create the Illusion They're "Looking Out for the Little Guy" While Doing Exactly the Opposite

The Fed is supposed to maintain a dual mandate of keeping inflation under control near 2% annually, while ensuring unemployment is kept in check.

You can see this depicted on the blue "bullseye" graphic, taken from the Chicago Federal Reserve's website, and current as of October 2020 (targets can change):



You don't have to have an economics degree to know it's not necessarily a good idea to set arbitrary numerical targets that sound good to the public in order to guide economic policy.

But other than that, the Fed's dual mandate sounds like a reasonable idea when taken at face value. Two percent inflation doesn't sound bad. And we want people to have jobs, so why not maximize employment?

Of course, once you look a little deeper, that picture starts to unravel.

Things aren't as "reasonable" as the Fed would have you believe.

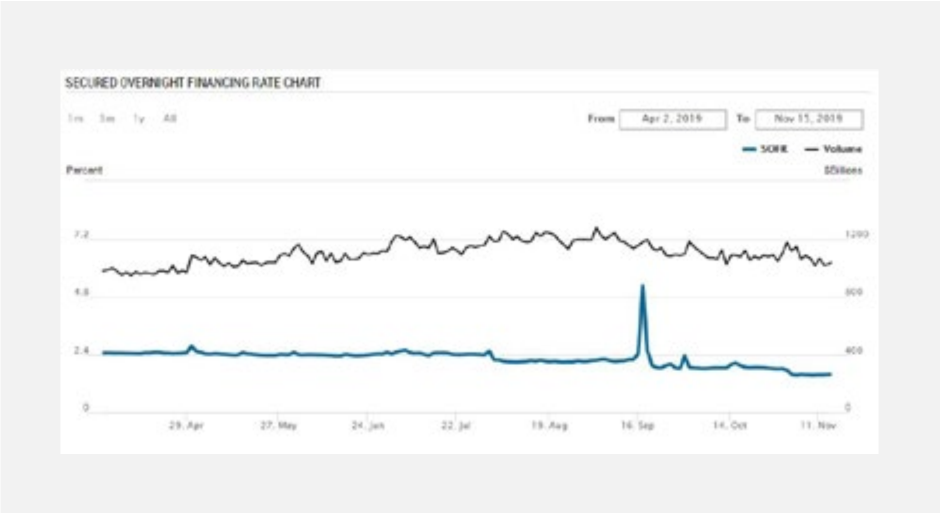
When Fed executives fail to provide transparency about what they're doing, that behavior should arouse suspicion about their operations. For example, a Frontline investigation revealed the following disturbing behavior:

> *"From September 2019 to March of 2020, the Fed pumped out more than $9 trillion cumulatively in below-market rate loans to the trading units of the mega Wall Street banks in these repo loans. To this day, the Fed has refused to release the names of the banks that received these funds or the amounts each bank received. It has released only the cumulative tallies of the loan amounts."*

One might wonder, Is the Fed actively propping up failing megabanks? Based on the evidence, it's hard to deny that. And if you think they're hiding something, you would be correct.

How do we know?

You can clearly see the September 2019 spike in overnight lending rates that panicked the Fed into making trillions in repo loans on the official New York Fed chart below:



Of course, the bankers themselves also had a hand in continuously nagging the Fed to provide the "liquidity" (in other words, cash) at incredibly low interest rates that would keep their lending markets from seizing.

Keep in mind, the beneficiaries of this "free money" included many big banks which took advantage of the low interest rates given by the Fed while charging struggling students 20%+ interest on credit cards.

And this wasn't the first time the Fed doled out trillions in benefits to the banks. The Levy Institute confirmed *exactly the same* behavior that the Frontline investigation revealed, but with a key difference...

They also got to peek behind the curtain.

Here's the short version of that story:

After the 2008 financial crisis, the Fed loaned out $29 trillion to prop up "too big to fail" banks and their foreign counterparts. **It took a years-long lawsuit, a Dodd-Frank amendment, and an audit to discover** exactly which banks those loans went to, and how much each bank received.

So now we have two clear examples from *within the last 12 years* of how the Federal Reserve has printed up trillions of dollars to prop up failing lending institutions, then tried to hide their tracks.

It's pretty clear the Fed's bailout money wasn't being used to support its mandates.

Rather, that money was used to take care of some of the wealthiest corporations and individuals in society. So why is it so important to provide support to these failing institutions? Does the Fed's under-the-table, free loans to banks limit inflation?

No.

Is it the Fed's intention to keep the half-million or so U.S. employees of the megabanks from losing their jobs when their corporate employers shut down?

