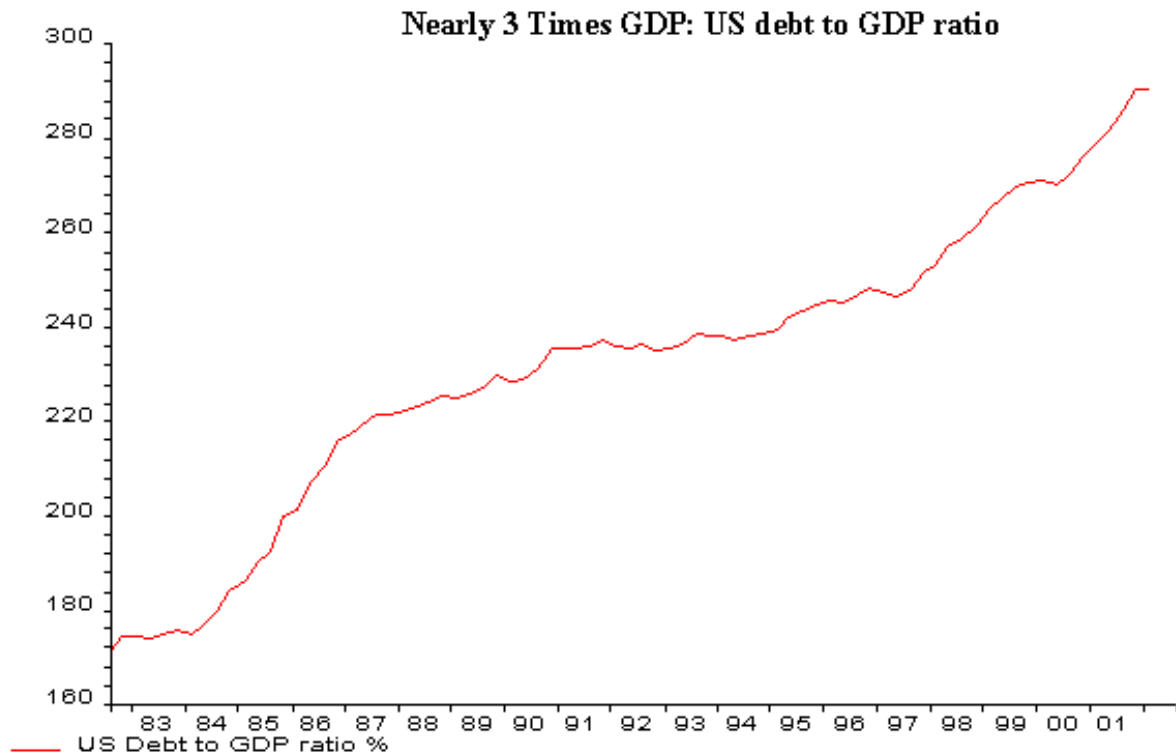


• Several themes emerge from a review of unsustainable economics in the developed world:



- **Debt:** A robust economy has been bought at the price of astonishing increases in government, corporate, mortgage and consumer debt. When this is compounded by the growth in financial institution and system risks from derivatives and contingent liabilities, an actuarially honest picture is not pretty. We have dug a much deeper hole thanks to the ability of the central banks to manipulate the gold, stock and other markets to keep the bubble growing. There is an intimate and painful relationship between the financial incentives of global theft and depopulation — whether through economic warfare, biological warfare, terrorism or more traditional warfare — and the magic of compound interest.
- **Oil Production Peak:** A future of plenty of low cost fossil fuel is no longer with us. The financial incentives for military, covert and corporate conquest of oil reserves in Russia, the Middle East, Eurasia and South America say a lot more about US policy than is to be found in the corporately controlled news. Our failure to institute a system for changing institutional and individual energy consumption patterns in order to achieve energy self-sufficiency, or even sustainable economics in energy, is mirrored in frightening extraction economics and environmental damage throughout the world.³⁰
- **Command & Control Economics:** Free markets are quite good at optimizing resources and supporting the shared learning speeds we need to maintain to adjust to economic realities — but, alas, we don't use free markets. The more we squeeze local equity into or through corporate systems or manipulate corporate profits with taxpayer funds or do the

same with the stock and gold markets, the worse will be the adjustments necessary to return to free market pricing (the “mark to market,” if you will), and the more bizarre and draconian government policy must become to control the allocation of resources. This difficulty of making the necessary adjustments is a key reason for the more Orwellian and ludicrous official explanations for the policies necessitated by this 1984 scenario.

