



ETERNAL VALUE REVIEW

MONEY MONITOR & GLOBAL TRENDS REPORT

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"For thinking Christians seeking to understand the times."

JUNE 2010

FEATURE REPORT

Last-Day Oppressors: Honored Elites & an Indebted World Order

The results continue to roll in ... and they are shocking. Though some may think that the Global Financial Crisis (GFC) already belongs to the history books, in reality, its fallout is epochal for the world; its development a chapter in the processes leading to the "end of days." Readers might think this a sensationalist statement. However, by the end of this article, you may want to reconsider.

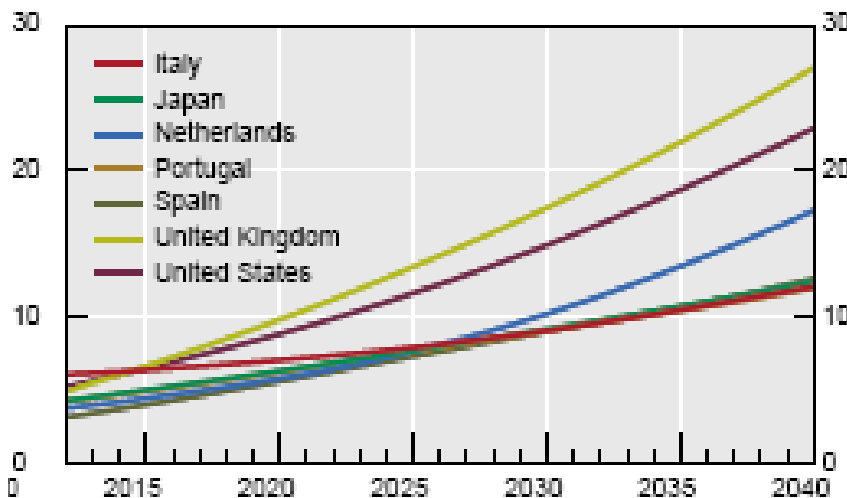
According to a recently released study by two well-known international economists, Carmen Reinhart and Kenneth Rogoff, the impact of the GFC upon global debt levels has been catastrophic. In their research report, they document that government debt levels around the world have risen 75% over the last two years for the top-5 crisis countries (the U.S., UK, Ireland, Iceland and Spain.) Stop to consider this statistic for a moment. Astoundingly, in the short time-span of only two years, government debt levels for these Western nations has risen by more than two-thirds. This is not a statistic that applies to a single "banana republic" nation, but rather to some leading nations.

While anyone following global financial affairs during the last few years will not have been surprised by this development, it nonetheless is alarming. Many secular observers would agree. However, we here wish to focus upon the prophetic timeline and an entirely different set of questions. Just why the rapidity? Just how does this trend correlate with the Bible? Does government debt have an endtime role?

Taken together with several other trends and a literal scriptural perspective, in our view, it leads to an irrefutable diagnosis. These developments do align with endtime Bible prophecy. Though, of course, we

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Fig. #1: Increasingly Indentured World of Governments
Projected interest payments, % of GDP



Source: Bank of International Settlements, Working Paper No. 300

"Look at the birds of the air; they do not sow or reap or store away in barns, and yet your heavenly Father feeds them. Are you not much more valuable than they?"

— Matthew 6:26

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WORLD MONEY UPDATE

Unavoidable Reapings

According to policymakers and Wall Street pundits, everything is under control and the outlook continues to improve. The Global Financial Crisis (GFC) is long over ... a forgotten aberration of history. Moreover, economists have learned from the experience of the 1930s and will not make the same policy mistakes that are blamed as the cause for the Great Depression. Great stock is put into the claim that Ben Bernanke, the head of the U.S. Federal Reserve, is one of the world's greatest experts on this period.

The reality, of course, is quite different. Firstly, there has been virtually no fundamental economic improvement; only a re-ordering of symptoms and conditions. Secondly, the economic profession has learned virtually nothing about managing financial crises. Only a fool would accept the assurances of a seer that was not able to foresee the crisis in the first place. Nor could one put any confidence into the policy recommendations of a profession that never

... continued on next page

warned us about an approaching crisis.

Policymakers refuse to recognize that the mistake has been already made ... that it cannot be undone by a mere wave of the wand of monetary policy or ramped-up government spending. Errors and excesses gave rise to the crisis in the first place. The ultimate consequences of these past mistakes cannot be avoided, no matter the extent of intervention, diversions or extensions.

The recent “Flash Crash” — a sudden market collapse which occurred on May 6th — should leave no doubt that the financial structure remains fragile and subject to further vulnerabilities. Securities regulators, though quick to assure everyone that markets are on a firm foundation, have yet to provide any answers as to why it happened in the first place. We have the blind leading the blind. Whom to believe?

