



The Stagflation Trap Will Lead To Universal Basic Income And Food Rationing

Description

USA: This past week during a conference discussing Biden's "Build Back Better" scheme House Speaker Nancy Pelosi was confronted with questions on skyrocketing inflation. After referring to higher gas prices as the "Putin Tax," she went on to offer perhaps the dumbest (or most insidious) denial on the causes of inflation that I have ever heard. [She stated:](#)

"When we're having this discussion, it's important to dispel some of those who say, well it's the government spending. No, it isn't. The government spending is doing the exact reverse, reducing the national debt. It is not inflationary."

Anyone with a basic understanding of economics and how central banks operate must have felt their brains explode when they heard this, I know I did. But before I get into the numerous reasons why this claim is completely false in every way, I want to give a warning – it's very easy in this situation to assume that Pelosi and even Biden are making these arguments because they are too stupid to grasp the fundamentals of debt creation, money velocity and fiat. That said, never mistake evil for mere ignorance.

All higher-level representatives of the White House are briefed by economic experts (spin doctors) well before they answer any questions on inflation, and the things they say have been carefully scripted. It's possible Pelosi mixed up her lies a little bit, but the narrative the establishment is trying to promote is well planned. Asserting that money creation is a counterbalance to inflation instead of the cause is not brilliant, but it's not designed to convince many people, only create confusion.

Let's not forget that only last year these same people were telling the public that inflation was purely "transitory" and that there was nothing to worry about. Now they are trying to cover their tracks and the culpability of the Federal Reserve. I believe the goal here is to simply stall for time until the stagflationary collapse unfolds. They have the perfect scapegoat as they launch an economic war with Russia (and likely China in the near term), and the effects of this war will hurt the US and Europe far more than many realize.

To quickly break down Pelosi's bizarre statement I will make a couple of root observations:

First, paying down the national debt has NOTHING to do with reducing inflation. Even if you could somehow gather enough assets to pay off the national debt without creating new dollars from thin air the current inflationary problems would persist. There would still be the matter of the tens of trillions of dollars already fabricated and floating around the global economy. Inflation is directly related to money supply and money velocity. The national debt is secondary to the issue.

Second, we need to ask the most obvious question: If government spending "reduces the national debt" by paying it down, then why hasn't the national debt gone down?

The Fed and the US government created over \$6 trillion in fiat money in 2020 alone, and the national debt only went higher. In fact, the explosion of the national debt correlates DIRECTLY to the amount of dollars created by the Fed to supply various stimulus policies and bailouts over the years. The national debt in 2008 at the onset of the credit crash was around \$10 trillion. It took hundreds of years to reach that level. In the span of only 14 years of Fed money creation the debt has now TRIPLED to over \$30 trillion.

I'll say it again – government spending and Fed stimulus has tripled the size of our national debt in less than 14 years. And, of course, inflation has spiked as the amount of dollars injected into the global system causes the buying power of our currency to decline dramatically. More fiat dollars equals less buying power. This is reality.

Also, using Russia as a scapegoat just doesn't hold up on the logic meter. The assertion by Pelosi, Biden and many establishment leftists has been that blocking Russian oil to the US is leading to inflation in multiple sectors of the economy, but it's "necessary" to stop Putin's invasion of Ukraine. One might assume that we use a lot of Russian oil. We don't.

Russian crude oil only makes up [3% of US imports](#). Therefore, there is no way that sanctions on Russian oil are the cause of rising prices, nor do these sanctions have any effect on the Kremlin. Inflation was hitting 40-year highs back in December of last year, well before the war in Ukraine. In fact, news on the Fed's interest rate hikes moves oil markets far more than news on Ukraine.

To summarize, I have a special message for Nancy Pelosi: Please do us a favor and shut up, you blood-sucking crone. The American people are smarter than you, and your propaganda script is full of holes.

Onward to more important issues...

This narrative is not only about protecting the Biden Administration, it is also about protecting the Federal Reserve. As former Fed Chair Alan Greenspan [once openly admitted](#), the central bank answers to no one, and that includes government officials.

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Many theorize that it is actually the central banks and international banks that make the majority of policy decisions for government, and politicians have very little say in matters. I'm inclined to agree,

given the number of banking elites and globalist Council on Foreign Relations members that seem to permeate every single presidential cabinet (this includes Trump's cabinet as much as Biden's).

Biden is an empty shell of a man barely able to maintain a semblance of sanity — who do you think really runs the country?

I have been writing a lot lately about how establishment elites and globalists [actually benefit greatly](#) from a stagflationary crisis, as long as they are able to divert blame to other sources and are not targeted for retribution by the public. One of these benefits includes a cover event for an agenda that the World Economic Forum calls [the "Great Reset,"](#) which is essentially just another name for "New World Order."

