

Inevitable Recession and a New World Devoid of Washington's Arrogance

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June 25, 2014. A final number for real US GDP growth in the first quarter of 2014 was released today. The number is not the 2.6% growth rate predicted by the know-nothing economists in January of this year. The number is a decline in GDP of -2.9 percent.

The negative growth rate of -2.9 percent is itself an understatement. This number was achieved by deflating nominal GDP with an understated measure of inflation. During the Clinton regime, the Boskin Commission rigged the inflation measure in order to cheat Social Security recipients out of their cost-of-living adjustments. Anyone who purchases food, fuel, or anything knows that inflation is much higher than the officially reported number.

It is possible that the drop in first quarter real GDP is three times the official number.

Regardless, the difference is large between the January forecast of +2.6 percent growth and the decline as of the end of March of -2.9 percent.

Any economist who is real and unpaid by Wall Street, the government, or the Establishment knew that the +2.6 percent forecast was a crock. Americans' incomes have not grown except for the one percent, and the only credit growth is in student loans, as those many who cannot find jobs mistakenly turn to "education is the answer." In an economy based on consumer demand, the absence of income and credit growth means no economic growth.

The US economy cannot grow because corporations pushed by Wall Street have moved the US economy offshore. US manufactured products are made offshore. Look at the labels on your clothes, your shoes, your eating and cooking utensils, your computers, whatever. US professional jobs such as software engineering have been moved offshore. An economy with an offshored economy is not an economy. All of this happened in full view, while well-paid free market shills declared that Americans were benefiting from giving America's middle class jobs to China and India.

I have been exposing these lies for a decade or two, which is why I am no longer invited to speak at American universities or to American economic associations. Economists love the money that they receive for lying. A truth-teller is the last thing that they want in their midst.

An official decline of -2.9 percent in the first quarter implies a second quarter GDP decline. Two declines in a row is the definition of recession.

Imagine the consequences of a recession. It means that years of unprecedented Quantitative Easing failed to revive the economy. It means that years of Keynesian fiscal deficits failed to revive the economy. Neither fiscal nor monetary policy worked. What then can revive the economy?

Nothing except to force the return of the economy that the anti-American corporations moved offshore.

This would require credible government. Unfortunately, the US government has been losing

credibility since the second term of the Clinton regime. It has none left.

Today no one anywhere in the world believes the US government except the brain dead Americans who read and listen to the "mainstream media." Washington's propaganda dominates the minds of Americans, but produces laughter and scorn everywhere else.

The poor US economic outlook has brought America's two largest business lobbies -- the US Chamber of Commerce and the National Association of Manufacturers (or what is left of them) into conflict with the Obama regime's threat of further sanctions against Russia.

According to Bloomberg News, beginning tomorrow (June 26), the business groups will run advertisements in the New York Times, Wall Street Journal, and Washington Post opposing any further sanctions on Russia. The US business organizations say that the sanctions will harm their profits and result in layoffs of American workers.

Thus, America's two largest business organizations, important sources of political campaign contributions, have finally added their voice to the voices of German, French, and Italian business.

Everyone, except the brainwashed American public, knows that the "crisis in Ukraine" is entirely the work of Washington. European and American businesses are asking: "why should our profits and our workers take hits in behalf of Washington's propaganda against Russia?"

Obama has no answer. Perhaps his neocon scum, Victoria Nuland, Samantha Powers, and Susan Rice can come up with an answer. Obama can look to the New York Times, Washington Post, Wall Street Journal, and Weekly Standard to explain why millions of Americans and Europeans should suffer in order that Washington's theft of Ukraine is not endangered.

Washington's lies are catching up with Obama. German chancellor Merkel is Washington's complete prostitute, but German industry is telling Washington's prostitute that they value their business with Russia more than they value suffering in behalf of Washington's empire. French businessmen are asking Hollande what he proposes to do with their unemployed workers if Holland goes along with Washington. Italian businesses are reminding that government, to the extent that Italy has one, that uncouth Americans have no tastes and that sanctions on Russia mean a hit to Italy's most famous and best recognized economic sector -- high style luxury products.

Dissent with Washington and Washington's two-bit puppet rulers in Europe is spreading. The latest poll in Germany reveals that three-quarters of Germany's population reject permanent NATO bases in Poland and the Baltic states. The former Czechoslovakia, currently Slovakia and the Czech Republic, although NATO members, have rejected NATO and American troops and bases on their territory. Recently, a German minister said that pleasing Washington required giving free oral sex for nothing in return.

The strains that Washington's morons are putting on NATO might break the organization apart. Pray that it does. NATO's excuse for existence disappeared with the Soviet collapse 23 years ago. Yet, Washington has increased NATO far beyond the borders of the North Atlantic Treaty Organization. NATO now runs from the Baltics to Central Asia. In order to have a reason for NATO's continued expensive operation, Washington has had to construct an enemy out of Russia.