Many analysts argue that prosperity is returning, citing recent economic statistics showing a pick-up in activity and spending. However, no attempt is made to connect these so-called improvements with the unprecedented interventions by governments around the world. Apparently, there is no difference between a recovery that is driven by money that is borrowed or one that is self-sustaining ... self-fueling. No mention is made of the fact that any recovery is in fact based upon unsustainable factors.

What we mean by “unsustainable factors” are measures that are not self-replenishing and that must eventually come to an end. For example, if one is living off a credit card without ever paying it down, an unsustainable path is being chosen. The day will come where no more credit will be extended. And, on that day, a very sudden adjustment will occur to one’s lifestyle. It is inevitable ... eventually.

Indeed, a similar scenario has been playing out on a macro scale. Governments around the world have hugely ramped up their spending in response to the GFC, plunging

into more debt at an unprecedented rate. Supposedly, the greatest lesson learned from the studies of the Great Depression was that governments and monetary authorities at that time did not stimulate more ... spend more ... and flood the financial systems with more printed money. Given this diagnosis, authorities today have outdone themselves in engineering bail-outs, monetary malfeasance, and government spending.

As a result, government borrowing has soared at a rate that was simply unthinkable even a few years ago. Imagine that more than a few advanced countries have been running government budget deficits that exceed 10% of economic output (GDP) — i.e. the U.S., UK, Greece and others.

(How does soaring government indebtedness tie in with the linear time-line for the world? We broach this very topic in the Feature Article this issue. Apologies for its length ... it is actually a 2-part series that we have combined for this issue given the topical nature of government debt.)

However, now comes the coup de grace ... the inevitable result. Lenders (bond buyers) have finally come to the point where they no longer want to extend more money to countries that are showing no sign of reducing their borrowing. Lenders have come to the realization that they are not likely to receive their money back in full. This breaking point has occurred in the case of Greece, Ireland, Spain, Portugal and others.

What will be the result for these countries? Deep, deep economic recessions. Now, that they are limited in their access to new lending, they basically only have one option — cut spending ... or possibly devalue their currencies if they indeed have that option. America will face the same scenario before long. It is an unavoidable reaping (see Figure #2.)

Finding the Scapegoats. Every bubble era or periodic financial scheme ends with its scapegoats. Once the scheme collapses, those that were once considered the financial magicians become the new pariahs. They are then run out of town ... or made to do the “perp walk.” The invention of the wondrous junk bond ended with Michael Milken in jail. The corporate take-over bubble of the last 1980s gave us the defrocked icon of Ivan Boesky. The financial engineering wizardry of Enron, Worldcom and others produced the public images of Kenneth Lay and Bernie Ebbers. As always, the upside was joyously shared by many during the good times, yet only a select few are subjected to the ignominy of public vilification.

Who are the sacrificial lambs this time? To start, this time is different in that it represents a long-cycle inflection point. We are dealing here with the post-world war era coming to its end, transitioning to a new financial epoch (to continue for some time yet). We fear that a very difficult environment lies ahead comprised of desperate government actions, recriminations, revolts and protests. Stay tuned ... and keep looking up.

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ETERNAL VALUE REVIEW
MONEY MONITOR & GLOBAL TRENDS REPORT



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cannot draw any near-term specific predictions, we would be negligent not to conclude that the world is indeed on the fast track to great troubles “such as never was” (Daniel 12:1). Just what threat to the entire earth would cause policymakers around the globe to plunge into such lunacy? Of what great significance is this development?

Recent Reprobations of Greedy Bankers

The news media is full of reports of various committees and hearings in high places, examining the causes of the Global Financial Crisis (GFC). Wall Street bankers and monetary officials have been summoned before special tribunals, which are investigating the massive losses and financial instabilities foisted upon America and the world. Why did it happen? Who can be blamed?

One Wall Street banker, Lloyd Blankfein, CEO of Goldman Sachs, appearing before the Financial Crisis Inquiry Commission, even claimed that the GFC was “an act of God.” Only weeks earlier, when being interviewed in London, he commented that he was only a banker “doing God’s work.” Other senior financial executives have also expressed favorable opinions on the morality of their work and their “bulge bracket” companies and incomes.

They accept no extraordinary blame for financial misadventure. It is a characteristic trait of some parts of this industry already long documented. The respected John Kenneth Galbraith, in his book *The Great Crash: 1929*, writes of this industry’s leaders: “They remained very quiet. The sense of responsibility in the financial community for the community as a whole is not small. It is nearly nil. To speak out against madness may be to ruin those who have succumbed to it. So the wise on Wall Street are nearly always silent. The foolish have the field to themselves and none rebukes them.” Observing recent intransigent attitudes on Wall Street, it is actually much worse than Galbraith suggests. Said Daniel Fass, organizer for an Obama fundraising dinner from Wall Street at the Mandarin Hotel, “The investment community feels very put-upon. They feel there is no reason why they shouldn’t earn \$1 million to \$200 million a year, and they don’t want to be held responsible for the global financial meltdown.”

