

Today, we are faced with a period in world history of unprecedented change. [Carl Jung](#), who worked with [Sigmund Freud](#) and is known today for his work in humanistic-existential psychology, believed that man perceived change as “death”. [Dr. Janice Dorn](#), who has coached hundreds of professional traders since the mid '90s, stated to me in an interview for my December 2006 newsletter entitled *Mindgames*, that we avoid change because “it is incredibly difficult to shift paradigms, which of course is the way in which we perceived the world.” To perceive change as “death” may appear to be an extreme comment if one is forced to deal with a new job, or take an alternate route to one's destination because of road construction. What if, however, the change requires one to understand that their worldview is being challenged? What if one is told, “the country is going broke, or we can not continue to destroy the earth's environment”? Since these concepts are so far beyond our daily routines, the easiest solution is to avoid the topic altogether.

[Leo Apostel](#), a Belgium philosopher, who wrote *Freemasonry: A Philosophical Essay* (1985), and was acknowledged for his ideas on atheistic religiosity, listed the following six traits as part of one's [worldview](#), otherwise known as a descriptive model of the world. As you read Apostel's six premises, I believe you will agree that these thoughts are common to all men:

1. An explanation of the world.
2. A futurology – an answer to the question, “Where are we headed?”
3. Values – The answer to the ethical question, “What should we do?”
4. A methodology – an answer to the question, “How shall we attain our goals?”
5. An epistemology, or theory of knowledge – “What is true and false?”
6. An etiology – The building blocks of one's worldview that deal with origins and construction of the world.

In case your eyes are beginning to glaze over, and this sounds like another heady discussion on philosophy, look at the questions above, and consider their

relevance to the public, based on the following comments from an article released in March:

“Most American voters believe it’s possible the nation’s economy could collapse, and majorities don’t think elected officials in Washington have ideas for fixing it.

The latest Fox News poll finds that 79 percent of voters think it’s possible the economy could collapse, including large majorities of Democrats (72 percent), Republicans (84 percent) and independents (80 percent).

Just 18 percent think the economy is "so big and strong it could never collapse."

Moreover, 78 percent of voters believe the federal government is "larger and more costly" than it has ever been before, and by nearly three-to-one more voters think the national debt (65 percent) is a greater potential threat to the country’s future than terrorism (23 percent).”

Who has a plan for dealing with the economy?<sup>1</sup>

Clearly the statement above forces each of us to ask the questions Apostel posed; “Where are we headed?, How shall we attain our own goals?, What can be done?, and even, What information is true and what information is false?” As long as our standards of living continue to stay somewhat in tact and our government social programs continue to provide what we have grown accustomed to receiving, our various worldviews are nothing more than discussions for philosophers paid to discuss such things at our universities or seminaries.

Yet, what are we to do when faced with public information like the article above? Did the financial collapse in 2008 slam the financial life of the atheist as well as the Christian or Muslim? Have we seen those working for government entities lose their jobs like those working in the private sector? When considering the accelerating role of spending at the federal or global level in order to “stimulate” the economic “recovery”, does it appear that the majority of political and financial leaders have asked the simple question, “Where are we headed?”, or are they, like

many of us, believing that the dam just will not break, no matter how much debt is thrown at it?

In the [July 2006 issue of The Investor's Mind](#), I released this interesting story, found in Dr. Jared Diamond's work, [Collapse: How Societies Chose to Fail or Succeed](#):

“Consider a narrow river valley below a high dam, such that if the dam burst, the resulting flood of water would drown people for a considerable distance downstream. When attitude pollsters ask people downstream of the dam how concerned they are about the dam's bursting, it's not surprising that fear of a dam burst is lowest far downstream, and increases among residents increasingly close to the dam. Surprisingly, though, after you get to just a few miles below the dam, where fear of the dam's breaking is found to be the highest, the concern then falls off to zero as you approach closer to the dam! That is, the people living immediately under the dam, the ones most certain to be drowned in a dam burst, profess unconcern. That's because of psychological denial: the only way of preserving one's sanity while looking up every day at the dam is to deny the possibility that it could burst.

If something that you perceive arouses in you a painful emotion, you may subconsciously suppress or deny your perception in order to avoid the unbearable pain, even though the practical results of ignoring your perception may prove ultimately disastrous. The emotions most often responsible are terror, anxiety, and grief.”<sup>2</sup>

### **Don't Worry, Be Happy**

Never in world history, have our daily lives been so dependent on the lives of others around the world. The oil used to manufacture the gas I placed in my car this week has most likely come from the Middle East, Nigeria, or Venezuela. When fruit is purchased from my local grocer, I find items from Columbia and Chile. When it necessary to pick up a few items for home maintenance, I see that the products were made in Indonesia, China, and India. When reflecting on my daily life over the last year, I have helped a family friend with his estate, talked with one of my son's former Special Ed teachers, and been assisted by a nurse in

the hospital. The friend grew up in Mexico, the teacher in India, and the nurse in Jordan. Clearly, the world of “Leave it to Beaver” is not reflective of my world in 2010.

