Written by Joe Wolverton, II, J.D. on July 16, 2016

Fed Official Confirms "Next Step" in Plan to Consolidate Economic Control

While on a speaking tour overseas, an official of the Federal Reserve has confirmed the "next step" in the Fed's plan to consolidate complete control over the economy of the United States.

During an interview on Australia's ABC AM, Loretta Mester of the Cleveland Federal Reserve said that the Fed is "assessing tools" that could be used to increase the influence of the central bank on the flow of money in the United States.

Goldman Sachs, the Fed's farm team, doesn't even bother to pretend that the issuing of helicopter money is anything other than, as they explain on their website, "a form of monetary finance, whereby the central bank finances fiscal stimulus through money creation."

The Central Bank will supposedly improve the economy by creating money and pumping it into the treasury market, which in turn creates increased debt for the U.S. taxpayer.

Of course, this is Keynesian economics at its finest. These global statists believe that if an average American looks around and sees money being pumped into the system (by whatever means is irrelevant to the Keynesians), then that American will believe that things are improving economically and that will compel him to go out and spend money, increase his own personal debt, and thus piggyback this increase in cashflow through the system on the back of the Fed's money printing scheme.

The plan described by Mester is the issuing of what is known as "helicopter money."

Put simply, helicopter money is money (and I use that word not in the true sense, but in the way it is used by the Federal Reserve and the Keynesians), pumped by the Fed directly into the economy, without laundering it through the banking system.

Here's how the helicopter gets off the ground, as described by the renowned Mises Institute:

> Suppose Washington issues treasury bonds to the 23 primary dealers on Wall Street in the regular manner. Further, assume that some or all of these dealers stick the bonds in inventory for 3 days, 3 months or even 3 years, and then sell them back to the Fed under QE (and most likely at a higher price).
>
> So what!
>
> The only thing different technically about "helicopter money" policy is the suggestion by Bernanke and others that the treasury bonds could be issued directly to the Fed. That would just circumvent the dwell time in dealer (or "investor") inventories but result in exactly the same end state. In that event, of course, Wall Street wouldn't get the skim.

Do you see the problem?

The printing and passing around of helicopter money is a direct assault on the Constitution. The policy allows the unelected, unaccountable apparatchiks of the Federal Reserve to exercise direct control over the country's pursestrings, pushing Congress right out of the picture.

Of course, lawmakers will likely enjoy the sort of cover that the Fed's issuing of helicopter money would provide to their own pet spending projects, projects that would be "necessary and proper" given all the fresh money that is being offered by the central bank.

This way, you see, even if a representative is called on the carpet by his constituents, he can point to the policymakers at the Fed and claim that he was only doing what "experts" at the Fed said was the way to spur economic growth.

The relationship works for both parties: the Fed becomes the de facto ruler of the country's economic condition, and congressmen get to increase their power and influence through the funding of pork projects that make them heroes to those back home benefiting from the handouts.

Here's noted economist David Stockman's take on the real danger of the money printing scheme:

> The unstated essence of it is that our monetary politburo would overtly conspire and coordinate with the White House and Capitol Hill to bury future generations in crushing public debts.
>
> They would do this by agreeing to generate incremental fiscal deficits — as if Uncle Sam's current $19 trillion isn't enough debt — which would be matched dollar for dollar by an increase in the Fed's bond-buying or monetization rate. That amounts not only to teaching children how to play with matches; it's tantamount to setting fiscal forest fires across the land.
>
> There are a few additional meaningless bells and whistles to the theory, which we will dispatch in a moment, but the essential crime against democracy and economic rationality should be made very explicit. To wit, this is a central bank power grab like no other because it insinuates our unelected central bankers into the very heart of the fiscal process.
>
> What better way is there to keep people slaves to the system than to make the system the people's creditor, banker, lawmaker, and employer all at the same time?

The report of Mester's appearance on the Australian news program indicates that helicopter money is not only being planned for distribution in the United States, but throughout the world, as central banks coordinate their coup d'etat.

"The comments come as major central banks — including the US Federal Reserve, the European Central Bank and the Bank of Japan — consider unconventional policy tools in a world of slowing growth, low inflation and record low interest rates," the Australian news channel writes.

Remarkably, during the interview, Mester not only reinforced the Fed's role as money printer, interest rate setter, and global economic policy maker, but she added the authority to control employment, as well. "I do think we've made significant progress on the employment part of our mandate and the recent inflation data has been encouraging," Mester said.

Since when does the Federal Reserve have a "mandate" to control employment? Since the American people allowed the central bankers to establish an outpost in this country.

Undoubtedly this "money" will be used within the 50 states to pay debts and will be required to be accepted as "legal tender for all debts public and private." But what does the Constitution say?

Article I, Section 10 reads: "No state shall … make any thing but gold and silver coin a tender in payment of debts."

Could state lawmakers and governors not rise up, assert their sovereignty, and base their absolute refusal to fence the Fed's fake money on the proscription against such policies set out in Article I, Section 10?

Yes, they could. Yes, they should.

The question remains: Will states serve as the barricades between tyrants and the people as the Founders intended, or will they continue serving no greater purpose than to be the administrative subordinates of the potentates on the Potomac?

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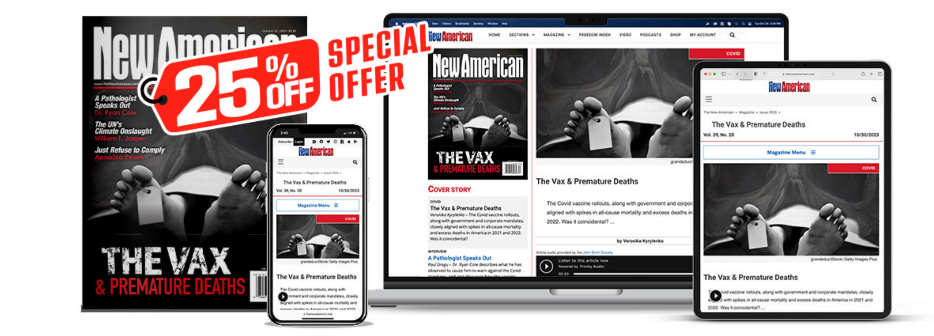

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