Russia has no intention of being Washington's or NATO's enemy and has made that perfectly clear. But Washington's military/security complex, which absorbs about \$1 trillion annually of US hard-pressed taxpayers' money, needs an excuse to keep the profits flowing.

Unfortunately the Washington morons picked a dangerous enemy. Russia is a nuclear-armed power, a country of vast dimensions, and with a strategic alliance with China.

Only a government drowning in arrogance and hubris or a government run by psychopaths and sociopaths would pick such an enemy.

Russia's President Vladimir Putin has pointed out to Europe that Washington's policies in the Middle East and Libya are not merely total failures but also devastatingly harmful to Europe and Russia. The fools in Washington have removed the governments that suppressed the jihadists. Now the violent jihadists are unleashed. In the Middle East the jihadists are at work remaking the artificial boundaries set by the British and French in the aftermath of World War I.

Europe, Russia and China have Muslim populations and now must worry if the violence that Washington has unleashed will bring destabilization to regions of Europe, Russia and China.

No one anywhere in the world has any reason to love Washington. Least of all Americans, who are being bled dry in order that Washington can parade military force around the world. Obama's approval rating is a dismal 41 percent and no one wants Obama to remain in office once his second term is complete. In contrast, two-thirds of the Russian population want Putin to remain president after 2018.

In March the polling agency, Public Opinion Research Center, released a report that Putin's approval rating stood at 76 percent despite the agitation against him by the US financed Russian NGOs, hundreds of fifth column institutions that Washington established in Russia during the past two decades.

On top of US political troubles, the US dollar is in trouble. The dollar is kept afloat by rigged financial markets and Washington's pressure on its vassal states to support the dollar's value by printing their own currencies and purchasing dollars. In order to keep the dollar afloat, much of the world will be inflated. When people finally catch on and rush into gold, the Chinese will have it all.

Sergey Glazyev, an adviser to President Putin, has told the Russian president that only an anti-dollar alliance that crashes the US dollar can halt Washington's aggression. That has long been my opinion. There can be no peace as long as Washington can print more money with which to finance more wars.

As the Chinese government stated, it is time to "de-Americanize the world." Washington's leadership has totally failed the world, producing nothing but lies, violence, death, and the promise of more violence. America is exceptional only in the fact that Washington has, without remorse, destroyed in whole or part seven countries in the new 21st century.

Unless Washington is replaced with more humane leadership, life on earth has no future.

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Addendum:

Failure for the US is unavoidable; it has reduced its economy to weapons production, it prints unpegged money at will from thin air -- while the world accepted this arrangement since WWII it foolishly took America at its word that it would not abuse the privilege of producing the world's default currency. Today, however, the world has learned a valuable lesson, namely, that no nation

can be trusted with the sole responsibility of printing the world's default currency. America abused this privilege almost immediately. During the Vietnam war it became obvious that America was spending more on the war/armaments than it legitimately possessed -- it resorted to the printing press when it became obvious that the cost of the Indo-Chinese war in dollars and lives far exceeded the estimates of Washington pundits.

Without a broad based production economy America is forced to wage permanent war to feed its national war production economy. When faced with defeat in Afghanistan the military ordered the Fed to print billions of dollars to bribe tribal leaders -- palette loads of shrink wrapped US dollars were flown to Afghanistan to corrupt and bribe tribal leaders and payoff families whose relatives had been murdered by drones and misplaced missile attacks. America is spending money it does not have so it robs the gold and cash assets of conquered nations especially the vast gold and cash wealth of Libya.

It also exchanges it's worthless paper money for gold mining rights in vassal state Australia -- something the Oz lackey government will no doubt be held accountable for in the very near future.

Consider also the perversity of America's current ideology and social direction of perpetual war and weapons production -- the world is sick and tired of war mongering America and its violent/fear rhetoric, which has recently been demonstrated by a FOX news host, [Jeanine Pirro](#) -- just another wacked out nut-case in the tradition of brainless Palin and Backmann.

Enough said, where else could such a nation go but to total ruination and hell -- listen to that lunatic Pirro and you'll see how desperate the situation has become in America today. The world knows that effeminate Obama is a puppet like every president before him but Pirro needs to sell the illusion that a two party adversarial system is a reality rather than an orchestrated farce designed to give the impression that the public has a choice -- LOL -- and look how extreme her attempts are to sell the bullshit to a weary, cynical public. [Ed.]

<http://tinyurl.com/pbzkwy7>

Jungle Drum Prose/Poetry. <http://jungledrum.lingama.net/news/story-1203.html>