

Guest Opinion

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AMERICA'S PARALLEL WORLD

By Richard D. Caccavale
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"The only honest answer, supported by all the available data that I can ascertain, is that there is an enormous hidden agenda that is being followed..." "Moreover, it is understood to be of such importance that it dwarfs any concern for public opinion or even the legal provisions of the Constitution itself. James Youngblood quotes in Frosty Wooldridge's article: 1/29/05 "Why Bush and Congress Dismantle America by Arrangement."

"The real truth of the matter is, as you and I know that a financial element in the large centers has owned the government ever since the days of Andrew Jackson..." From a letter by President Franklin D. Roosevelt to an associate on 11/21/1933.

"Let me issue and control a nation's money, and I care not who writes its laws." Meyer Amschel Rothschild (1743 – 1812)

After reading a great '[NewsWithViews.com](#)' essay by Frosty Wooldridge "[Why Bush and Congress Dismantle America by Arrangement](#)," I began to contemplate a core issue in his essay about illegal immigration. More than

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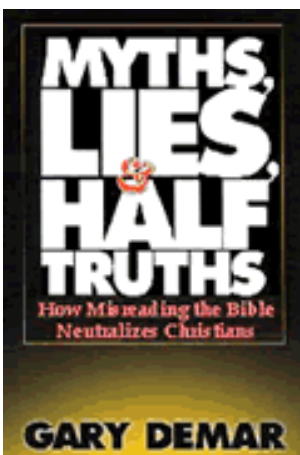
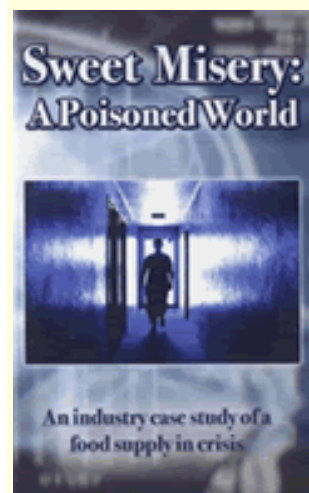
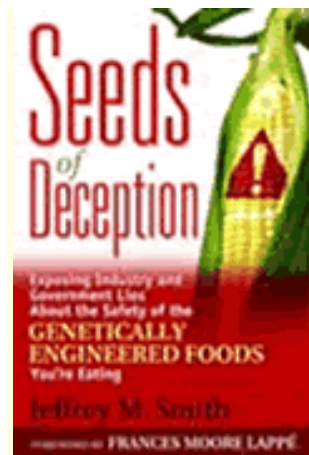
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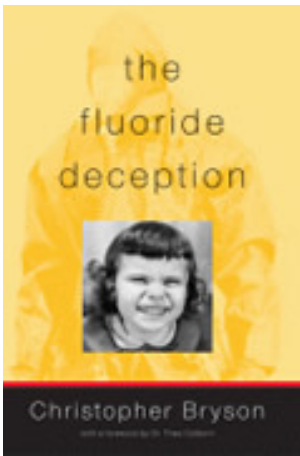
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three years after the tragedy of 9/11/01, our borders are still completely porous and the flood of illegal aliens continues. The absurdity of this struck me, as does the seemingly endless array of other contradictions, which we contend with in these times. Recently, in an essay of mine, "American Duplicity," I mentioned the irrational fact that there were twenty thousand non-Mexican illegal aliens released from custody because there was no facility to contain them. Yet, billions of dollars have been earmarked for Homeland Security and apparently spent without much accountability. These contradictions abound; and, to the chagrin of so many citizens, it is apparent that our government is not even remotely representative of the people anymore. In assessing the probable reason for these disconnects, I recalled my own naivety about our federal government, before I learned about the shadow power which lurks within.

In this connection, in order to understand what I believe is occurring behind the scenes, which is responsible for this disjointed feeling between the federal government and us; an exploration of our Federal Reserve System and the Council on Foreign Relations is essential. We have a preconceived notion about our system of capitalism, which is predicated upon free enterprise and free markets. Most of us maintain an illusion of American industry from post World War II, or even as recent as the technology explosion, and still embrace that image today. We simplify our economy to measurements of stock indices, and believe that whatever the DOW or NASDAQ are doing is representative of our economy. However, this sentimental notion of America as a great industrial nation is naïve and imprudent today.

Contrarily, we have become the largest debtor nation in the history of the world, which relies upon international investment money to survive; and we regularly manipulate our purported free markets through the Working Group on Financial Markets, which consists of the Secretary of the Treasury, Chairman of the Federal Reserve, Chairman of the Securities and Exchange Commission (SEC), and Chairman of the Commodity Futures Trading Commission (CFTC). This group is colloquially referred to as either the Plunge Protection Team (PPT) or the Greenspan Put, and the evidence of their regular intervention is apparent through analysis of





Treasury repurchase agreements, and other derivative devices, that are strategically deployed to impact market price in a particular way. This centrally planned manipulation is rigorously denied, but savvy futures traders see it at work each day, and careful chart analysis provides the evidentiary paper trail. To my way of thinking, this façade of free markets is really a frightening form of corporate fascism, which has taken control of both the commodities futures markets and the corporately owned financial media.