And so, only a year after many of these financial firms were saved from certain collapse through government-funded bailouts—actually, by future generations of our children—they are again paying themselves multi-billions in bonuses. To recall, these bailouts were one of the contributing causes to soaring government debt levels.

How does such graft and corruption continue unprotested? Past instabilities and mismanagement aside, bankers well understand that they remain in the driver’s seat. How so? This industry sits squarely upon the edifice of “money.” Bankers (meaning any and all who work in financial institutions and are plugged into global financial markets) know well that they will not soon be thrown out of mankind’s secular temple of this present Age of Capital. We live in an era of global convergence in values. The world has agreed to endorse humanist materialism. Fractional reserve banking, wealth in the form of debt, and the notion that human progress is defined by growth in gross domestic product (GDP) make up the unholy trinity of toppling idols that must be propped up and nailed down at all cost. “They adorn it with silver and gold; they fasten it with hammer and nails so it will not totter” (Jeremiah 10:4).

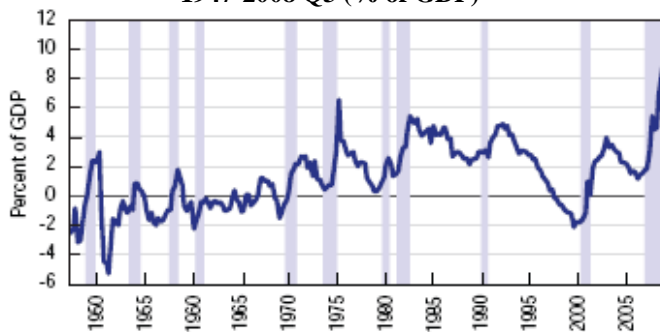
The key argument bankers used to bludgeon governments into bailing them out, was the cry that “economies cannot recover if you do not first allow us to recover.” We see that the world has been held hostage by the financial industry. How did this late state of affairs happen? In recent decades, the financial industry became inordinately large, not just in America but worldwide. The affairs of money grew to the point that this sector represented more than a third of all corporate profits.

How is it that an industry that contributes so little productive activity should become so profitable and employ so many people? We have documented these epochal developments in previous articles.

Franklin D. Roosevelt was to have said, “The money-changers have fled from their high seats in the temple our civilization. We may now restore that temple to the ancient truths.” He made this rather optimistic statement during his First Inaugural Address, in 1933. At that time, America was in the depths of the Great Depression. Wall Street had been chastened, and thousands of banks were closing their doors. Unfortunately, Roosevelt was wrong. He probably did not imagine that the business of money would become many times larger relative to human life than during his day.

It surely did, and it likely will remain so. The “love of money” reigns rampant today in its advanced state, there being few and fewer restrainers in the world against this force. Corruption runs deep in high places, the world having committed to a materialist “heaven on earth” (denying God), and much of religion has found a comfortable coexistence with this state of affairs. That this is the road to an eventual holocaust for mankind is supported by Christ’s statement, “Man shall not live by bread alone, but by every word that proceedeth out of the mouth of God” (Matthew 4:4). This statement in itself

Fig. #2: U.S. Government Balance & Recessions 1947-2008 Q3 (% of GDP)



Notes: The sign of the government balance is reversed. Shaded areas indicate recession.

Source: Levy Economics Institute, BEA, NBER,

essentially condemns the modern world's slavish fixation with every nuance and statistic of the fabricated notion of Gross Domestic Product (GDP).

Wrangling Economists

Debates continue to rage in the academic world of economics as to the causes of the GFC and just what should be done in the future to avoid similar disasters. While we certainly respect the contributions of some of these intellectuals, frankly, the debates border on the comical in some respects. To begin, it is crucial to understand that economics is not a science. It is a philosophy ... really, a religion. Seen overall, this economics fraternity proved themselves to be false prophets in the king's court. In direct contrast to their continuing prophecies of "prosperity as far as the eye could see," they were proven wrong by the disaster of the GFC. Yet, following this disaster, they remain in their advisory posts at the king's table.

In spirit, it is today the same as it was in the time of Ahab, the wicked king of Israel. He was the infamous founder of the 120-year legacy of the "practices of Ahab's house" (Micah 6:16), for which God destroyed Israel. To a man, all of his establishment prophets (some four hundred) prophesied victory as he was pondering whether to go to war against Ramoth Gilead. Only one prophet who received his inspiration from God, Micaiah, told the grim truth. For this bravery he was rewarded with a slap in the face (1 Kings 22:24). Ahab then ordered to "Put this fellow in prison and give him nothing but bread and water" (1 Kings 22:27).

As then, in many vocations today there is a significant price to be paid for speaking the truth. This can also certainly be true in any public role in economics and finance. For one, any admission of a faith in Jesus Christ virtually guarantees career suicide. Secondly, it hurts the pocketbook. The famous quip by Upton Sinclair is apropos here, "It is difficult to get a man to understand something when his salary *depends upon his not understanding it.*" The point he makes is that anyone—whether a tenured academic, perhaps a scientist contesting the "global warming" theory...etc.—is censured also economically. They may lose their jobs or have the funding pulled on their research projects...etc., if they do not align with the humanist and globalist agenda. As such, "understanding" can be heavily influenced by money.

Despite the fact that the "economics priesthood" has been entirely defrocked as frauds, they are still consulted for solutions to get the world out of the current mess. Of literally hundreds of opinions written by so-called economists on the causes and remedies to the current economic troubles that this writer has read over the past 18 months or so, not one can be recalled that in any way alluded to the unbridled basic nature of man as being the problem. It is the "human condition" of a fallen world. While the God-appointed facility of civil government during this dispensation is surely charged to pursue beneficial and wise policies (Genesis 9:6), temporal

solutions must not ignore what is right in the eyes of God instead of what is right in their own eyes (Isaiah 5:21).

The Bible says it is the heart of man that is the issue. "The heart is deceitful above all things and beyond cure. Who can understand it?" (Jeremiah 17:9). Mankind is innately sinful. How then can future financial crises be entirely avoided? Not until the vices of greed and the love of money are eradicated. Until then, "They plot injustice and say, 'We have devised a perfect plan!' Surely the mind and heart of man are cunning" (Psalm 64:6).

How Three Endtime Conditions Interconnect

Let's now return to the topic of government debt. Just how does it figure into endtime developments? Shouldn't it be strange that government indebtedness plays a role? Isn't it indebted and trapped individuals who come under the "economic" influence of the False Prophet and the Antichrist? If it is true, as the Proverbs writer says, that "The rich ruleth over the poor, and the borrower is servant to the lender" (22:7, KJV), just how can indebted governments collaborate to rule the world?

Actually, with respect to the "money" aspects of last day events, conditions are rather more complex according to the Bible. At least three major impulses can be identified from Bible prophecy, including that of an indebted world rulership. To explain how these conditions interweave, we will first describe each of these three roles independently.

1. A protracted wealth skew. What is meant by a wealth skew? It is the extreme between the wealthy and the poor—the outcome of the wealthy becoming richer and fewer, the relatively poor more so. But is such a condition prophesied? Yes, James specifically prophesies that an amassing of riches plays a role in the endtimes. He says, "Now listen, you rich people [...] You have hoarded wealth in the last days" (James 5:1, 3). The King James translation, in this writer's opinion, translates this condition of amassing wealth more accurately, stating, "Ye have heaped treasure together for the last days" (verse 3).

Here, we understand that not only may wealth have increased overall, but it is also "heaped" or "amassed," as is implied by the Greek word *thesaurizo*. This is an important distinction, as it gives evidence of a wealth skew. Wealth cannot be heaped and concentrated without there being a deprivation of someone else's wealth.

However, is it reasonable to deduce this endtime condition of an extreme wealth skew from only one single verse? Not only would it be plausible to argue that this verse is clear, but also many other Bible references foreshadow conditions that are in alignment with this condition. From the Old Testament (OT) to the New Testament (NT) prophets, times of extreme commercialism and financial oppression in the last days are outlined. Isaiah and Zechariah point to extreme commercialism, among other OT prophets. In the New Testament, the Apostle Peter warns of "difficult times" that are evidenced by "lovers of money" (2 Timothy 3:1-2). John prophesies in Revelation of the Laodicean church that says, "I am rich; I

have acquired wealth and do not need a thing” (Revelation 3:17). This seventh and last church that is admonished is commonly believed to represent the last-day church.

2. Indebtedness as a Necessary Device. The idea that economies can be regulated and managed without losses or periodic downturns is born of a world that seeks its salvation in materialism. Such a world is not possible during this dispensation. Governments who support this idea with interventions and hocus-pocus policies will find themselves in deeper debt as never before. This is what we see unfolding, and it is a necessary aspect of a widening wealth skew.

As already pointed out, for someone to become rich, someone else must be coaxed or foolish enough to become steeply indebted or indentured. Here, as we see, indebted governments play a facilitating role of transferring wealth from the masses to the rich. But, does the Bible support the idea that the “antichrist system” will be an indebted entity? Actually, our understanding on this question first came from reading the prophecies of Habakkuk. Carefully consider these verses:

“For the revelation awaits an appointed time; it speaks of the end and will not prove false. Though it linger, wait for it; it will certainly come and will not delay. See, he is puffed up; his desires are not upright—but the righteous will live by his faith—indeed, wine betrays him; he is arrogant and never at rest. Because he is as greedy as the grave and like death is never satisfied, he gathers to himself all the nations and takes captive all the peoples. Will not all of them taunt him with ridicule and scorn, saying, ‘Woe to him who piles up stolen goods and makes himself wealthy by extortion! How long must this go on?’ Will not your debtors suddenly arise? Will they not wake up and make you tremble? Then you will become their victim. Because you have plundered many nations, the peoples who are left will plunder you. For you have shed man’s blood; you have destroyed lands and cities and everyone in them” (Habakkuk 2:3-8).

Here, the prophet Habakkuk sheds some light on our questions. Although his prophecies were probably first directed to the Babylon of his day, they clearly also had an endtime application. The Lord answered him, “For the revelation awaits an appointed time; it speaks of the *end* and will not prove false” (Habakkuk 2:3). We also see the character of the Antichrist of the “end” period described. Greed and economic oppression are the prominent characteristics portrayed.

“The wicked foe pulls all of them up with hooks, he catches them in his net, he gathers them up in his dragnet; and so he rejoices and is glad. Therefore he sacrifices to his net and burns incense to his dragnet, for by his net he lives in luxury and he enjoys the choicest food” (Habakkuk 1:15-16). He (or the world system, the economic Babylon of Revelation 18) is a trapper. Moreover, “[...] he is greedy as the grave and like death is never satisfied, he gathers to himself all the nations and takes captive all the

peoples” (Habakkuk 2:5-6). This endtime regime is motivated by greed and is global in span, as it takes “all the nations” and “all the peoples” captive. “Woe to him who piles up stolen goods and makes himself wealthy by extortion!” (verse 6). “Woe to him who builds his realm by unjust gain, to set his nest on high, to escape the clutches of ruin!” (verse 9). Habakkuk’s prophecies could not provide a more accurate description of the world’s emerging ruling structure of our times, and perhaps yet in the future. It is built upon greed, oppression and extortion, taking the world captive through a financial and economic trap, as well as by other means. But there is one additional insight that Habakkuk provides us. It is the condition of indebtedness.

The endtime ruling order is an indebted one. “Will not your debtors suddenly arise? Will they not wake up and make you tremble? Then you will become their victim” (Habakkuk 2:7). “Debtors” can be more correctly translated as “creditors.” The KJV better reflects the condition of the “wicked foe’s” indebtedness, saying, “Woe to him that increaseth *that which is not his!*” (verse 6, KJV).

3. Emergence of Rich Elites. Now that we have documented the two conditions of a “wealth skew” and an “indebted world order,” we come to the question of the identity of the rich elites. The Prophet Daniel speaks of them in the same verse that also refers to the Antichrist: “And he [the Antichrist] shall deal with the strongest fortresses by the help of a foreign god: whosoever acknowledgeth *him* he will increase with glory; and he shall cause them to rule over many, and shall divide the land for a price” (Daniel 11:39, ASV).

Who are “them” that will “increase with glory” and “rule over many,” and play a role in the dividing of land “for a price”? The answer—those that “acknowledge him,” the Antichrist (which can also mean the Antichrist system of world rule). Virtually all English Bible translations use the word “acknowledge.” It means here that certain key people who recognize him and accept his authority will receive a reward—land. It should be noted that the original Aramaic word used for “land” in this verse can also convey the idea of property or economic domain as well as geographic area. After all, in ancient times, land was the main foundation of wealth and economy.

It only follows that these elites, whoever they are, must be a small group of people who likely will be influential in their own right. Why? They will be made rulers over many. As not everyone can be made a ruler over many, therefore these will be few. Not only is this logical, but the Bible also specifically tell us what the reward will be for everybody else ... in other words, *all* the rest of the masses that acknowledge and worship the Antichrist. They will not be killed (a negative reward) and will be allowed to “buy or sell.” He causes, “[...] all who refused to worship the image to be killed. He also forced everyone, small and great, rich and poor, free and slave, to receive a mark on his right hand or on his forehead, so that no one could buy or sell” (Revelation 13:15-16).

The elites, on the other hand, are bought off for their loyalty with further reward ... the additional pay-off of power or economic domain, we reason. It is the same or similar deal that Satan offered Christ when he was being tested in the wilderness, promising “[...] authority and splendor, for it has been given to me, and I can give it to anyone I want to. So if you worship me, it will all be yours” (Luke 4:6-7).

These elites selected for reward must have something to barter in return ... likely their fame or endorsement. We are given at least a few criteria with which to identify who these elites might be at that future date. In the first instance, they must be humans. Also, they must be capable of being rulers, already likely possessing some measure of power and authority. And, they must be willing worldly complicitors.

Although these events play out during the future Tribulation period (and therefore really do not concern us), is it already possible today to discern the power structures that these elites might command? Of course, we can only speculate as to whom these persons may be that the Prophet Daniel mentions. One possibility is that they could be powerful heads of large multinational corporations (MNC). After all, some of these companies are already today larger than many individual nations in terms of their commercial influence and economic footprint. (Please see the article, “The Rising Price of Obedience” in the March 2005 *Midnight Call* magazine, which provides some documentation of the endtime significance of the MNC phenomena ... a relatively recent development in the cosmic timeline of mankind.)

Multinational firms (MNCs) today, as a group, are probably the most influential economic force in the world. And, as money is power in this age, they may also be the most powerful, viewed as a group. Though these companies may find their roots a few hundred years ago, their global power has only really developed over the past half-century or so. Today, of the top hundred economic entities in the world, roughly half are made up of countries, the other half of MNCs. The heads of these companies, though they are answerable to boards of directors, nevertheless are very influential. These firms can employ hundreds of thousands of employees—more than the population of many countries. Some secular analysts do foresee the day where a small group of such corporate behemoths will indeed dominate the world economy.

Another possibility is that these elites could simply be ultra-rich individuals who control much wealth—perhaps entire industries and many MNCs. It is in their self-interest to support the regime of the Antichrist. In their materialist worldview, preservation of their wealth must be the primary objective. They could not have reached their ultra-wealthy status without governments having also facilitated such enormous wealth transfer either through economic policy or increasing indebtedness. These governments are in cahoots with the ultra-wealthy “princes,” much in the same way as is foreshadowed by the corrupt relationships

today between the “Washington Beltway” and Wall Street in America, for example.

We cannot conclusively determine the identity of the elites that Daniel mentions. This shouldn’t be disappointing. The only wise and sure conclusion is that we must keep our options open—keeping ourselves oriented to the Scriptures; watching and waiting for our Lord’s return, so as to not be distracted nor caught sleeping. It causes us to keep watching, to not be taken unawares, and to remain open to new information. The world’s power structures do keep shifting. Though “[...] we have the word of the prophets made more certain” (2 Peter 1:19), at the same time, we must also realize that our Enemy is cunning and a supreme master of deception.

A Calculated Conspiracy Against God

We can deduce from the Bible that there are essentially three main sets of players that the Bible identifies in the “Mammon-controlled saga” of the last day world. There is a world government that at one point takes the form of ten nations, later to be headed by the Antichrist himself (The Beast). These are the “10 horns” mentioned in Revelation 17:12. The preferred interpretation of this author is that these will be key nations, most likely heavily indebted (as many leading countries today already are), that band together to collect sufficient power to establish world rule.

These nations have (must have) the complicity of the rich elites. For nations to be heavily indebted, there must also be corresponding lenders and cronies. And, given that the Bible also tells us of a great “heaping of wealth” (Please see Part I for further explanation), we can therefore know that it will be a relatively few number of people—the ultra-rich—who will underpin the indebtedness of the nations with their claims upon wealth. All of these tendencies we see already at work today.

Thoughts to Ponder

There was a time “[...] that the wickedness of man *was* great in the earth, and *that* every imagination of the thoughts of his heart *was* only evil continually” (Genesis 6:5). God saw no other way but to intervene and end it. Today, the world is fast approaching a similar state. Bible prophecy clearly outlines that God again will intervene in the affairs of mankind in wrath.

In another vein, the times today are similar to Babel. The world’s late state of globalism mirrors the sentiment of those ancient times when “[...] they said, ‘Come, let us build ourselves a city, with a tower that reaches to the heavens, so that we may make a name for ourselves and not be scattered over the face of the whole earth’” (Genesis 11:4). Globalism is counter to the will of God, as evidenced by His supernatural intervention at Babel, causing people to disperse and confounding their efforts with different languages.

Ah, yes, but we have heard countless endtime admonitions all before. Have not the processes we have identified here already been long underway? Yes, but with

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Facts & Stats ... Ends & Trends



TOPICAL QUOTES

Public debt in the advanced economies is forecast to rise by about 35 percentage points on average, to about 110 percent of gross domestic product in 2014.

Dominique Strauss-Kahn, Head of the International Monetary Fund

America recently crossed a threshold: a majority of union members are now government workers, not private-sector ones. As of last year, just 7.2% of private-sector employees were unionized (a total of 7.4 million) whereas in the public sector 37.4% (or 7.9 million people) belonged to unions. The share of private-sector workers in unions was the lowest since 1900.

