

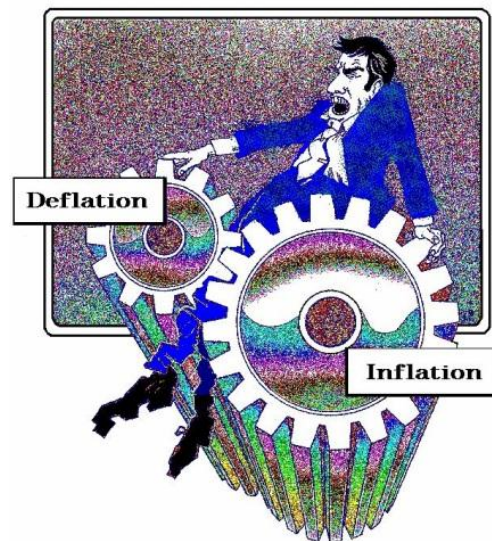
Answering Your Questions

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THE MIGRATION DILEMMA OF THE YOUTH

For so many years, the socialists have argued that they have to take money from the rich and give it to the poor who deserve it. Exactly how this idea of social justice came about is the lack of understanding about the business cycle. Instead of observing and learning how it functions, we have gone off the reservation and pulled every trick in the book to try to make the business cycle a flat line.

Over time, I have received death threats because some people just want other people's money. Yet beyond this class warfare stuff, there is a whole different reality. To me, this is not rich v poor. It is about right and wrong in light of **LIBERTY FOR THE AVERAGE PERSON**. If anyone really thinks locking up everyone at Goldman Sachs and taking all their money and any money they hold for a client will eradicate poverty, you better stop smoking for they lock you up for that sort of stuff these days.



The reality of our stupidity is we have utterly destroyed the future of the next generation. Here is one email I have received from an American. I have hundreds just from the youth in Greece who have thanked me for explaining what they did not understand, but then sadly conclude, it is time to leave. I am so sick and tired of trying to explain to government worldwide that the policies they are adopting are destroying Western civilization. It is truly pure insanity to repeat the same failed attempts trying to manipulate the economy and expect somehow a different result. In this book I am working on, I began by taking Adam Smith's *Wealth of Nations* in his last chapter on **Public Debt**, he briefly mentions that no government had ever paid off its debts. I decided I would solicit history and collect all the instances of sovereign debt defaults since Smith had not done so. The more I pursued this simple task, the more despondent I became. Going back to 6000BC, I could find no government that ever paid its debts except one, Romania in 1980 at the dire cost of massive deflation.



Of all the examples of sovereign defaults, the city of Mainz, Germany comes to mind as the example of what is going on right now before our eyes. Mainz became a heavy borrower against the future expected tax revenues. The politicians wanted everything now. They were not prepared to wait. This was the city where printing had been invented. The economic boom led the politicians to spend today what they thought they would collect tomorrow. The disastrous result was they kept raising taxes and chased the rich out of the city. The tax burden fell to the poor

precisely as is taking place in many cities today, Philadelphia just to mention one. As they chased the "rich" out and the tax base shrunk, they could not pay their debts. They went into default just as cities are now starting to declare bankruptcy in the United States. The creditors swept in, looted the city, and then burned it to the ground. Even the Pope excommunicated them for their reckless finance.

We have insane politicians imposing austerity upon Greece. The bond holders will rejoice. But they are destroying the country. The youth cannot find jobs and the smartest "rich" in talent, are leaving. The increase in young Greeks leaving the country is up over 500%. Like Mainz, they are destroying their future by driving the next generation out of the country. This is a vicious cycle and our way of dealing with this is pure insanity. We have not learned a single lesson from any time in the past. We don't even consult history. We simply keep trying the same stupid theories over and over again and expecting a different result. This is sheer madness.

I have no magic bullet to explain what the next generation should do. Here is a typical email.

Mr. Armstrong

I have only recently found your writings, and I must say that I am both happy, but also very frustrated with you for telling a truth that I don't hear often. I am 27 years old with a degree in mathematics and finance from Indiana University, but am also looking for a job. In 2006 when I graduated I tried to start my own business which did well for a couple of years, but in this environment, it did not last long. I am now one of the unlucky masses looking for some sort of employment. My question is, what exactly is the younger generation to do, especially those of us who did not come from any sort of wealth?

I don't want a handout from anyone, and sure as hell don't want to be given government provided sustenance. I believe reliance on government can only end badly. I am young, smart, and hungry for opportunity but I don't have any real connections. When I ask, "what is the younger generation to do?", I mean for those of us without money, and limited to no means of investing, what should we be doing? How should we create a structure in our lives that can facilitate survival and eventually prosperity in the coming years? I am sure that there are older readers of yours that have young children in school or college that would appreciate your opinion on the subject also.

I cannot tell you how many of these types of emails I have received; hundreds from Greece alone. The reason the NY bankers hate my guts is because I am not someone from the fringe with conspiracy theories. If that was the case, they would have just ignored me. But I have been behind the curtain, consulted the richest in the world and governments. I have the experience they cannot rebut. So they have done everything in their power to stop me for the greatest transfer of wealth in history is actually ironically created by socialism that they support. They are afraid the world may listen and that will destroy their plans to profit at the expense of society.

What is going on is that government borrows today against tomorrow's revenues as the bankers direct. We are beyond the point of no return no different than the city of Mainz. There is no possible way we



will pay off the debt. All this nonsense about balancing the budget does not stop the transfer of wealth to the bond holders. One of the things that inspired Marx was Aristotle's comments about making money from money in his **Politics**. We are robbing the "rich" to benefit the bankers, not the poor.

It is the ultimate irony that those who hate the rich so much and stand on their orange crates jumping up and down screaming we have to get those "rich" bastards and make them pay, are the very people who in their advocating of

helping the poor are mortgaging the future of all generations paying a fortune in interest, and then destroying the freedom of our children. This is no different than selling your children into slavery. By mortgaging their entire lives, the socialists get to do as they please today. It may be an old saying, if you want to help a man teach him how to fish, don't give him a fish every day. This idea of taxing the rich to benefit the poor has failed because of all the middle men with a hand out.

I cannot say this in any simpler terms. We are wiping out the future of our children. We have stolen their future, and now the clamors that we cannot default are being heard everywhere to justify the economic implosion on the horizon. How can we grow the economy by reducing spending and raising taxes? This is austerity that shrinks the economy destroying the opportunity for employment among the youth feeding a cycle of economic contraction.

I am not advocating just borrowing and not raising taxes. I am saying the entire system is broke and it will implode. Cities are going bankrupt. This whole theory of borrowing money today from the future is wrong and is the last stage of Marxism that is collapsing taking the West down the drain.

If there is any love left among the political ranks for your country, society, and your children, it is time we stop the bullshit and objectively sit down before we lose the chairs as well. I know this is futile to wish for such things because politicians will not act until the crisis appears. In this case, that may be just too damn late. Politicians simply cannot see beyond the rhetoric because this is not about saving the country, but about maintaining power. We cannot cut spending and balance a budget while leaving the entire debt structure off the discussion table. So prepare for what is on the horizon. Economic growth will continue to decline below the minimum required to employ the next generation. As this takes place, we are watching our future melt before our eyes just as the witch in the Wizard of Oz. Sorry Dorothy. This ain't Kansas anymore! The only thing available to the youth is migrate to where jobs can be found.