Moreover, the Federal government is running deficits in all accounts, Current, Budget, and Trade; yet, it continually increases the deficit spending at an ever increasing and alarming pace. A recent press release from the Congressional Budget Office forecast a 1.3 Trillion Dollar Federal Deficit, and they expressed shock because this represented a 60% (sixty percent) increase from what was estimated just four months ago. This out of control spending can only be repaid by selling U.S. Bonds; however, each month the percentage of interested buyers lessens because the bond yields are too low for the risk they represent. Last month's trade deficit was a monumental 60 Billion Dollars or 2 Billion Dollars per day, which means our country spends that much more than it earns each and every day. Our present administration will not exercise fiscal restraint or raise taxes; preferring instead, a debasement of the currency as a way to cut the astronomical debt. There is a term for what they are doing called "Beggars Thy Neighbor." And, it essentially means that those investors that bought our U. S. Government Bonds will be repaid in dollars that have a greatly diminished value of probably forty to sixty percent less.



Currency debasement is the flip side of inflation, and commodity prices have already increased substantially in accordance with the dollar's diminished value. The Bureau of Labor Statistics hedonically defines what is considered in their much manipulated Consumer Price Index, which excludes real world expenses such as: housing, energy, and food. This irrational methodology is yet another disconnect from a government sworn to represent us; and, its motive for doing it is sinister, because it denies wage increases for our elderly collecting Social Security, as well as union workers. Regardless of

the machinations by the BLS, there is a firestorm of inflation coming at us in concert with the Dollars decline. These are all consequences of our country's economic model drifting away from the Austrian theory of being manufacturing based, to the Keynesian theory of a Federal Reserve managed, debt based, fiat currency system.

The road to this ruin began with the formation of the privately owned Federal Reserve in 1913, and then gained momentum when the International Monetary Fund and World Bank were created in 1944 at the Bretton Woods Conference in New Hampshire. During those meetings, the Fabian Socialist, John Maynard Keynes proposed eliminating the world's gold exchange in favor of a worldwide fiat currency. In 1971 President Richard Nixon eliminated the final portion of our gold standard, which had required that there be gold bullion to back up the money created by government; and, he proclaimed, "We are all Keynesians now." From that day forward profligate politicians were able to use the Federal Reserve's never ending money tree of fiat currency, and greatly exceed their budgets.

That deficit spending is then paid by issuing bonds, and then through the course of our insane fractional reserve banking system; nine times more fiat money is created for each dollar of debt, which is evermore inflationary. And, in accordance with the economic fundamentals that govern all commodities; the greater the supply of something, the less valuable it is, which is a simplified explanation of currency debasement. Moreover, you are directly paying for this greedy and undisciplined spending, through what in reality is actually a hidden tax; whose name is inflation. Our elected representatives know that there would be a revolt if taxes were raised in concert with our debt; so, they perpetuate this abusive hidden tax of inflation in which they all share equal complicity and guilt.

Compounding the fraud of fiat currency and inflation is the U.S. Treasury and Federal Reserve's sale of this country's gold bullion in a manner commensurate with price fixing. Moreover, it provides unbelievable profit to the cartel of Wall Street Bullion Banks, while violating the anti trust laws of this nation. During an interview with

MineWeb on 1/31/05, John Embry, Chief Investment Strategist of Sprott Asset Management stated: "It would be extremely naïve to believe that clandestine intervention is not occurring today in the gold market. It appears that central banks are unwilling to allow the gold price to repudiate their excessively loose monetary policies. This time, a new group of central bankers, equally myopic as their forebears, are at it again with considerably greater gusto and infinitely more subterfuge. They are doing it covertly in an allegedly free market by leasing their gold into the market through their bullion bank associates."

When a government believes it can violate its own laws, that nihilism extracts a heavy toll and contaminates everything within the society. This particular nefarious practice of manipulating the price of gold is carried out by the Working Group on Financial Markets under the auspices of the 1988 act called the Exchange Stabilization Fund. The manipulation of the gold price has an academic origin, as an economic theory known as Gibson's Paradox, and it is essentially an inverse relationship between the values of the U.S. Dollar and the price of gold. All currencies are commodities which compete against one another for value, and gold is the undisputed champion of proven worth, as well as a hedge against fiat currency induced inflation.

