

GASOLINE IS NOT GOING UP

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For the first time in my life, I put \$70 worth of gas in my car. It wasn't premium and my tank wasn't empty. Many around the country are experiencing the same kind of shock at the pump and really don't know why. As a result, everything else we purchase and/or consume on a daily basis is rising accordingly because it is made and moved with oil - the lifeblood of today's economy. Consequently, whenever the cost of doing business increases, for whatever reason, a chain reaction begins and spreads across the financial world like an economic tsunami, leaving the consumer to suffer in its wake.

Economists call it "inflation" while the government calls \$75 a barrel oil a "shortage," blaming higher prices on terrorism, the war effort, "peak oil," not enough new drilling and not enough new refineries to turn it all into gasoline.

Some say that skyrocketing fuel prices are simply the work of greedy oil company executives, while others claim it is OPEC's greed. Still others tell us it is all those environmental regulations that liberals imposed on refineries over the last several decades that ran up the cost of producing gasoline and discouraged the building of new and more eco-friendly refineries to meet the growing global demand.

Then there are those who say it is largely because of the high taxes we pay at the pump that petrol has become so expensive, while politicians declare that the perfect response to it all is to raise taxes on oil companies, as if they wouldn't in turn pass that increase on to the rest of us. Some answer, huh?

Society's problems don't worry me near as much as government solutions.

What almost no one in Washington and the American media will admit, (and I don't believe for a minute that they aren't privy to it) is the dirty little secret behind \$3 a gallon gasoline, which is nearing or above \$4 in some areas of the country. That is to say, they refuse to address the REAL REASON for our so-called "inflation."

Although many of the aforementioned theories given, play, in varying degrees, a role in those "rising prices," they are not at all the cause, but only the effect; and as many of us already know, treating symptoms does not constitute a cure.

The dirty little secret is this: Gasoline is not going up. It is the dollar your buy it with that is going down; and it has been going down in value for a very long time because it is just government issued paper with numbers printed on it and nothing physical in storage anywhere to back it up. What's more, the dollar is now going down faster than ever.

Paper money used to and was supposed to signify what was being held in reserve by a country's financial institutions in the form of gold. That all began to change here in America in

the early 1900s when our country was manipulated into a fraudulent financial scheme called "fractional reserve lending" where bankers secretly met and determined in their cunning and arrogance that they could and should print as much paper money as gullible people were willing to borrow, regardless of how much gold was kept on hand to back it up.

They figured out that they could lend ten times more paper than they had gold in reserve; and as long as everybody didn't rush the bank at once demanding payment in gold, the scam worked. Nowadays we think ONLY in terms of paper - something they can print as much of as they want, which, in fact, makes what is already out there in circulation, worth less.

Over the years, those gold reserves decreased while the printing of that multi-colored paper we've come to love, increased, which today amounts to nothing more than a lot of government IOUs - printed promises on colored coupons, if you will, guaranteed by something that no longer exists; and as that pretty paper piles up it plummets in purchasing power here and around the world - and now faster than ever.

Lately the printing presses have been working overtime to produce even more paper for everyone to pass around for their goods and services, much of which is funneled directly into the near record-breaking stock market by the government's own "Plunge Protection Team" so as to prop it up on those economically rough days when it might otherwise have taken a severe beating or collapsed altogether, thereby strengthening the ongoing illusion that the economy is thriving, when it is in reality, an imploding house of paper. And all those government sound bites and statistics you hear quoted in the mainstream media each night - more illusion...

That's why, in spite of our "strong economy," gold hit \$725 an ounce last week, (up almost 67% in a single year) gasoline is almost three times what it was in 2002; and as for housing and real estate - well lets just say they're through the roof; not because these things are all worth more now than they were a short time ago; but because the dollar used to purchase them with is simply worth less - a lot less.

In fact, it's not just gold that has exploded. Virtually all of the precious and industrial metals have soared sky high - so much so that thieves are now breaking into houses just looking for copper pipe and trim to steal. Commodities, real estate, medical care, food and fuel didn't just coincidentally become rare and unusual all at once. No, it is the dollar that has become much too plentiful, common and easy to borrow.