Each of these various nations espouse different religions, each of them have different cultures, each have learned history through the country in which they grew up, and yet all are connected financially and socially more than anytime in history.

A few years ago, I talked with a professor who had taught [eschatology](#), known as the study of end times, at a major American seminary. [Dr. J. Dwight Pentecost](#) was 91 at the time, and had traveled to many parts of the world during his more than six decades of teaching. One of the nuggets I gleaned from this seasoned man, was that he had found, no matter what corner of the world he had visited, most individuals desired three things; peace on their corner of the earth, good health, and a stable financial life. Ask around. See how many people you find searching for these same three items. My own anecdotal evidence has found this to be consistent across cultural and religious lines.

Yet, even with the majority of people around the globe, seeking the same end, the difference in how those ends are attained have, and will continue to create great clashes when discussing these ideas at the worldview level. Rather than write my own opinion, which frankly by itself has little value, I would like to share with you what I have learned from studying modern history, as well as the decline of two empires - ones that existed long before the term “nationality” came into existence. Rather than approaching these topics strictly from the lens of philosophy or religion, I will examine them through the area in which I have focused for the last seven years, how they relate to money.

### **The Most Influential Religion**

The evidence appears to be very compelling, that the three leading worldviews in existence today, are Humanist, Islamic, and Judeo-Christian. While we recognize the last two as tied to religions, most do not consider the humanist view as a religion, but solely a philosophy. And yet, the Humanist Manifesto I, which was

released in 1933, at the tale end of the greatest stock market collapse in American history, contains these words:

While this age does owe a vast debt to the traditional religions, it is none the less obvious that any religion that can hope to be a synthesizing and dynamic force for today must be shaped for the needs of this age. To establish such a religion is a major necessity of the present. It is a responsibility, which rests upon this generation. We therefore affirm the following.

If one considers these tenets of Humanism, as stated in the Humanist Manifesto I, it makes it even clearer that the original signers of this document believed their worldview to be a religious one:

Tenet One: Religious humanists regard the universe as self-existing and not created.

Tenet Five: Humanism asserts that the nature of the universe depicted by modern science makes unacceptable any supernatural or cosmic guarantees of human values...Religion must formulate its hopes and plans in the light of the scientific spirit and method.

Tenet Eight: Religious Humanism considers the complete realization of human personality to be the end of man's life and seeks its development and fulfillment in the here and now. This is the explanation of the humanist's social passion.

Tenet Thirteen: Religious humanism maintains that all associations and institutions exist for the fulfillment of human life.

If you wish to read an entire copy of the [Humanist Manifesto I](#), you can find one at the American Humanist Association.

The April 2007 issue of *The Investor's Mind: The Crisis of Money and Politics*, quoted these tenets, found in the [Humanist Manifesto II](#). Once again, the entire document can also be found at the American Humanist Association.

## WORLD COMMUNITY

TWELFTH: *We deplore the division of humankind on nationalistic grounds. We have reached a turning point in human history where the best option is to transcend the limits of national sovereignty and to move toward the building of a world community in which all sectors of the human family can participate. Thus we look to the development of a system of world law and a world order based upon transnational federal government.*

## HUMANITY AS A WHOLE

IN CLOSING: *The world cannot wait for a reconciliation of competing political or economic systems to solve its problems. These are the times for men and women of goodwill to further the building of a peaceful and prosperous world. We urge that parochial loyalties and inflexible moral and religious ideologies be transcended. [Italics mine]*

One can see from the [Humanist Manifesto 2000: A Call for a New Planetary Humanism](#), a continuation of the theme to “transcend the limits of national sovereignty”, thus expanding the role of government in the lives of individuals worldwide.

## THE NEED FOR NEW PLANETARY INSTITUTIONS:

The urgent question in the twenty-first century is whether humankind can develop global institutions to address these problems. Many of the best remedies are those adopted on the local, national, and regional level by voluntary, private, and public efforts. One strategy is to seek solutions through free-market initiatives; another is to use international voluntary foundations and organizations for educational and social development. We believe, however, that there remains a need to develop new global institutions that will deal with the problems directly and will focus on the needs of humanity as a whole. These include the call for a bicameral legislature in the United Nations, with a World Parliament elected by the people, an income tax to help the underdeveloped countries, the end of the

veto in the Security Council, an environmental agency, and a world court with powers of enforcement.

No matter what religious views one holds personally, it should be clear to anyone reading these public documents, and examining social and political history since the Great Depression, that humanism is the leading worldview in the West when it comes to answering the question, “Where are we headed”. When we look at trade governed by the [World Trade Organization](#), laws governed by the [International Court of Justice](#), politicians participating in decisions for the globe through the [United Nations](#), and all of them depending on an ever larger amount of debt on a global basis, is there any doubt that if size and scope of control and influence on the lives of people is any measure of “success” that humanism, based on the three Humanist Manifesto documents, have achieved the widest reach on modern society of any religion or worldview? None of this could have been accomplished in modern history without first asking the simple question, “How shall we attain our goals?”

### **Money- How We Achieve Our Goals**

How many individuals, whether [Chinese](#), [British](#), [India](#) or [American](#) have even heard of an international currency unit known as the [Special Drawing Rights\(SDR\)](#), whose history and oversight today comes through the International Monetary Fund, headquartered in Washington? How many individuals understand that through a nation’s central bank, this currency unit is already being bought and sold, and that the SDR is used to set the interest rate charged to nations who borrow from the IMF, as well as the payments to reduce the loan? How many individuals understand that this currency, which stood at 21.4 billion units for 30 years, was expanded more than eightfold in August 2009, and was used to back an emergency lending fund that went from [\\$50 billion to \\$550 billion](#) in April of this year?

When one understands that one of the most famous names in economics, John Maynard Keynes, proposed the idea of a world currency unit in 1944, known as [the bancor](#), and that the Special Drawing Rights was established in 1969 ( just two years before the United States removed it's currency from the gold-exchange standard), I don’t think we find it difficult to understand why [Zhou Xiaochuan](#),

Ben Bernanke's counterparty at the People's Bank of China, announced that Keynes' bancor approach was farsighted, and that the IMF's SDR be adopted as an international currency unit. Is it really "random chance" that explains why the largest communist nation today, through their annual report, Yellow Book of Global Socialism, would make the following statement *before* the crisis unfolded in the fall of 2008?

"Economic globalization and the new high-tech revolution can only create even better conditions and a foundation in society that will accelerate the pace of a different kind of globalization superseding the capitalist system. Thereby enabling the ideology of socialism, its theories, movements, and system to step out of the shadows on a global scale and upsurge, facilitating this historical process of capitalism being replaced with a higher-level social form... We deeply understand that Socialism is so far the most profound social reform in human history. This final replacement with another type of globalization cannot be accomplished in a single stroke. Struggle – failure - renewed struggle; climax – ebb– and climax, this is a necessary process for the globalization of Socialism to replace that of capitalism." <sup>3</sup>

It would appear that whether we look back at the 20<sup>th</sup> century or look forward into the 21<sup>st</sup> century, when asked the worldview question, 'How shall we attain our goals?', the answer within our modern society remains the same; through financial power. Should any of us be surprised? Don't the lessons learned of empires throughout history show us that a concentration of financial power in the hands of a few give those few the ability to control the decisions of nations and kings?

If you consider your worldview as humanist or secularist, this is your personal right, and freedom of religion is an expression the West holds dear, as do I. However, when a worldview moves from a philosophy, to a religion, to embracing a larger and ever expanding role of government on a global basis, all backed by an ever increasing concentration of monetary authority through global institutions like the [IMF](#) or the [Bank of International Settlements Group of Ten](#), or the [G7](#) (a group started just three years after the Humanist Manifesto II was released) then I view the state as a threat to my freedoms, not a resource to protect them. If we



as individuals are ever going to see this world turn from its current painful juncture, we must first admit that we have been DUPED into the religious belief that DEBT, centrally controlled by a few, is what we need.

Does this sound like we are moving closer to peace, good health, and financial stability in our corner of the earth, or further away? Does this New World Order sound more like an old world empire?

OK, let's take a breath. If you have made it to this point, you are most likely part of a small group of individuals who has an interest in understanding history, especially as it relates to money and politics. Because of the gravity of this material to our current way of life, you may wish to take a mental break. I would suggest having something soothing to drink, but based on the material presented to this point, I am not sure that is such a wise idea. When you feel ready to continue, let me encourage you to return for the remaining material.

## **Part II- Lessons from the Ancient World: Rome and Israel**

I believe the most interesting pattern one finds when studying other periods in history, is that man really has not changed that much over the last few thousand years. With the current juncture of America, especially considering its business, political, and military reach around the globe, I can think of no better place to start than to ask the question, "What lessons could be learned from studying the Romans?" And since one of the most widely recognized writings in modern history is Edward Gibbons, **The Decline and Fall of the Roman Empire** (pub between 1776 and 1788), we will examine some aspects of Roman life during the 3<sup>rd</sup> century AD, which during the second half of the century experienced rapid devaluation of its currency.

"The houses are described as numerous and well built; the manners of the people as polished and liberal. A circus, a theatre, a mint, a palace, baths, which bore the name of their found Maximian; porticoes adorned with statues...<sup>4</sup> The system of Diocletian was accomplished with another very material disadvantage, which cannot even be totally overlooked; a more expensive establishment, and consequently an increase of taxes, and the oppression of the people. The number of ministers, or magistrates, or

officers, and of servants, who filled the different departments of the state, was multiplied beyond the former times; and ‘when the proportion of those who received exceeded the proportion of those who contributed, the provinces were oppressed by the weight of the tributes...<sup>5</sup> The policy of Diocletian, which inspired the councils of his associates, provides for the public tranquility, by encouraging a spirit of dissension among the barbarians, and by strengthening the fortifications of the Roman limit. In the East he fixed a line of camps from Egypt to the Persian dominions, and for every camp, he instituted an adequate number of stationary troops, commanded by their respective officers, and supplied with every kind of arms, from the new arsenals which he had formed at Antioch, Emesa, and Damascus.”<sup>6</sup>

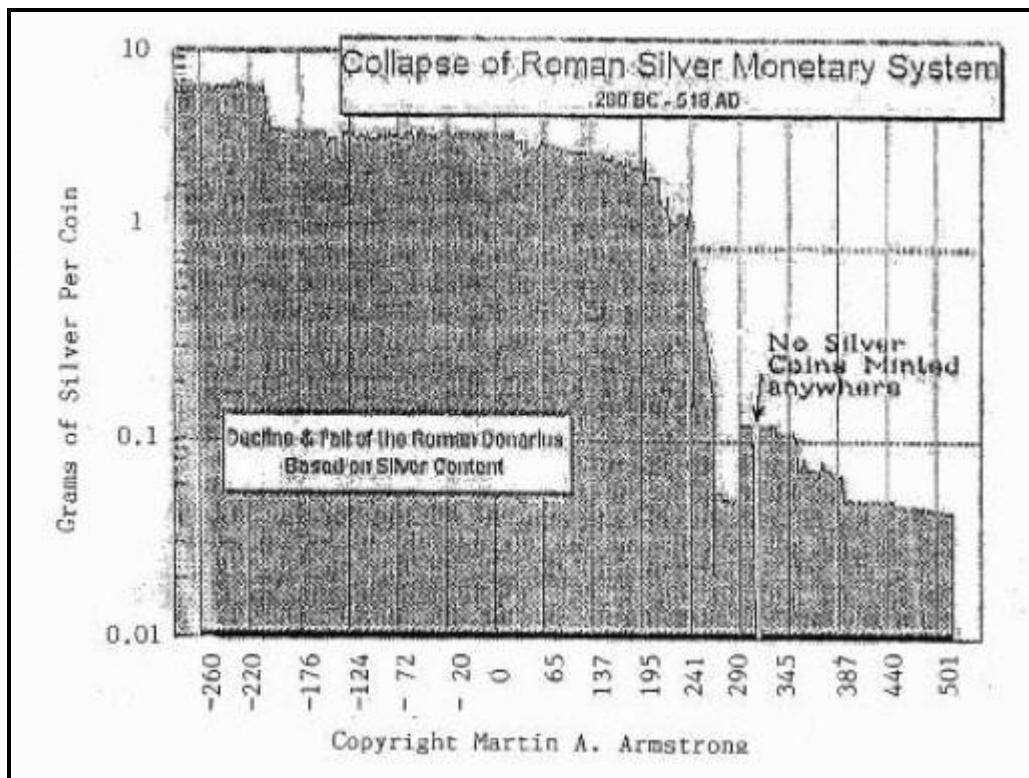
If we move forward 100 years in history, we find similar comments in Dr. Alfred Edersheim’s work, **The Life and Times of Jesus the Messiah** (1883), regarding the Roman Empire at the time of Christ:

“It was felt that the boundaries of the Empire could be no further extended, and that henceforth the highest aim must be to preserve what had been conquered.<sup>7</sup> ...The free citizens were idle, dissipated, sunken; their chief thoughts of the theatre and arena; and they were mostly supported at the public cost. While, even in the time of Augustus, more than two hundred thousand persons were maintained by the State, what of the old Roman stock was decaying, partly by corruption, but chiefly from cessation of marriage, and the nameless abominations that remained.<sup>8</sup> ...Absolute right did not exist. Might was right. The social relations exhibited, if possible, even deeper corruption. The sanctity of marriage had ceased. Abortion, and the exposure and murder of newly-born children were common and tolerated; unnatural vices, which even the greatest philosophers practiced, if not advocated, attained proportions which defy description.<sup>9</sup>

And as we move to our present day, we find former hedge fund manager, [Martin Armstrong](#) described how even the empire’s monetary system had to be corrupted in an attempt to postpone the inevitable changes that had been building for generations:

“It was the fall of Rome from the reign of Marcus Aurelius (161-180 AD) that began the suburbanization of civilization. The corruption of the Rule of Law led to a massive exodus. By the third century, the economic decline was in full force.

We can see the collapse of the Roman Monetary System during the third century took an amazingly short period of time to crash- 13 years. Yet during the reign of Gallienus (253-260 AD), the coinage declined by virtually 95% of its value. It was this suburbanization, that truly began in force under the reign of Commodus (180-192 AD), and that led the rich to flee from the cities and with it the tax revenue. The cities became ever more reduced by the rabble and corruption became widespread both in government and the ethical conduct of the people.



As the collapse of order had begun, this led to the worst of all Christian persecutions in history, authorized by the new Roman Emperor Diocletian (284-305 AD), most likely instigated by Galerius (305-311AD), who had been made a Caesar, second to the Emperor known as Augustus. We find

the contemporary blame for the economic decline of the third century was placed upon the Christians claiming they offended Roman gods causing them to punish Rome. The worst of the Christian persecutions was thus linked to economic depression.”<sup>10</sup>

When presented with the comments by these three men about the Roman Empire, separated by a span of a century between each of their writings, we begin to grasp that a great deal of history had to be ignored, manipulated, and forgotten, in order for the public to be so arrogant to believe that man was climbing the evolutionary food chain to greatness on the eternal back of ever increasing bailout schemes. The basic human tendencies of pride, greed, and denial still keep marching on.

If we journey back hundreds of years before the decline of the Roman Empire, we can see that the sons of Israel, who later became known as the Jewish race, watched their own empire collapse. The height of their political and territorial powers was during the reigns of two kings, David and Solomon.

“Although Saul failed as the first king of Israel, his successor David, as a great warrior, was able to conquer much of the territory belonging to the Promised Land.

David’s son Solomon extended his sway until he put under tribute most of the area originally mentioned to Abraham [[Gen 15:18](#)] from the river of Egypt to the River Euphrates.”<sup>11</sup>

“While the Hebrew judgment of David seems to be ambivalent, his accomplishments in his forty-year reign are undeniable. After centuries of losing conflicts, the Hebrews finally defeat the Philistines unambiguously under the brilliant military leadership of David. His military campaigns transform the New Hebrew kingdom into a Hebrew empire. An empire is a state that rules several more or less independent states. These independent states never fully integrate themselves into the larger state, but under the threat of military retaliation sent tribute and labor to the king of the empire.

Most importantly, David unites the tribes of Israel under an absolute monarchy. This monarchical government involved more than just military campaigns, but also included non-military affairs: building, legislation, judiciaries, etc. He also built up Jerusalem to look more like the capitals of other kings: rich, large, and opulently decorated. Centralized government, a standing army, and a wealthy capital do not come free; the Hebrews found themselves for the first time since the Egyptian period groaning under heavy taxes and the beginnings of forced labor.

It is the third and last king of a united Hebrew state, however, that turned the Hebrew monarchy into something comparable to the opulent monarchies of the Middle East and Egypt. The Hebrew account portrays a wise and shrewd king, the best of all the kings of Israel. The portrait, however, isn't completely positive and some troubling aspects emerge.

What emerges from the portrait of Solomon is that he desired to be a king along the model of Mesopotamian kings. He built a fabulously wealthy capital in Jerusalem with a magnificent palace and an enormous temple attached to that palace (this would become the temple of Jerusalem). All of this building and wealth involved imported products: gold, copper, and cedar, which were unavailable in Israel. So Solomon taxed his people heavily, and what he couldn't pay for in taxes, he paid for in land and people. He gave twenty towns to foreign powers, and he paid Phoenicia in slave labor: every three months, 30,000 Hebrews had to perform slave labor for the King of Tyre. This, it would seem, is what Samuel meant when he said the people would pay dearly for having a king.