Hardly…

It seems like the Fed's primary goal is to maintain the illusion of prosperity. See, when banks fail, people get scared. When people get scared, they pull their money out of banks and banks run out of money and collapse. Failed banks shatter confidence in the financial system (which, to be honest, is mostly a confidence game). Borrowing and lending, the credit necessary for everyday business-as-usual, stutters and grinds to a halt as both borrowers and lenders reevaluate and reprice risk.

You might think that's okay. You might believe in Adam Smith's "invisible hand" that adjusts asset prices through such simple forces as supply and demand.

But the Fed thinks that would be catastrophic, because of something called the "wealth effect."

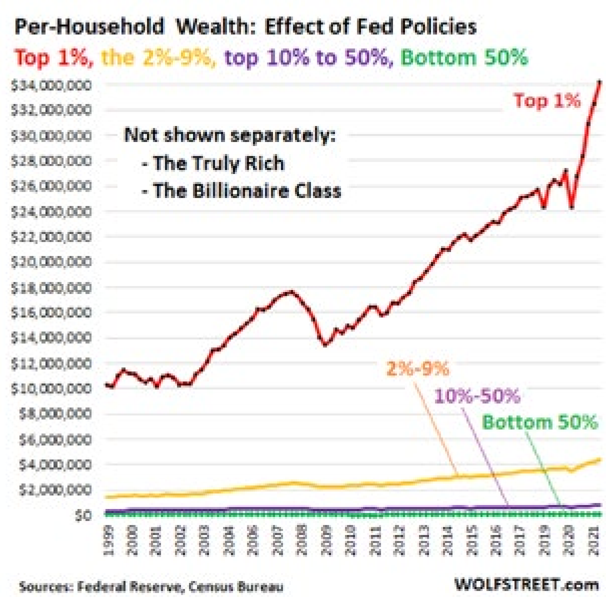
What's the wealth effect?

In 2010, Fed chair Ben Bernanke explained the "wealth effect" to Americans. Not on cable news. Not in a press release, or at a press conference. Nope, he chose the editorial page of the Washington Post. He wrote:

> *Easier financial conditions will promote economic growth. For example, lower mortgage rates will make housing more affordable and allow more homeowners to refinance. Lower corporate bond rates will encourage investment. And higher [asset] prices will boost consumer wealth and help increase confidence, which can also spur spending. Increased spending will lead to higher incomes and profits that, in a virtuous circle, will further support economic expansion.*

There it is, in a nutshell. The "wealth effect" is the Fed's never-ending quest to boost asset prices. That's it! If your assets go up, it will "help increase confidence" which is good to "spur spending."

There's just one small problem with this approach: it benefits the wealthiest Americans almost exclusively. Analyst and commentator Wolf Richter put together a chart from Fed and Census Bureau data to show just how unfairly the Fed's "wealth effect" obsession gets distributed:



As you can see, the wealthier you already are, the more the Fed's policies benefit you. If you're not already rich, well, too bad!

And that's not all the Federal Reserve has done (or is doing) to help out the rich.

Have you ever heard of the Plunge Protection Team (PPT)? It's a small team of people who report directly to POTUS. If asset prices falls too far too fast, the PPT starts intervening to actively manage the market.

I know it sounds crazy, but this kind of activity has been going on a long time. For example, a 1989 speech published in *The Wall Street Journal* by former Federal Reserve Board of Governors member Robert Heller suggested the Fed **could directly intervene in markets by purchasing any assets they wish.**

This shady Fed behavior has been going on for more than 30 years, yet the general public is still largely unaware of it. And that's by design. The Fed likes to project the image that its sole purpose is to help the little guy — while their actions benefit the wealthy elites. For example, here's Minneapolis Fed President Neel Kashkari justifying the Fed's behavior:

> *"The Fed has been on a mission, I've been on a mission to put Americans back to work and help them get their wages up, especially for those lowest income Americans. And if it's had some effect on [the wealthy], to me, the tradeoff is well worth it if we can put Americans back to work, so that they can put food on the table, they can take care of themselves. That is profoundly beneficial to society."*

Quite frankly, this is just a bunch of Federal Reserve PR spin. The truth is, the Fed's actions DON'T actually help average Americans. In fact, you're about to see how the Fed ensures most of the wealth stays in the hands of the wealthiest.

How Fed Eggheads Make Your Wealth Disappear by Distorting the Economy Until the Dollar Is Almost Worthless

Instead of paying attention to how Fed officials present data like unemployment, inflation, and rates… It's best just to look at their **results**. Because those results aren't good.

For example, in 2021 the term "transitory" was being tossed around for months to describe inflation. The Fed ended up promoting an idea that turned out to be more fantasy than reality, however.