During the mid nineties, under Treasury Secretary Robert Rubin, gold was leased to Wall Street Bullion Banks for a meager 1% fee, and then sold in a manner commensurate with price fixing. The proceeds were then invested into U. S. Bonds at a 4.5% to 5% yield, and a process was born known as the Carry Trade. GATA (Gold Anti Trust Action Committee) believes that about 16,000 tons of central bank gold bullion have been eliminated in this fashion, and they have extensive, verifiable evidence to prove their claim. The central banks deny it, of course; but neither they nor the U.S. Treasury will allow an audit. This clandestine thievery of our gold reserves through central bank leasing provides phenomenal profit for the cartel of banks, such as J.P. Morgan, Morgan Stanley, Goldman Sachs, Deutsche Bank, HSBC, Citibank, etc.; while it contributes to bankrupting the solvency of our nation. Additionally, the artificially low price of gold fosters poverty within the sub-Saharan and Latin mining

nations, because lowered profitability results in a substantial amount of lost mining jobs.

Another noteworthy disconnect by our federal government that contradicts logic and the spirit of law is the ridiculous provision from the Internal Revenue Service (IRS) concerning illegal immigrants. Accordingly, the IRS is now issuing a Tax Identification Number (TIN) for illegal aliens that do not have a Social Security number, which is required for Government Sponsored Enterprise (GSE) mortgage money. The irrational thinking of our elitist bureaucrats claims that this will keep the earnings of illegal aliens here in the U.S.A., while elevating the status of these poor people through home ownership. Since when has the IRS ever accommodated anyone, never mind a category of people whose identity is prefaced with the term illegal? This suspicious endeavor to provide mortgages may surpass all prior jokes about governmental oxymoron's, as that renown stickler of legal minutia, the IRS, now facilitates defiance of the entire credit system, which is predicated upon the use of social security numbers. Moreover, it seems to be yet another way to control people with indebtedness, inject more inflationary money into the system, dilute American culture, and expand collectivism.

We continually perceive our Country as a constitutional republic, in which government is representative of the people and accountable; but, it now seems that premise is nothing more than an illusionary, sentimental belief. Accordingly, ever since President Woodrow Wilson allowed the formation of the Federal Reserve in 1913, with no congressional control upon it, our federal government has demonstrated strong ties to socialism. G. Edward Griffin states in his book, "The Creature from Jekyll Island" that under President Truman (1945 – 1953), Harry Dexter White simultaneously served as the Assistant Secretary of the Treasury, member of the Council on Foreign Relations, and member of the Communist party. He eventually went on to become Executive Director for the United States at the International Monetary Fund.

Moreover, these ties to socialism by the Council on Foreign Relations are the subject of several books. In one such great, succinct work "The Shadows of Power"

subtitled, "The Council on Foreign Relations and the American Decline", James Perloff states: "This book contends that the accusations against the Council on Foreign Relations – the pursuit of world government, and receptiveness to Communism – are true. It further contends that due to the Council's heavy presence in Washington, these factors have acted mightily upon the course of American foreign policy in this century – a course frequently damned by disaster, that has seen the United States eroded in strength, and its allies sometimes vanquished altogether."

Perloff further explains that since the CFR's inception in 1921, they have been connected to the international bankers, who were the founders of the Federal Reserve, which consisted of representatives for Morgan, Rockefeller, Rothschild, Warburg, and Kuhn-Loeb. Additionally, those bankers worked with their European counterparts, which consisted of the Bank of England, France, and Germany. None of these banks are owned by their respective governments, and like our own Federal Reserve are privately owned monopolies that make loans to government.

The realization of the danger to our nation that the CFR represented was stated on March 26, 1922, by John F. Hylan, Mayor of New York City: "The real menace of our republic is the invisible government which, like a giant octopus, sprawls its slimy length over our city, state and nation. At the head is a small group of banking houses generally referred to as "international bankers." This little coterie of powerful international bankers virtually run our government for their own selfish ends."

A small example of some Council on Foreign Relations members involved in government or the news in the recent past, are names such as: Secretary of State Madeleine Albright, Secretary of Interior Bruce Babbitt, President James Earl Carter, Vice President Richard B. Cheney, White House Terrorism Adviser Richard Clark, President Bill Clinton, Goldman Sachs Chief Strategist Abby Joseph Cohen, U.S. Rep. Richard A. Gephardt, Supreme Court Justice Ruth Bader Ginsburg, Caroline Kennedy Bouvier, Chairman 911 Commission Thomas H. Kean, Senator John E. Kerry, Henry A. Kissinger, Charles Krauthammer, Senator Joseph Lieberman, Senator

George S. McGovern, Chairman of the Defense Policy Board Richard N. Perle, Secretary of State Colin L. Powell, National Security Advisor Condoleezza Rice, John D. Rockefeller IV, Secretary of Treasury Robert E. Rubin, Senator Charles E. Schumer, Deputy Secretary of Defense Paul D. Wolfowitz, and Secretary of Defense Donald Rumsfeld, who asked that his name be removed. Some other past members, whose names have been removed include: President John F. Kennedy, President Richard Nixon, Presidential candidate Senator Hubert Humphrey, and serving as CFR Director 1977 – 1979, President George Bush (#41).