You know how the latest and greatest electronic gadget is always so expensive when it is first introduced to the public, right? What happens to the price of that hot new item after it is mass-produced and mass-marketed over a year or two until everybody and his dog has one? It goes on sale and the price goes down drastically, doesn't it? Eventually that sale price becomes the regular price and then drops even further until stores almost have to give them away. At some point we think back and scratch our heads in amazement trying to remember why we paid ten times what we do now for the same silly widget.

It's no different with the dollar. The more of them the government prints, the less they are worth. And when the dollar goes on sale, so to speak, with extremely low interest rates, as it has for many years now, everybody buys until the market is saturated with worthless paper, cheap loans and unmanageable debt. Oh, the numbers on the bills never change; but their value or purchasing power decreases steadily and significantly, forcing us to, in time, hand over a lot more of them to buy the same old necessities - like for instance, gasoline.

You see, it's not "inflation" at all that's making it hard to get by these days but rather the deflation of the dollars we borrow to pay for things. The more dollars there are in circulation, the less they are worth to the retailers we buy from. It's just that simple, leaving the average American today with personal debt that is estimated at an \$8,000 per person in revolving credit, not to mention what they owe in mortgages, car loans, business loans, student loans and medical bills.

The government used to tell us how much paper they were printing. It was called the M3 money supply. But the reporting of that all mysteriously stopped earlier this year. Now it is just another big government secret.

Why would they want to keep such a thing hush-hush, you might ask? It is because they are printing paper at such an alarming rate now, in order to artificially prop up the markets and keep the illusion alive that our teetering economy is rebounding so we will keep on borrowing and spending as fast as we can rather than save for those rainy days and live within our means. Most of all they don't want you and me to lose faith in the fiat currency they created to make us feel prosperous and affluent while our wealth was being taxed and deflated away right under our noses, making us increasingly dependant on them for (you guessed it) more government solutions.

The only things that haven't "gone up in price," or at least gone up as much, are things that are also mass-produced; but by people from foreign countries, both here and abroad, who work for little or nothing to produce them, which is why you can now get a decent-sized color TV for a fraction of what it would have cost you 10 years ago.

Cheaply manufactured clothing, electronics, knickknacks and fast food make you think your dollar is still valuable, when in reality, it is only more governmentally orchestrated sleight-of-hand; this as millions of illegal aliens are allowed to rush the borders and work here for less while enjoying the perks of citizenship, tax free.

Oil is a different story though, because it can't be mass-produced by man. Furthermore, oil has, for decades, been bought and sold using dollars only. That was a deal OPEC made with the US years ago. That's why the dollar is referred to as the world's "reserve currency." If you wanted oil, you had to have American dollars to buy it with.

But that's all changing now. More and more oil-producing countries want to switch to the Euro or other currencies to sell their petroleum products to the world. Iraq was one such country; and you see what America's response to that was, don't you?

Iran also wants to sell oil without dollars; and, Surprise - Surprise, a war is being planned against them as well. You see, it's not really about oil - it about dollars. And now that Putin has expressed interest in selling Russian oil without dollars, one can only speculate at what awaits America and its dollar-driven economy.

They simply don't want our increasingly worthless paper for their increasingly in-demand oil. This makes the dollar extremely less desirable and even less valuable to foreign governments than it already is, driving it further down alongside other world currencies, which are also, with a few exceptions, backed by little or nothing but the blind faith of its users; and as we can clearly see now, it takes a lot more of those failing dollars to fill our gas tanks.

Now for the bad news: When all of those billions of dollars held around the world to buy and sell oil, and keep our debt-ridden economy afloat, start coming home from China, Japan, India, Russia and elsewhere, the value of that multi-colored paper piling up on American shores will soon be nil; and let's face it; you just can't eat money my friends, no matter how much of it there is available.

The good news is: If Americans ever lose confidence in that multi-colored paper, like others around the world already have, there's a good chance we'll lose confidence in those who've worked so hard throughout the years to get you and I to trust and believe in it while sarcastically declaring on each and every bill we hold dear that it is "In God We Trust." Maybe then some of us will place our faith and trust in the Creator rather than the creation and the creations of men.

But beware!

One day soon, as the dollar dwindles to nothing and eventually collapses before disbelieving eyes, taking with it our economy and all of the interlocking and interdependent economies of the world, another government solution will be offered.

And if we foolishly look to those who caused the problem for answers, we will surely go from the frying pan into the fire.

"For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows." - 1st Timothy 6:10

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