...Groaning under the oppression of Solomon, the Hebrews became passionately discontent, so that upon Solomon's death (around 926 to 922 BC) the ten northern tribes revolted. Unwilling to be ruled by Solomon's son, Rehoboam, these tribes successfully seceded and established their own kingdom. The great empire of David and Solomon was gone never to be seen again; in its place were two mighty kingdoms which lost all the territory of David's once proud empire within [two] hundred years of Solomon's passing.”<sup>12</sup>

Just as “prophets” warned about a moral decline in the global financial world before the term *credit contraction* became public knowledge in the summer of 2007, so also were Micah, Amos, Hosea, Zephaniah, and Jeremiah, warning their fellow countrymen that a decline of morals would have severe negative repercussions. As we will see, it impacted their financial affairs. The lessons were not new having been passed down by their ancestors over hundreds of years. Now I ask you, do these words, written by Micah, Amos, and Hosea to their fellow countrymen (ten northern tribes) before the [Assyrian king Salmaneser V crushed their nation](#) around 722 BC, reveal human behavior similar to the daily headlines of the last few years?

“Her leaders judge for a bribe, her priests teach for a price, and her prophets tell fortunes for money. Yet they lean upon the LORD and say, ‘Is not the LORD among us? No disaster will come upon us.’” Micah 3:11/NIV

“Hear this you who trample the needy and do away with the poor of the land, saying ‘When will the New Moon be over that we may sell grain, and the Sabbath be ended, that we may market wheat?’ – skimping the measure, boosting the price and cheating with dishonest scales, buying the poor with silver, and the needy for a pair of sandals, selling even the sweeping with the wheat.” Amos 8:4-6/NIV

“The merchant uses dishonest scales; he loves to defraud. Ephraim boasts, ‘I am very rich; I have become wealthy. With all my wealth they will not find in me any iniquity or sin.’” Hosea 12: 7-8/NIV

..Or consider these words, written by Zephaniah and Jeremiah to their countrymen (two southern tribes) before the [Babylonian ruler Nebuchadnezzar](#) destroyed Jerusalem and Solomon’s temple around 586 BC:

“Their wealth will be plundered, their houses demolished. They will build houses, but not live in them; they will plant vineyards, but not drink the wine. Zephaniah 1:13/NIV

“Like cages full of birds their houses are full of deceit; they have become rich and powerful and have grown fat and sleek. Their evil deeds have no limit; they do not plead the case of the fatherless to win it, they do not defend the rights of the poor.” Jeremiah 5:27-28/NIV

While we may be tempted to say that this is just a religious view, I believe there is a strong correlation between ancient history and today when looking at morality as it relates to finances. I believe that many cultures and religions, when asked the worldview question, “How shall we attain our goals?”, would NOT reply, “through financial predatory actions”.

Finding “prophets” today, who warned of the coming monetary crisis is no longer difficult. While we have dismissed morality as just part of the financial jungle for survival as long as we did not get hurt individually, we are beginning to wake up from the credit slumber in mass. We are starting to understand why being interconnected globally as never before will bring this story home to each of us, no matter how often we try to shut it out.

### **Part III- Back to the Future**

During credit induced manias over the last 300 years, the crowd becomes so focused on the ride up and justifying this new found wealth, that the voices which continued to warn of the pain that would come from the credit collapse were often ridiculed or ignored. However, as the shift moved from those who made money to those who lost money, the natural human tendency to cry foul became the predominant social theme.

Since 2008, we have been presented with two answers to the worldview question, “What should we do?” One view is that we continue to expand the role of global governing bodies and work towards a global currency to make certain the events of 2008 never happen again. The G 20 assured us of their unlimited powers to respond to a global crisis, when on April 2, 2009, Fabian Socialist UK leader [Gordon Brown made the statement below](#),

“I think a New World Order is emerging and with it, the foundations of a new and progressive era of international cooperation. We have resolved, that from today, we will together manage the process of globalization, to secure responsibility from all and fairness to all, and we have agreed that in doing so, we will build a more sustainable and more open, and a fairer global society.”

... and the G20 backed up his comments with a commitment to quadruple the financial capacity of the [IMF with a \\$1 trillion](#) commitment. Now I ask you, which of you own friends has this type of financial and political clout?

Another view is that governments should be under the same requirement as their citizens (what a concept...). They should stop expanding debt and move the largest role of governing back to the local/state level rather than the national/international level. Ultimately, bigger global businesses lobbying for expanding global government projects backed by a greater concentration of power by the global banking giants, while at the same time “protecting this global security order”, is the wrong direction to go. People first, profits second versus profits first, and people second.

If you have read any of my writings over the last five years, including this one, you have no doubt which view I hold. However, regardless of my views, having a thorough understanding of *history* is critical to understanding our *future*. That said, I turn to one of the oldest and most widely published documents in Western Civilization; the Jewish writings contained in the Old and New Testament’s of the Bible. We must remember that these writings came from over 40 authors spanning a 1500-year period and six world empires. Considering that these writings were completed approximately 100 A.D., they certainly are worthy of examination by any student of history.

John’s book of Revelations is usually discussed from a theological or philosophical viewpoint; however, I have examined it repeatedly from a financial/political viewpoint. Due to the length of this article at this point, we will only examine two verses. No matter where you place your faith, I hope this will pique your curiosity to examine more of the Jewish writings as found in the Old and New Testament.

“When He broke open the third seal, I heard the third living creature call out, Come *and look!* And I saw, and behold, a black horse, and in his hand the rider had a pair of scales (a balance). And I heard what seemed to be a voice from the midst of the four living creatures, saying, A quart of wheat for a denarius (a whole day’s wages), and three quarts of barley for a denarius; but do not harm the oil and the wine!” Revelations 6:5,6/  
Amplified Bible



Since our objective is to focus on the world of money, we will stay away from speculating on terms like “the third seal” or “a black horse”. What appears to be more concrete is the term “pair of scales”. While I am still speculating, the term “pair of scales” does appear to fit nicely with the long history of money. In my article, [Financial Lessons of the Ages](#) [Jan 8 ‘10], I mentioned the following idea, found in the Torah, thus written more than three millennium before the financial “rescue” from the 2008 meltdown:

“You shall not have in your bag true and false weights, a large and small. You shall not have in your house true and false measures, a large and a small. But you shall have a perfect and *just* weight and a perfect and *just* measure, that your days may be prolonged in the land which the Lord your God gives you.” Deuteronomy 25:13-15/Amplified [Italics mine]

Anyone, studying the history of fiat currency since the days of the goldsmiths and the establishment of fractional reserve banking in the 15<sup>th</sup> century, can relate to the “pair of scales” representing a monetary system. Anyone, whose finances have been “blackened” by the credit collapse that continues to unfold, can certainly see the moral side of money.

The “quart of wheat for a denarius ( a whole day’s wages), and three quarts of barley for a denarius” doesn’t sound like our world today, but would have made complete sense economically to the individuals living under the Roman Empire, which was the period of history from which John wrote. Mark Hitchcock has been a passionate student of the Bible and history, as attested by his many books. In a recent work, **Cashless: Bible Prophecy, Economic Chaos, and the Future Financial Order**, he takes events that have taken place in modern history...

“Hyperinflation is one of those scary-sounding economic words. It just sounds bad...The most famous hyperinflation in history occurred in the Weimar Republic (Germany) in 1923, topping out at a whopping 29,525 percent a month with prices doubling every 3.7 days.”<sup>13</sup>

...and relates them to John's writings regarding a future time in history, as found in Revelation...

“A denarius in that day was a silver coin equal to an average day's wage for a working man. A measure or 'quart' of grain in the first century, was equal to slightly less than our modern-day quart. And one measure or quart of wheat was the basic of food for one person for one day.”<sup>14</sup>

...or stated another way, John envisioned a time when a man or woman would work all day for a loaf of bread. Hitchcock brings us back to John's economic forecast:

“Food prices will be so high that it will take everything a person can earn just to buy enough food for one meal for an average person.”<sup>15</sup>

If one has kept up with food inflation in the last few years, you can understand why hyperinflation is not a religious view, but an economic principle. Consider the following comment from [The Global Economic Crisis: The Great Depression of the XXI Century](#):

“These hikes in food prices are contributing to a very real sense to 'eliminating the poor' through 'starvation deaths':

“The most popular grade of Thailand rice sold for \$198 a ton, five years ago and \$ 323 a ton a year ago. In April 2008, the price hit \$1,000. Increases are even greater than local markets – in Haiti, the market price of a 50 kilo bag of rice doubled in one week at the end of March 2008. These increases are catastrophic for the 2.6 billion people around the world who live on less than US \$ 2 a day and spend 60% to 80% of their incomes on food. Hundreds of millions cannot afford to eat.”<sup>16</sup>

...and the same chapter in this work makes it clear that these events were not “random”:

“ ‘Macroeconomic stabilization’ and structural adjustment programs imposed by the IMF and the World Bank on developing countries (as a condition for the renegotiation of their external debts) have led to the impoverishment of hundreds of millions of people.”<sup>17</sup>