In the real world, inflation shot up for months to levels not seen since the early 1980s.

Another way to look at inflation — the "tax nobody voted for but everyone pays" — is to consider again that chart from the beginning of the report you're reading, which revealed the continuously declining purchasing power of the dollar since 1913.

If the Fed were getting good results and controlling inflation, your purchasing power would be preserved. Instead, it's evaporating. As Brian McGlinchey put it, "For much of its 108-year history, the Federal Reserve had either an implied or explicit mandate to preserve the value of the U.S. dollar—and **it failed spectacularly.**"

Those failures eat away at your wealth like battery acid eats away metal: slowly at first, but given enough time can do significant damage.

And it won't be getting better any time soon.

Case in point: The dollar's purchasing power continues to tumble like a boulder down a mountain.

The only time there was even a slight recovery was shortly after the 2008 financial crisis. At that point, the economy entered a short period of deflation.

In response to that brief period of deflation, Bernanke's Fed slashed interest rates to zero and issued round after round of **quantitative easing** ("printing money"). Over the next 13 years, the Fed's balance sheet (with Chairman Powell's help) skyrocketed from under $1 trillion to nearly $8 trillion.

So the modern monetary theory grads at the Fed did the opposite of what you might think they should have done in the face of a deflationary economy. As a result, inflation is back in full force today.

Once inflation hits your wallet, it's like a thief that robs you permanently unless your income goes up to compensate. So even if Powell was correct (he wasn't), and inflation was transitory…

That inflation would still be robbing you of your wealth now.

So “transitory” inflation isn’t something to celebrate, and rising inflation isn’t doing you any favors, even when Powell and the Fed try to downplay it.

Even worse? Inflation is cumulative. A single year of 5% inflation reduces every dollar’s purchasing power by 5% permanently. Without an offsetting period of deflation (which terrifies Fed officials even more than the possibility of an audit), that lost purchasing power ***is gone forever.***

If that weren’t bad enough, the Fed doesn’t appear to be changing any of the habits that brought the U.S. economy to this point.

For example, the $9 trillion in low interest repo loans that were mentioned earlier **aren’t going to be stopped anytime soon,** according to a recent Fed press release. That same press release confirmed their “Standing Repo Facility” (the one that loaned trillions of dollars) will also be around for quite some time.

On top of all that, the Fed distorts the economy through manipulation of interest rates. Put simply, the Fed intentionally manipulates the system by injecting it with more cash to be loaned out.

If consumers are spending money on goods and services, demand increases, and prices generally go up. Interest rates generally go down. As consumer spending continues, demand increases in various market sectors for goods and services. Which is fine, until the Fed stops injecting money into the economy or people stop

spending (which unemployed people tend to do). Then the whole thing can fall apart very quickly. Interest rates can skyrocket and inflation can spiral out of control.

What all of this could mean for you…

The dollar's purchasing power is likely to keep tumbling, inflation won't be going away, and your savings will continue to erode.

In fact, former Twitter CEO Jack Dorsey — a guy I really don't like — recently came out and said: "Hyperinflation is going to change everything. It's happening."

Where could that potentially leave the U.S. economy as a whole?

I discussed this while talking about an Economist headline and a potential "shortage economy" the U.S. could be entering in a recent video.

The Economist's headline read: "The Shortage Economy." America needs to prepare…

In fact, the markets could be so distorted that they're a level beyond stagflation. But even if I am only partially right, there would still be rocky times ahead.

The Solution? Follow the Golden Brick Road

Remember that chart at the beginning of this report? Every dollar that the Fed "prints" and injects into the markets dilutes the value of existing dollars.

Since they keep printing money, that means they're practically forcing you to check out alternatives like precious metals.

It's pretty simple. Gold, silver, and other precious metals are different from fiat currency. Precious metals all have a finite supply that cannot be conjured up on a whim.

These physical precious metals all sit outside of the purview of the Federal Reserve and other elected officials in the government, and are therefore relatively safe from their constant meddling.

So here's what you need to do next…

You need to talk to my friends over at the Birch Gold Group. They'll gently walk you through the benefits of physical precious metals (completely different from imaginary financial-services industry hocus-pocus).

So call *(800) 355-2116* right now. And you'll get the chance to have a one-on-one consultation with a Precious Metals Specialist who can walk you through the ins and outs of physical precious metals and how to use retirement funds you've already saved to diversify your savings tax-free, without penalties.

I'm hoping that you'll carefully examine the possibility of shifting some of your savings into precious metals today.

So take action now. Because tomorrow may be too late.