- **Productivity Decreases:** One of the problems with not allowing appropriate adjustments for real economics is that we build incentives that encourage even more unproductive behavior by rewarding failure. Hence the trend of the productive losing power and the net energy minus people gaining power as economic entropy drains and crowds out economic health. The waste in human capital and the cost of our failure to reengineer human skills and experience towards a positive future are impossible to measure but represent a most economically painful trend. Examples abound. Corporations prop up earnings by means of accounting vagaries, fraud, tax evasion and money laundering. Government agencies enter into cost- plus (as opposed to performance-based) contracts with contractors and employ their own form of accounting gimmickry to avoid the budgetary disciplines required by law. Corporate and government fraud and “cooked books” then contribute to the steady liquidation of concrete industrial production and intellectual capacity and infrastructure. Children spend such enormous amounts of time watching television and playing passive “screen” sports (Gameboy, Nintendo, etc.) that their imaginations are stunted and their thinking skills and reasoning capabilities are reduced. Even more alarming is the insidious effect that the imbalance in the risk/reward paradigm has on our most powerful leadership. Having spent their entire lives mastering the skills required to win in a rigged game, rather than those necessary for entrepreneurial success and jump-the-curve innovations, our leaders are increasingly individuals who have never worked outside top-down subsidized economies supported by fraud and warfare. Recent revelations about Harken Energy (Bush) and Halliburton (Cheney) are only the tip of the iceberg. As a result, US leadership is increasingly ignorant of the process of real wealth creation and the efficient use of capital. This is tantamount to depending upon Soviet Era leaders in Russia to institute market improvements based on capital market theories — even to manage “efficient” corruption. Without real world pricing intuition, they just “don’t get it.”
- **Population Growth:** Our population continues to increase and we encourage ever more immigration. A discussion of how to manage population growth is not on the agenda of major media that are controlled and serve corporate interests or part of polite conversation. Multiple personality and “double bind” behavior is commonplace here. We attempt to limit government supported population control programs in Third World countries as well as the US while at the same time making few provisions for the education and nutrition of unwanted children. Our consumptive behavior can be sustained only through the employment of children and adults in Third World countries under abhorrent conditions. Life-extending drugs and therapies increase our life expectancies, yet the marketplace deems a fifty year-old to be over-the-hill and the public and private pension fund fraud and mismanagement make it unlikely that we can support the baby boom generation in their old age.
- **New World Order:** The various factions and cartels jockeying for a place at the table for the creation of one world government and one world currency engage in gaming behavior and become indifferent to the rest of the human race and all other living things. The

perfect example occurred during a recent threatened nuclear exchange between India and Pakistan, when Tony Blair went on a peacekeeping mission to the region and took the opportunity to market new weapons to both sides. “Investment espionage” with Echelon, PROMIS and other high tech tools has divided the world into those with access to inside information and everyone else.

The current state of the U.S. economy is simply dreadful. This is thoroughly covered up by a willingness of foreign investors to continue to finance a negative return on investment system. Theoretically, one can maintain a negative return on investment system so long as one can finance it. The notion that it cannot be financed forever is probably a driving force behind the efforts by the two Bush and the Clinton Administrations to build the legal, political and physical infrastructure for the occupation of the US by its own military armed with a dazzling high tech toolkit of non-lethal weapons and the authority to impose martial law. When and if US homeowners discover that their private property and public land, water and minerals all belong to America’s creditors, tensions may rise. This is particularly true when a penciling in of the numbers will show that the US leadership has intentionally been moving public and private resources offshore since the mid 1990’s — much of it in fraudulent and illegal ways.³¹ The folks whom the US middle class will depend on for financial capital are the same folks who stole all their retirement savings and tax money.

One logical hypothesis to explain events in the US over the last decade is that the investment leadership did its homework on the issues of sustainability and determined that it was not possible for the US to create a sustainable economy while at the same time maintaining the global power and wealth position of members of the current leadership. The intentional refusal of US leadership to move expeditiously on energy conservation and alternative energy has been well documented. We have chosen instead to increase consumer dependency on oil. Likewise the intentional refusal to reengineer workforce skills ³² or to reengineer government investment from negative to positive returns.³³ Instead of making headway on fundamental economics or workforce productivity, the practical solution was to keep the population happy and dumb while stealing everything that isn’t nailed down before “the Reichstag burned.” It appears this was part of the “oligarch collaboration” that Williamson and Palast have so brilliantly documented elsewhere around the globe ³⁴ as well as the type of Iran Contra financial fraud documented by researchers like Pete Brewton,³⁵ pulp fiction writers like Michael Thomas³⁶ and the fraudsters themselves.³⁷ One way to explain the 1990s in America is that the networks that did so marvelously looting the S&L system and taxpayers with real estate in the 1980s used pump and dump stocks and venture capital and derivatives to “do it” to the pension funds and the taxpayers in the next decade. Clearly, reinvesting the profits of fraud in buying up and controlling major media has been a successful strategy for those whose continued business is ever more fraud.

This leaves the US middle class without a seat in the game of musical chairs. Since World War II, they have been complicit with the elite leadership in practicing warfare and covert operations globally to subsidize their middle class way of life. In recent decades, they also have been supportive, or at least tolerant, of the leadership’s use of the War on Drugs, mortgage fraud and narcotics trafficking to finance black budgets at the expense of minorities and the poor. Finally, they have lived in a state of denial as to the nature and source of temporary and illusory benefits accruing to them from widespread fraud perpetrated by corporate and government leaders through the centralization of power. This leaves the middle class with few, if any, moral authority

legs to stand on at the very moment that the accumulated debt and contingent liability burdens — not to mention the fraudulent emptying out of public and private retirement funds — make the baby boom generation worth more dead than alive. Leadership largesse may be the only card to play — and that's evidence of a very weak hand.

