



Written by [Alex Newman](#) on September 8, 2016

## Blasting “False Economy,” Trump Takes on the Federal Reserve

Taking aim at the [Federal Reserve’s politically motivated manipulation of the U.S. economy](#), GOP presidential candidate Donald Trump blasted the controversial central bank’s artificially low interest rates. He also denounced the “very false economy” propped up by Fed monetary gimmicks. Democrat nominee Hillary Clinton, though, hit back immediately, saying Trump should not malign or even comment on the increasingly unpopular institution that controls America’s monetary system.



Trump’s comments, which sparked national headlines, came earlier this week at an Ohio campaign stop in response to a question from a reporter about possible interest rate hikes by the Fed later this month. “They’re keeping the rates down so that everything else doesn’t go down,” Trump explained, touching on one of the establishment’s big secrets. “We have a very false economy.”

Trump did not question why the U.S. economy should be at the [mercy of artificially established interest rates set by unelected and unaccountable central planners](#), rather than market forces. Instead, the candidate merely pointed out that the situation could not go on as it is. “At some point the rates are going to have to change,” he observed. “The only thing that is strong is the artificial stock market.”

The Fed, which has claimed immunity from federal transparency laws by [pointing out in court that it is a privately owned corporation rather than government agency](#), has been hinting that it would raise interest rates for months. However, experts say the “false economy” may well blow up if and when rates finally go up, potentially setting the stage for a landslide victory for Trump. Eventually, [disaster will strike either way](#) without fundamental reforms to the corrupt monetary system.

Trump’s comments on the stock market, while almost totally overlooked by the establishment media, were also right on the money. As *The New American* reported two years ago, [the stock market is now dominated by governments and central banks, which in 2014 had some \\$30 trillion invested](#) in equities and other assets. That may prop up prices temporarily, but the huge and growing economic distortions will bring massive pain in the months and years ahead as they inevitably blow up.

This week’s comments were hardly the first time the unconventional GOP leader has highlighted serious problems with the Federal Reserve — one of the most secretive institutions in America despite its overbearing influence on the lives and economic well-being of virtually every American. In February, for example, Trump [took a major swipe at the Fed’s obsessive and dangerous secrecy](#) in an attack on his then-rival U.S. Senator Ted Cruz (R-Texas). “It is so important to audit The Federal Reserve, and yet Ted Cruz missed the vote on the bill that would allow this to be done,” Trump said.

Shortly after that, Trump campaign insider and confidant Roger Stone reiterated that message in an interview with popular radio host Alex Jones of Infowars. “He’s not a big fan of the Fed,” Stone said about Trump. “He is scaring the central bankers; he is scaring the Washington/Wall Street/D.C.



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consultant/lobbyist class. He's deeply suspicious of the Fed and I think he is open-minded about the Fed.... I'd suspect you'd get an audit of the Fed [with Trump]."

Polls show just one in 10 American adults are opposed to auditing the Fed, one of America's most powerful institutions, so Trump's positions are hardly controversial. Three out of four Americans support an audit, including two thirds of Democrats polled by Rasmussen. So far, though, despite massive support for Fed transparency in the U.S. House of Representatives, the U.S. Congress has only been able to approve a watered-down audit thanks to establishment forces in the Senate. Even the little information that has come out revealed, among other outrages, [bailouts potentially worth \\$27 trillion — with a T — including trillions showered on crony mega-banks supporting Clinton](#).

While Trump has become increasingly critical of the Fed — even calling Fed boss Janet Yellen's tenure "highly political" during the Republican primary — Clinton has been almost entirely silent on the issue. Until Trump spoke out, that is. After Trump's comments about the "very false economy" being distorted and manipulated by the Fed and its centrally planned interest rates, Clinton revealed more about her true colors to the American people.

Clinton is [widely viewed even among Democrats as the candidate of Wall Street "banksters"](#) — with crony "vampire squid" mega-bank Goldman Sachs even recently [banning donations among its executives to the Trump campaign \(but not to Clinton's\)](#). So it is no surprise that Clinton lashed out at Trump over his recent Fed comments, attacking the GOP candidate for even daring to mention the sacred money cow that quietly transfers wealth from poor and middle-class Americans to the ultra-rich establishment.

"Another example why he shouldn't be near the White House," Clinton told her traveling cadre fawning propagandists masquerading as "journalists" aboard her campaign airplane. "You should not be commenting on Fed actions when you are either running for president or you are president. Words have consequences. Words move markets. Words can be misinterpreted. Words can have effects on people's 401ks, their pension funds, their stock portfolios."

Then she dug herself deeper into the hole. "I'm not going to comment on Trump's comment, other than to say that he should not be trying to talk up or talk down the economy and he shouldn't be adding the Fed to the long list of institutions and individuals that he is maligning," Clinton added. Mega-banks that benefit from the Fed and its policies have poured millions of dollars into the dubious "Clinton Foundation," which [analysts have called a giant criminal enterprise](#), and into her campaign coffers.

It is not the first time Trump has taken on one of the [establishment's most powerful organs of control over the American people](#). Earlier this year, he even touched on the idea of stripping the banksters of their unconstitutional ability to create debt-backed fiat currency out of thin air. "Bringing back the gold standard would be very hard to do, but, boy, would it be wonderful," he explained, before being promptly attacked by [tax-funded establishment propaganda organs](#). "We'd have a standard on which to base our money." His vice-presidential nominee, Indiana Governor Mike Pence, has also touted the gold standard.

Trump also raised eyebrows and energized supporters when he rented out the 50th floor of a building he owns to American Precious Metals Exchange (APMEX) — and [allowed the company to pay its security deposit in gold bars rather than constantly depreciating Federal Reserve notes](#). In a video produced by Birch Gold Group about the deal, Trump explained his thinking behind the move, arguing that gold was better than cash.



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“Sadly we all know what’s happening to the dollar,” he explained, alluding to the fact that the U.S. dollar has lost more than 95 percent of its purchasing power since the banking cartel known as the Federal Reserve took over in 1913. “The dollar is going down and it’s not a pretty picture, and it’s not being sustained by proper policy and proper thinking. This was an opportunity and maybe an opportunity to show people what’s happening with the dollar so we can do something about it.”

Trump is the first major party presidential nominee in recent American history to start a serious discussion on what may be one of the single most important issues threatening America’s future — its corrupt “monetary system.” (During the 2008 and 2012 presidential campaigns, of course, Republican candidate Ron Paul made auditing and ending the Fed a major issue, but he was unable to get the nomination of his party.) As this magazine has been reporting for decades, the Federal Reserve as an institution has been the most important culprit behind the ongoing and accelerating economic decline of the United States, with the poor and middle class suffering the most.

Insiders such as Clinton and her ardent supporters in the mega-banks and the increasingly discredited establishment media may argue that presidential candidates should not be commenting on the Fed. But that is absurd. For the sake of the America, liberty, and prosperity, it is absolutely essential that the shameful silence on this crucial issue be ended. Trump has done America and the world an enormous favor just by bringing it up. Now it is up to Americans to educate themselves and others on the obvious problem — and [the solutions to it](#).

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