The Economist, April 24, 2010

China may have overtaken Germany to become the world's largest exporter of goods in during 2009, but America remained the biggest exporter of services. During 2009, the value of world exports of services was about a quarter of the value of global trade in goods.

The Economist, April 17, 2010

The statistics are shocking in this age of so-called globalization: In the United States and Britain, only 2 to 3 percent of books published each year are translations, compared with almost 35 percent in Latin America and Western Europe. Horace Engdahl, then the secretary of the Swedish Academy, chided the United States in 2008 for its literary parochialism: 'The U.S. is too isolated, too insular. They don't translate enough and don't really participate in the big dialogue of literature.'

Edith Grossman, Foreign Policy, April 26, 2010

Between 1970 and 2008 the Gini coefficient, a measure of income inequality, grew from 0.39 to 0.47. In mid-2008 the typical family's income was lower than it had been since 2000. The richest 10% earned nearly half of

all income, surpassing even their share in 1928, the year before the Great Crash.

Economist, April 17, 2010

"Humanity's total digital output currently stands at 8 million petabytes — which each represent a million gigabytes — but is expected to pass 1.2 zetabytes this year. [...] One zetabyte is equal to one million petabytes. The current size of the world's digital content is equivalent to all the information that could be stored on 75 billion Apple iPads, or the amount that would be generated by everyone in the world posting messages on the microblogging site Twitter constantly for a century. [...] As a result, the digital universe, is forecast to expand by a factor of 44 over the next decade."

IDC, as reported in the Daily Telegraph

"Free markets depend on truth telling. Prices must reflect the valuations of consumers; interest rates must be reliable guides to entrepreneurs allocating capital across time; and a firm's accounts must reflect the true value of the business. Rather than truth telling, we are becoming an economy of liars. The cause is straightforward: crony capitalism."

Gerald P. O'Driscoll, Wall Street Journal April 21, 2010

"Perhaps more than anything else, failure to recognize the precariousness and fickleness of confidence — especially in cases in which large short-term debts need to be rolled over continuously — is the key factor that gives rise to the 'this-time-is-different syndrome.' Highly indebted governments, banks, or corporations can seem to be merrily rolling along for an extended period, when bang! — confidence collapses, lenders disappear, and a crisis hits."

This Time is Different, Kenneth Rogoff & Erica Reinhard

EVR

"Debt is a prolific mother of folly and crime."

Benjamin Disraeli

"How do you go bankrupt? Two ways: gradually and then suddenly."

Ernest Hemingway, The Sun Also Rises

"The euphoric episode is protected and sustained by the will of those who are involved, in order to justify the circumstances that are making them rich. And it is equally protected by the will to ignore, excoriate or condemn those who express doubt."

John Kenneth Galbraith, A Short History of Euphoria

"Those who want to understand clearly the events which happened in the past, and which human nature being what it is will at some time or other and in much the same ways be repeated in the future."

Thucydides, Peloponnesian Wars, 431 BC

"The best instituted governments carry in them the seeds of their destruction; and, though they grow and improve for a time, they will soon tend visibly to their dissolution. Every hour they live is an hour the less that they have to live."

Henry St. John, British political philosopher

EVR



Letters to the Editor

READER: I am writing to enquire about your organisation. I have written before to say how much I appreciate Wilfred Hahn's explanations and insight into end-times financial systems. I pick up Wilfred Hahn's articles from Rapture Ready. What I am asking is just a brief explanation of who/what you are. Whilst I happily read all the articles, agreeing wholeheartedly with what is written, I sometimes wonder whether what I am reading is "OK." In other words, are you affiliated to a religious organisation — or a particular church — or are you simply "born again, bible-believing Christians". I mean no offence by what I am asking, but there are a lot of writers out there which are easy to read and take on board. I believe that one has to check now and again. — **M D, UK**

EVR: Wouldn't that every spiritual consumer (that's how most religion happens to be marketed these days, after all) would take that attitude ... checking out the facts and individuals. All people are imperfect, of course. That said, I can give you no simple answer. Our ministry does provide its Statement of Faith on our website. It can be found at this link http://www.eternalvalue.com/site.php?page=statement_of_faith.html. Also our mission statement can be found here (http://www.eternalvalue.com/site.php?page=mission_statement.html). Yet, none of these documents will be sure to protect you from errant teaching or perhaps "myths and endless genealogies" (1 Timothy 1:24) and worthless speculations. Only a good Bible translation will prove the best reference and test. As did the Bereans, they "examined the Scriptures every day to see if what Paul said was true" (Acts 17:11). We encourage all readers to check out everything we write for themselves. Please don't assume that we have any special authority. As for affiliations, we have no official link to any denomination. We happen to be Bible-believing Christians that believe in the divine inspiration of all Scripture ... every "jot and tittle."