The important thing to understand about economic sustainability is that it will be achieved one way or another. If mankind does not voluntarily impose restraints that lead to environmental balance, Mother Nature will. We have reached a point in our evolution where we have two potential pathways — we can prototype, develop and institute something like the solari model and the alternative technologies and lifestyles that it makes possible or we can depopulate. In short, we can “use it, or lose it.”

From my experience serving as a member of, and then from the outside as a close observer of, US leadership, I am led to believe that those in positions of power have concluded that a steady reduction in living standards combined with a depopulation/immigration strategy is the most practicable solution to the issue of nonsustainability of our current living standard within existing power structures. I was once asked whether the creation and growth of a black budget in the US was to deal with aliens — i.e., did extraterrestrials exist? I responded that I did not know what the truth was, but that if aliens did not exist, then different parts of the human race had grown so far apart from each other in terms of access to financial and intellectual capital and use of scientific technology that we had become as good as aliens to each other. In short, the leadership's way of dealing with non-sustainability is to consider a significant portion of the global population as sub-human, exploitable and expendable.

In such an environment we have three risks:

- **No Map:** To achieve sustainability, we first need to know where we are within an integrated picture and flow of all global resources. As my pastor, Bishop Alfred Owens, always says, “If we can face it, God can fix it.” Right now the developed world is doing a marvelous job of avoiding the construction of an honest map of how global resource management and optimization really works. As a result, we currently support in the marketplace and in the voting booth the people stealing from us and killing us and — in combination — we are guilty of supporting significant environmental destruction and genocide worldwide. As we support our leadership in these policies, their respect for us diminishes and they can justify to themselves ever more draconian solutions to their dilemma. To break this vicious cycle, we need to detach from the disinformation that the corporately-owned and controlled media sell us and initiate the establishment of reliable independent media sources to help us face reality. A reliable media is necessary to help us construct honest maps that will facilitate our effective and self-interested use of time and resources. Step one is to decide that we really want honest maps and vote with our dollars and our time for those who are providing them.
- **No Plan:** Once we understand that the Titanic is sinking and are prepared to face and deal with the impending wreck, the question is, how do we build arks? In fact, the way to prepare ourselves is to institute local accountability and responsibility organized around a model that optimizes resource allocation and creates significant amounts of new wealth. I have spent the last decade developing and prototyping the solari model, which would

provide a conceptual financial framework to work with when the time came. The solari model is a framework for the American baby boomers to reinvent themselves — to generate value in a manner that gives this generation greater value alive than dead and provides for a decent retirement. We have a wealth of knowledge about sustainable energy and agricultural technologies, tools and culture as well as municipal and small business operations that, when combined with the younger generation's, superior command of new technologies, can form the foundation for an economically sustainable future.

- **No Faith:** This is by far our greatest risk. Right now, there seems to be a surprising paralysis — a resistance to providing local leadership other than at the specific direction from elites on high or their media. The Buddha said it best, “with our thoughts, we invent our world.” Sustainability begins with my family, my community and me. Removing corruption begins with removing it from my feelings, thoughts, actions and transactions. We have the power to implement sustainable solutions at the local level as soon as we choose to discover the power of one. Decentralization, by its very nature, must occur without the instruction of those who promote centralization and central control. We cannot wait for our national or global leaders to cede this power to us. Since absolute power corrupts absolutely, it is unrealistic to expect that those who benefit from centralization to propose solutions that decentralize. We must choose to move away from the Titanic and focus on building arks. Part of our paralysis reflects ignorance of the significant wealth potential that is possible from transforming our relationships with nature and other members of our global society and from reengineering government investment. Our lack of faith, in part, originates in our ignorance of what the great teachers of spirituality and quantum physics can teach us about the potential power of a small group of people when they act in accordance with natural and divine laws. We vastly overestimate how many of us it takes, acting in concert to, radically shift power in favor of the forces of decentralization. This is a time to revisit the story of the hundred monkeys.³⁸

Enemies of self-determination, freedom and peace send us the message that we have no power. Why do we listen to them and ignore the interests of those we love? This is a question for which I have no answer. As an investment banker, I know that the economics of the solari model are sound. However, faith is the sine qua non of free markets and significant cultural change. The revolution starts in our spirit, hearts and minds. We must act as St. Paul admonished us, “by faith, and not by sight.” It is for us to choose a positive future for our planet and our children and many generations to come. Building a sustainable environment and economy is an act of faith. There is no reason why it cannot be done other than a belief that it cannot be done. I am reminded of the words of a man dealing with the economic manipulations that were part of the move towards global fascism the last time around — one supported by remarkably similar networks of US and European investors as now: