

# Another Day Older and Deeper in Debt

Posted on [November 12, 2015](#) By Gary Christenson [www.deviantinvestor.com](http://www.deviantinvestor.com)

**Debt overwhelms most people** in debt based fiat currency economies (*US, UK, Europe, and others*). Credit cards, auto loans, student loans, mortgages, and more ...

**Debt overwhelms most governments** in debt based fiat currency economies. They are in debt because governments spend more than their revenues, which is a truly simple concept. However, don't expect fiscal sanity to return anytime soon.

## HOW BAD IS IT?

In round numbers global debt is about \$200 Trillion and increasing about \$10 Trillion per year or **\$27 Billion per day**, each and every day. **Dishonest money is easy to create** – just borrow it into existence.

## REALLY? THAT SIMPLE?

Why not? US national debt has dramatically increased since 1913 and the US financial system has not imploded yet. Based on a hundred years of history, politicians believe they can increase debt for a very long time. The problem – and it is a BIG problem – is that **because debt substantially increases every decade, then the purchasing power of the dollar, pound, euro, yen etc. DECREASES substantially every decade.**

## CONSEQUENCES?

Of course there are consequences. Gold was priced at \$20.67 a hundred years ago. A cup of coffee for a nickel is long gone and probably viewed by most people as nothing more than legend. The Fed has held interest rates near zero for about seven years. Worse, some countries currently have negative interest rates and are preparing to ban paper cash. Such extreme policies as negative interest rates, banning cash, and QE are supposedly needed because excessive debt has been a drag on most global economies. Lubricate the machine with sand (*debt*) instead of oil (*productivity*) and see how efficiently it works.

Paper and digital currency based on debt – which we pretend is money – is a flawed system. A flawed system, some would say a fraudulent system, will eventually crash. \$27 Billion daily increase in debt is a strong indication that much is deeply wrong in the global financial system. Perhaps its expiration date is near.

## SO WHY USE IT?

Don't be naïve! Politicians buy votes with dishonest money and large corporations and financial interests generate huge profits from the system as it currently exists. Your health insurance costs are going up? Tough! The system is highly profitable for insurance companies and "Big Pharma." You are another day older and deeper in debt? Good, because that means you are paying interest to the financial industry and they want the revenue stream to continue forever.

### **ANOTHER DAY OLDER AND DEEPER IN DEBT ISN'T A GOOD IDEA FOR YOU, ME, OR OUR GOVERNMENTS.**

- The fiat currency system is basically a fraud.
- The system is grossly unfair to most and highly beneficial to a few.
- It will inevitably crash, and there will be massive collateral damage.
- Debt requires interest payments – debt service – which is essentially a drag on your personal budget and your government's budget.
- **How much more "money" can be sucked out of individuals and economies and fed to the financial industry? When the answer is "not much more" watch out!**

### **I.Q. TEST:**

1. The US Fed was "printing" \$85 Billion per month for QE, about the labor cost of 4 billion "man hours" per month. Assume 100 million workers in the US. **The Fed's QE program was roughly equivalent to 40 hours of labor per month for each worker in the US.** What did workers receive in return except lost jobs, higher prices and promises for hope and change?
2. Politicians make promises in an election year. An unofficial estimate of promises actually fulfilled in the past 25 years is – say 4%. Should you trust all their promises in 2016?
3. Do you believe that global fiat currencies will retain their purchasing power over the next five years? Stated another way, do you believe that, on average, prices for the services and things you need for daily life will remain constant for the next five years?
4. **You have \$10,000 to invest today and expect to need that capital in about five years. Should you invest in junk bonds, an overpriced stock market, gold, silver, or a five year Treasury note?**

### **Answers to the above questions:**

1. Another day older and deeper in debt
2. No
3. No
4. Gold and silver