



neverhadaboss.com

updates on the insane world of money and power
Trading Worthless Dollars for Goods and Services

Abandoning the gold standard in 1971 resulted in a massive US credit and debt cycle that changed the basic fundamentals of our economy. In an environment of 'easy money' and 'reserve currency' status, buttressed by the 'petrodollar', America turned away from a history of manufacturing, to focus, instead, on its new primary asset—the dollar.

Financialization captured both government and corporations to where industrial icons such as GM, relied on GM Finance rather than vehicle sales to make a profit.

Everything appeared sound (for decades), as long as we didn't look to the numbers. As credit proliferated and debt mounted, an inevitable economic debacle became 'obvious'. But for most Americans, 'obvious' had been replaced with 'oblivious', as we traded our 'job base' to Asia, to bask as fat Romans, eating grapes—before the 'fall'.

This has made for a sad analogy, the portend of which, indicates the greatest currency collapse in the history of man. Soon to be right here in 'River City'—USA. For 5 decades we could trade dollars for the *sweat* of other nations. Now that's over. A few years from now, a dollar (if it exists), 'might' keep us from starving—but little more.

Now, at the 'bitter end of empire', fortune has granted a little more time, when Americans are able to use 'soon to be worthless', dollars, to purchase insurance for the future, in the form of goods and services. Unfortunately, the great mass of Americans neither see what is coming, nor will they be fortunate enough to buy insurance in time.

I don't keep good records. At the end of the calendar year it's always hit and miss whether or not I paid each of my tax 'quarterlies' on time—if at all. This year I made a change: rather than hold dollars in an at-risk bank account (with negligible interest benefit), I paid all state/fed quarterlies before tax day—so I don't have to think about it.

Each year, between January/November, I put away \$20K to cover property taxes. What happens during the year of the dollar collapse? Will tax authority honor January dollars to cover November taxes. They will not. Any dollar loss will shift unto taxpayers.

'Luddites' are often correct but early. The things I'm describing are our future. With acute losses in dollar purchasing power, debt adjustments will occur—not for the elite.

Some years ago, with trepidation, I lowered my cash holdings/bank balances, to become my own central bank. Dollars into American Eagle silver—'the coin of my realm'.

At the time I had to buck the tide: everybody thought I was 'whacked' to buy gold at \$265. And just as whacked to buy silver at \$12. I wondered—except for a voice that

told of bad things to come. Another thing, when you own precious metals, there is a tendency to hold and not sell—especially if you bought them as insure against lunacy.

Understanding a dollar calamity to be a scheduled event, we need to use our worthless dollars while they spend. For a moment, imagine that silver, the cheapest asset in the history of mankind, can be gotten with worthless dollars. At the same time—gold.

It matters little if you didn't get in earlier because (in my opinion and I do not benefit from my readers purchasing precious metals), we are at the beginning of a gold and silver breakout that will render not having gotten in earlier—of small consequence.

In my checking account I keep \$1000. After paying all my quarterlies, my balance fell to \$318. So when a \$650 check arrived, I walked to the bank and regained normalcy. Pundits tell me that I ought to keep a stack of dollars to buy-up bargains in the collapse. I have no problem with that except I spend my dollars like Reichsmarks in 1923.

I bought a new generator I haven't yet started up. 4 new well pumps: without water, my rural rental income disappears. I'm spending it all while the spending is good.

My friends, exchanging fake dollars for gold/silver have anxiety (as do I), when they see the price go down a couple of percent—post purchase. One friend invested a good deal into pre-65, silver change. While he frets over price action, I envy his silver dimes.

Others I know bought silver late in the game, with no shipping ETA. Fortunately, they are dealing with Miles/Franklin, that I trust implicitly, where delayed shipping is the only risk. However, as economic conditions worsen, risks will be abundant and everywhere.

What will it look like when the dollar no longer spends? What will be the mindset of 350 million, many of whom, until the day before yesterday, felt entitled, assuming Joe Biden had their backs? How safe will it be, to wait on insurance to arrive, via the mail?

Betting on dollar sustainability is an abject farce. Anything that adds to federal, state, corporate, and individual debt at this point is a Ponzi—little of which has any possibility of being repaid. Sadly, debt is the last tool the elite have in their 'hope-chest'. Or is it?

I take it back: options await—none of them good. Martial law, 'vaccine passports', a war to spread democracy, CBDC—each is an option—'on the table'. But before the elite are forced to roll the dice on an 'option of no return', until collapse make it impossible, there is always another government Ponzi to roll out as a means to save the \$.

One program from Gavin Newsom, Governor of SoCal, is a 20%, 'tax theft' down-payment/closing cost scheme: home-loans for Californians making less than \$211K. At '0' % interest, this Ponzi is meant to slow an inevitable death in the real estate market. Re-finance or sale of these mortgages cedes 25% of equity to the lender—the state.

This makes for 2 outcomes—each suspect. California is bankrupt, so who funds 20% no-interest loans? Taxpayer obligations. This is QE, without consideration for the math. Taxpayers (already stressed), will be responsible for repaying these loans, and in a coming real-estate debacle when mortgage holders are no longer able to pay, will this program function as yet another wealth transfer to wealthy, institutionalized elites?

Government policies are 'across the board' bullshit. 'Happy days are here again'—insuring all deposits will bring about a rally. Seemingly, except the real motivation is an attempt to lower volatility/restore complacency. Janet Yellen knows there is no way to backstop all the banks. She is not concerned about the banks. She's 'banking' for time.

I'm not buying metals because I have no discretionary cash. But, if I did, I would email bholter@hotmail.com, a man I trust, representing Miles/Franklin, that I also trust.

Contrarians can get my articles by email, by request: erik@neverhadaboss.com.