The last monetary idea we find from John’s writing was “do not damage the oil and wine.” I turn once again to Hitchcock for his opinion, one I have seen shared by other theologians:

“In John’s day, oil and wine were more in the categories of luxury than wheat and barley.”<sup>18</sup>

Once again, we find that widening inequality between the rich and poor around the globe is a very well documented trend, one that shows up repeatedly in history. Consider the following data about wealth disparity in the world today, as found in David Rothkopf’s work, **Superclass: The Global Power Elite and the World They are Making**:

“According to the United Nations, despite economic gains in many regions, the world is less equal than it was even a decade ago. Gaps exist within countries and between them. For example, the richest countries in the world, such as the United States, the EU, and Japan, are now on average more than one hundred times richer than the poorest, such as Ethiopia, Haiti, and Nepal. A hundred years ago, the ratio was 9 to 1. The world’s billionaires, those roughly one thousand individuals, have combined wealth greater than that of the poorest 2.5 billion.”<sup>19</sup>

And just as the 12<sup>th</sup> plank in the Humanist Manifesto II supports a “world community” that “transcends the limits of national sovereignty”, we have seen today that global wealth, based on a fiat currency system, is in agreement with this idea:

“A couple of years after Wriston [former CEO of Citibank and author of **The Twilight of Sovereignty** (1992)], Christopher Lasch observed similarly in **The Revolt of the Elites** that:

‘The market in which the new elites operate is now international in scope. Their fortunes are tied to enterprises that operate across national boundaries. They are more concerned with the smooth functioning of the system as a whole than with any of its parts. Their loyalties – if the term is not itself anachronistic in this context – are international rather than regional, national or local. They have more in common with their counterparts in Brussels or Hong Kong than with the masses of Americans not yet plugged into the network of global communications.’<sup>20</sup>

And as history has shown, as long as wealth continues to concentrate into a few hands, so also will political clout:

“This group mirrors elites of the past in that its members possess a hugely disproportionate share of the power on earth. Indeed, this is what defines them as member of the superclass. And because they operate globally, with few or no institutional means of counterbalancing their influence, they are dramatically unlike past elites who rose up within nation-states and who, when they overreached, were reined back via traditional mechanisms like the use of force or the leverage of law. Just as elites occur naturally, so too do concentrations of power.”<sup>21</sup>

## **Conclusion**

In many ways, it seems as though we have learned very little as a society regarding the role of money in history. Instead, we have been taught to constantly label others rather than seek to understand our differences, to vote for the right party while each for decades has espoused a larger role of government in our lives built on a rising sea of red ink, and to think solely about our own entertainment and comforts until we are no longer able to sustain them. We have yet to fully grasp the cyclical aspects of life and markets. Even now, after living through several bubbles in the last 15 years, it appears that bond investors need to be reminded of these words from financial historian Sidney Homer:

“The greatest of all secular bear bond markets, which began in April of 1946, and probably ended in September 1981, carried prime long

American corporate bond yields from their lowest recorded yields to their highest The yield index rose from 2.46 to 15.49% for seasoned prime issues...If a constant maturity thirty-year 2 1/2% bond had been available throughout this second bear market of the century, its price would have declined from 101 in 1946 to 17 in 1981, or 83%.” 22



In the next few months, as we wait for the effects of hyper-debt to kick in globally (remember, the only story the majority of our political leaders have ever known is to legislate larger government programs backed by more debt, thus the destruction of one’s underlining paper/electronic currency, fueling decades of higher prices), will the natural forces of deflation continue to grind on as credit continues to contract throughout the system, bringing many prices down very hard until we reach the next “crisis” bottom?

As we each have our own worldviews challenged in the days ahead, we must remember that only by returning to some of the most profound documents that have impacted history, and reading them for ourselves, will each of us begin to understand how the world we are facing will be different and yet the same as the one we grew up in.

“The Communists are further reproached with desiring to abolish countries and nationality...There are, besides, eternal truths such as

Freedom, Justice, etc., that are common to all states of society. But Communism abolishes eternal truths. It abolishes all religion and all morality instead of constituting them on a new basis; it therefore acts in contradiction to all past historical experiences.”

[From [The Communist Manifesto](#) (1848) by Karl Marx and Friedrich Engels]

While we may not alter the course of history, we can learn from it, and alter our worldview. We can seek to find out what information is true and what information is false. We can seek to have a positive influence on our fellow man every day.

“We all have purpose, we all have souls, let’s cherish each other” Joel Wakefield, one of my sons

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