

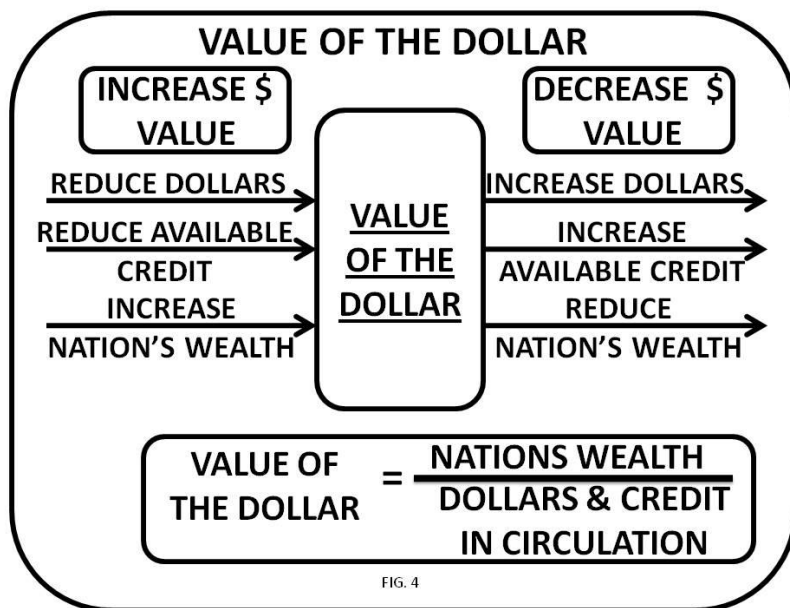
2/2/2009

THE STIMULUS PLAN - GOVERNMENT SPENDING AND TAXES

The "STIMULUS CON GAME" is still in the news. On 1/19/2009 an article was written about this proposal, this is an update of that article.

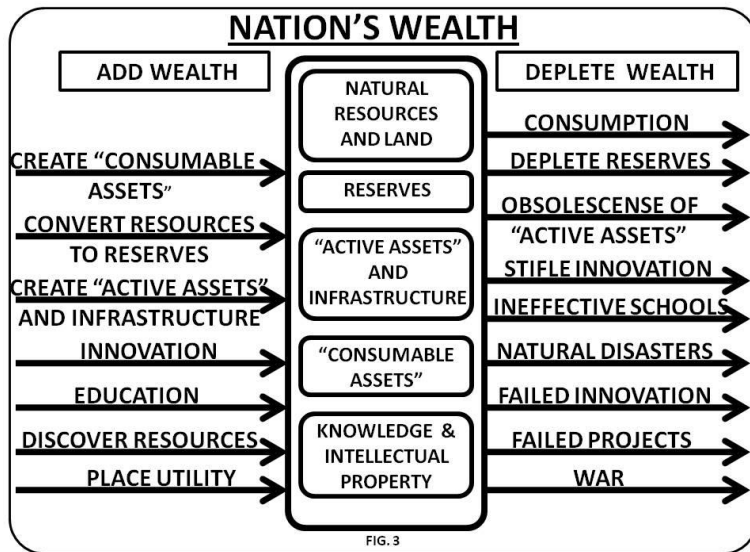
The "standard operating procedure" of the aspiring "PEERS" is to present inflated predictions of the effects of their proposals with no hint of the disasters that one would reasonably expect to result from such action. That is just how the \$825 billion stimulus plan is being presented to us. As an added incentive to abandon our senses and allow them to seize control of our wealth we are told that if we delay the economy will collapse.

The aspiring "PEERS" deliberately misrepresent the relationship between government spending and taxes. The tax is levied when the government spends the money, unless the government is operating with a surplus (a very rare occurrence). Levying a tax simply affects who pays the tax. If no tax is enacted, the currency is inflated (a tax on your money). Inflation can be delayed by borrowing the funds; however the results are inevitable. The value of the dollar is the value of the nation's wealth divided by the dollars and credit in circulation. See the chart below "VALUE OF THE DOLLAR".



Aiding the "PEERS'" misrepresentation is the common fallacy that money is wealth. Money is a medium of exchange, a claim on the

nation's wealth. Which activities increase and decrease the nation's wealth. See the following figure.



The \$825 billion economic plan is essentially a plan to have the government control more of the nation's wealth, a redeployment of the nation's wealth by those more concerned with political expediency than creating or even maintaining wealth. Remember, depletion of wealth creates dependence upon the government and increases the aspiring "PEERS" constituency. What effort has been made to insure that the \$825 billion redeployment of our nation's wealth will create new wealth? An investment is supposed to create wealth, not destroy it. The aspiring "PEERS" are using scare tactics to get the plan approved before we find out how they will use the wealth.

The same people who created the current financial meltdown of banks by pressuring the banks to lend money to people with little or no prospect to repay the loans now want control of more wealth. Their program will be a disaster. When did they get smart enough to invest \$825 billion?

The destruction of wealth by the "STIMULUS PLAN" added to the "GLOBAL WARMING" initiatives has the potential to push millions of us below the poverty line thus increasing the "PEERS" constituency. The figure below is a graphical representation of the "STIMULUS PLAN".

\$825 BILLION ECONOMIC PLAN

NATION'S WEALTH

NATURAL RESOURCES & LAND

RESERVES

"ACTIVE ASSETS" &
INFRASTRUCTURE

"CONSUMABLE ASSETS"

KNOWLEDGE & INTELLECTUAL
PROPERTY

P
R
O
J
E
C
T
S

GAIN

INCREASE
NATION'S
WEALTH

DECREASE
NATION'S
WEALTH

LOSS