Isn't it marvelous that the government and media hailstorm of covid fear porn that was bombarding Americans only a few months ago has now suddenly vanished? What happened? Well, the establishment was defeated, that's what happened. With conservatives and moderates in red states in the US and in nations around the world fighting back against the lockdowns and vaccine passports, the globalists must have realized the battle in the long run was lost. Suddenly all talk of passports and medical tyranny is gone.

I realize there are some people out there who give the globalists too much credit and still argue the covid scheme was some kind of success. These people are wrong. If you want to see what success looks like go to China, where hundreds of millions are still suffering from lockdowns today and no one can do anything without an up-to-date vaccine passport and QR code. In China the vax passports are also used for tracking of the population, as well as an element of their social credit scores. This is what the globalists wanted for all nations including the US, and they didn't get it. Therefore, it's on to the next crisis.

The stagflation threat worries me more than any other for a number of reasons, and it's not just because of the potential for extreme poverty. As we all know, the strategy of "order out of chaos" is about creating enough desperation within a target population that the people are willing to give up their freedoms in exchange for a semblance of safety and normalcy. But what specific controls would the establishment seek out?

Stagflation has the ability to trigger much higher prices in necessities, while it simultaneously drags GDP down along with wages, jobs, manufacturing, etc. There is also the very real threat of government price controls, which would suffocate production and reduce the supply of goods even further. We are not quite to this point yet, but the danger is approaching fast.

There are two initiatives within the WEF's Great Reset agenda that parallel stagflation almost exactly, and I predict we will be hearing about them often in the coming year.

The first initiative is the concept of Universal Basic Income (UBI); we heard a lot about this a few years ago, but the idea didn't stick too well with the American public. The truth, however, is that we already had UBI for a time in the form of "covid stimulus checks." This helicopter money was funded by over \$6 trillion in central bank fiat created from nothing, and then directly injected into citizen accounts. It was barely enough for people to live on by itself, but in conjunction with other welfare programs and unemployment checks millions of people were living the easy life at home for well over a year. The money was so easy that the policy actually triggered a national labor shortage.

This small taste of UBI might have given people the wrong impression about such stimulus programs. After the covid programs the public might be led to believe that UBI would result in a carefree life with money to go around. By themselves without the benefit of other welfare programs, the covid checks would not have been enough to keep people housed and fed; the standard of living for the average person would have to fall dramatically for UBI to work at all. Enter stagflation...

With economic decline crushing our living standards it could be easier for the establishment to lure the public into UBI. Along with communist-style price controls across the board (and a reduced population due to starvation and poverty) the public would be able to survive, but barely. There would no longer be such a thing as "personal wealth," only the scraps that governments and bankers are willing to throw people. On top of that, resistance to authoritarianism would be nearly impossible. Once the government takes on the role of mommy and daddy and the the only source of food and housing for the citizenry they are far less likely to stand against any abuse the establishment wants to dish out.

UBI is a candy coated trap which breeds dependency in a population. Free money is an addictive drug, and America just had a big taste during the pandemic.

This leads us into the second WEF Great Reset program, which is the concept of [the "shared economy."](#) The globalists think that you should own nothing, have no privacy, and be happy about it. The initial danger here involves rationing. A government cannot institute UBI measures during a stagflationary crisis without also instituting price controls, because otherwise the fiat stimulus used to provide the UBI checks would only create MORE inflation in prices. If UBI is meant to offset inflation but it creates more inflation, then UBI becomes useless. This is another little fact that people like Pelosi will try to gloss over when they claim that money printing helps "fight inflation."

When price controls are implemented manufacturing will implode further, because price controls mean producers of necessities will not be able to make much of a profit (or they will make no profit at all). There will be no incentive to produce among the people that actually know how to produce, and these people are not easy to replace. The supply of goods will not be able to meet demand. Naturally, the government will take the opportunity to limit the amount of goods any single person or family is allowed to purchase or stockpile through rationing cards.

These kinds of measures have been used in the past, usually during wartime or under communist regimes. But in this case the rationing will be digital and permanent, and it will be designed to further control food and other resources as a means to prevent rebellion by the public. If you can't store more than a week's worth of necessities at any given time, then your ability to defy the government is nonexistent unless you know how to live off the land or have access to black markets. All they have to do is cut off your monthly UBI checks and ration account and watch you starve.

I will cover solutions to these problems in an article coming soon. I think it's important that people within the liberty movement and outside of the liberty movement start thinking about the scale of the crisis we are facing. It's not just about economic disaster and adapting to the loss of supply chains and stable currencies; it's not just about survival. It's also about fighting back against the inevitable government response to the crisis. They will try to take advantage of people's pain, and use it to lure those people into slavery. This cannot be allowed to happen.

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