The historic connection to socialism by both our Federal Reserve and Council on Foreign Relations helps to explain America's support for globalization, or collectivism, which are just politically correct terms for socialism. Accordingly, the present outsourcing of American jobs, flood of illegal aliens, and many other counterintuitive governmental policies, are rooted in this effort toward socialism, which has been propagated and spearheaded by the International Monetary Fund under the umbrella of globalization. As America becomes more integrated by persons that do not share our perception of history, there is a dilution of national pride, heritage, and cultural values. While this diversity may have many positive attributes, there is also a downside which consists of diminished expectations for liberty and freedom. A recent newswire report indicated that 60% of American teens were in favor of more government control of the news. This is a shocking indicator of effective mind control through propaganda amongst a group that is ordinarily rebellious, and it portends greater acceptance to authoritarian constraints through legislation such as the Patriot Act, and a significant erosion of our diverse youths' expectations for liberty.

Moreover, the IRS's facilitating indebtedness of these illegal aliens seems suspiciously similar to the tactics employed by the International Monetary Fund (IMF) and its loans to nations. It is evident when reviewing the operation of the IMF and World Bank that their modus operandi is sweet offerings of abundant money, which lead to eventual indebtedness. There are countless examples of third world countries which have accepted IMF funding, only to learn that it wasn't enough money to

complete the intended project. So, more borrowing was required, until the debt burden caused bankruptcy, which was then managed by the IMF; ergo, power and control. In these scenarios, the puppet, crony, fascist government officials would reap the extravagant benefits of this usury, along with the IMF banks, while the impoverished populous suffered the ravages of ever increasing taxes, collapsing currencies, runaway inflation, and recessionary economies.

Presently, there are uncanny similarities here in America, as the Federal Government rewards both the oil and defense industries with lucrative no-bid contracts, for which there are no budgeted monies. These expenditures continually increase in size, which are then passed on as new bond sales. This additional debt fuels the fractional reserve banking system, which then creates more fiat currency. This process of an increased money supply results in an out of control inflationary firestorm. However, as unemployment continues to rise and jobs are being outsourced at an ever increasing rate, recession sets in. This combination of inflation and recession is known as stagflation, which is the worst case scenario for any nation, and the most difficult economic situation to correct.

Additionally, low mortgage rates and lower mortgage standards have triggered historic levels of indebtedness, which often exceed the property's value. Contrarily, the rate of savings by Americans is under one percent of income, a historic low, which pales in comparison to other nations. Consequently, Americans have no emergency reserves; but, unlike their similarly indebted Uncle Sam, they can not print money out of thin air. Accordingly, the slightest correction in the housing market will result in significant foreclosures, because owners will realize they owe more than the house is worth, and walk away from the debt. These foreclosures, caused by the upside-down loan to value rate, will perpetuate a steady decline in housing market prices, as more homes become available for sale and result in a housing glut.

The negative consequences of the nation's historic debt are made more severe by an ever increasing military expense, which is compounded by runaway Medicare and Medicaid costs. This national and personal indebtedness

are ignored by the Federal Government, who remains predisposed with imperialism and militarism. Every aspect of America seems permeated with debt, and that should be worrisome to all who are more prudent. This incomprehensible, staggering debt weighs heavily upon society and there is only one entity that benefits; that being the elitist cartel of banks. When the Soviet Union collapsed, it was not because communism was defeated, but rather it was a collapse of their currency caused by insurmountable debt.



Militarism and war, contributed greatly to their ruble's collapse, which was then followed by the implosion of their economy. Russians suffered horrific poverty, which resulted in innumerable deaths, which led many of them to resort to cannibalism, because cadavers were plentiful, and people were dying of starvation. Presently, America's indebtedness, excessive military spending, engagements in war, ensuing stagflation, and currency debasement have many parallels with Russia's collapse. Hopefully, these similarities are not a foreboding of nightmarish things to come.

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Richard joined the New Haven Police Department where he rose up through the ranks to a command staff position. He retired as the City's Chief Investigator after a thirty year career. He presently resides in the foothills of the Blue Ridge Mountains in Western North Carolina with his wife, GinGer.

He has become an active trader of commodities and precious metals. That pursuit has resulted in extensive research of both geopolitical and economic practices of governments, as they relate to the world's financial markets. In 2002 he became a member of GATA (Gold Anti Trust Action Committee) and is a contributing writer to their founder's website, LeMetropole Café.

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