

# SUPER-INFLATION COMING

January 29, 2022

We adapt here, and abbreviate, more precious truth-telling from the website of Doug Casey: [internationalman.com](http://internationalman.com) "Here's why the money-printing won't stop."

**Question:** *The US government has printed more money recently than it has for its nearly 250-year existence. Does the US government have any alternative to printing more and more money?*

**Answer:** The question is, what will the Fed do when it can no longer pretend that inflation is under control? The Fed has already printed trillions so that much higher inflation is already baked into the cake. The question is how the Fed will respond to inflation out of control. Either 1) it keeps printing trillions and lets inflation skyrocket, ensuring that the dollar finishes by losing all value, or 2) it tightens monetary policy by cutting Government spending, and watches the markets crash, including the stock market.

When faced with such a choice, politicians usually choose the easy option, in this case to keep printing money. For indeed, decisions to cut spending have often become politically impossible, so that the US government already has the certain prospect of endless multi-trillion dollar deficits that ever-increasing money printing alone can finance. Thus a conservative estimate of the budget deficit between now and 2031 will be close to \$20 trillion, and that is a deficit which the Fed's printing presses alone can pay.

Moreover, there is no bigger debtor in the history of the world than the US government, and inflation allows any debtor to reduce his debt burden because what he borrowed in dollars he can repay in dimes. Therefore the government has a huge incentive to continue creating enormous amounts of inflation.

In addition, a brief look at how the US government finances itself reveals that it is, without a doubt, running a giant Ponzi scheme, meaning that if they stop pumping continually more fresh money into it, the whole thing will collapse. Now unlike private Ponzi schemes, the US government can continue to pump new money into its scam by printing the money needed – we are back to the Fed’s printing presses. So the Fed may make gestures of cutting spending, but as soon as markets start to collapse and institutions to fail, it will stop tightening and it will again let loose the money-printing. In brief, the US government has no option but to continue with increasing money-printing to cover its expenses.

**Question:** *But the Government recently said that “Inflation is good.”*

**Answer:** Nonsense! It benefits the government by lightening its debt burden, but this it does by emptying out the value from the dollars in every citizen’s pocket. The government is in fact stealing from its citizens, but in such a way that few citizens realise what is happening. In fact the Federal Reserve and other central banks only ever existed to steal money from you through inflation, and redirect it to people politically connected. That is their primary purpose, and it always has been. Hence a flow of false information on finance and economics in the vile media and in the “universities” in particular.

**Question:** What other tricks can the US government play at this point in the game?

**Answer:** Whatever they call it and whatever form it takes, you can be sure that the net effect will transfer more money and power to the government. Out-of-control inflation is a common excuse for governments to implement capital controls, price controls, wealth confiscations, and all sorts of other nasty measures. But perhaps the most terrifying item on the menu is central bank digital currencies (CBDCs), which will make

possible an Orwellian surveillance system that monitors and controls every penny you earn, save, and spend. CBDCs are an important topic; we should dedicate our next conversation to them.

Kyrie eleison.