READER: (Responding to the article, Last-Day Oppressors: Honored Elites & an Indebted World Order - Part I.) From following the events of the past four years I am beginning to be of the opinion that war has been declared. Yes, war between financial entities and the sovereign nations. Formerly, the financial entities, banks, exchanges, brokerages, etc were products of the sovereign nations that sponsored them. These entities were instruments of the nation's policies and economic strengths. Now it appears that these entities have outgrown the nations that spawned them and are poised to challenge these same nations for their authority. These banks and brokerages no longer recognize territorial sovereignty and probably haven't since Bretton Woods even though they gave lip service to the agreements as stable financial markets were what they were seeking. Thus, as long as the nations and the bankers interests were the same, the bankers went along

with the program. Now the banks have become the masters by virtue of deficit financing. The market's response to Germany's ban on 'naked short-selling' should be a sufficient indication of who actually is in charge. Now the Temple of Mammon is poised to replace the governments of the various peoples. We will be united as one world, but under the heel of our financial masters. [...] It is becoming increasingly obvious to me that what my Lord Jesus Christ said about serving two masters was more true than one would think at first glance. Jesus said a man cannot serve two masters, he will hate the one and love the other. A man cannot serve God and Mammon. From the tenor of recent events and their increasing stridency, I have come to believe that the Tribulation period will be a battle of God versus Mammon with Satan deceiving the peoples of the Earth saying that God AND Mammon can be served simultaneously, as long as Satan is God. I would appreciate your thoughts on this. — **S.D.**

EVR: What has happened periodically with many societies over history is that a point of great indebtedness is reached. The required and attendant condition for such a situation is a wide chasm between the wealthy and the poor. Wealth becomes concentrated and/or controlled by an ever smaller group. These two conditions — concentrated wealth and high indebtedness — go hand in hand. In the Old Testament, we read of the Jubilee Year. This required that every 50 years all obligations of debt were reset to zero and that land was returned to its original clans. As such, possibilities for economic oppression and chronic concentration of wealth were cleansed. Also, debts and obligations of services were also reset on a seven year cycle. What we see today, certainly in the case of America, is that this process of debt-building and wealth concentration has been underway for some time. Today, wealth distribution in America is severely skewed ... amongst the most extreme of all countries in the world. In tandem with high indebtedness, a growing array of financial serves, aided by a great idolatry for wealth and gains, has led to a society of over-hyped financialization. The financial industry has become so large it is killing its host. Its demand for resources and profits is denutriating real-wealth-creating industries and activities. What we observe is financial markets that drive the economy rather than the other way around. Industry has become the servant to the financial industry. How will this resolve itself? Time will tell. Throughout history, the outcomes were indeed different. Sometimes, these problems are never resolved and a country sinks in stature and economic vibrancy. Other times, such eruptions as the French Revolution occurred; Great Depressions reset the clock or purged the excesses; or minority groups such as the Jews were expelled and had assets expropriated. Responding to your comment about God and Mammon, I expressly do believe that the last great "ecumenicism" is in fact an accepted syncretism of these opposites. It sounds impossible in principle. Yet, we see this change in worship occurring today. Following are two short excerpts from the recent book, *Global Financial Apocalypse* Prophesied on this concept.

"[...] the perversion that merges the worship of God and Mammon. Did Christ really say that you cannot serve two masters? Certainly. In Matthew 6:24 and Luke 16:13 it says you can only serve either Mammon or God, not both. Yes, but if we redefine wealth and money as the sure manifestation of God's blessing; and a massive commercialization and globalization of the world as godly because its goal is to free the world of poverty; and to consider "capitalism" and other "isms" Biblically-endorsed concepts, then it only follows that manipulated global wealth booms must be the sure working of a pleased God. That is precisely the type of world that is shown in Revelation 17 and 18 which depicts a world-wide marriage of religion and commerce."

"With respect to the world's headlong rush into the "last days super-religion" — the merging of God and Mammon — we can be sure of its occurrence. The world is on a path to destruction ... morally, economically and spiritually. We have the more sure word of prophecy on this point. On this road, there are to be expected serious, scary financial tremors ... also wars, pestilences, earthquakes ... etc. ... through which many people (greedy, naïve or otherwise) will suffer or profit greatly. [...]. Deception and corruption remain the mode of the world's developing systems. The successive economic booms of the world ... the temptations of the rising endtime apparition of great wealth or the "deceitfulness of wealth" (Matthew 13:22) ... the greater material comforts or the "worries of this life" ... the "anxieties of life" (Luke 21:34) ... the ever ensnaring end-time money trap ... they all play upon the

affections of Christians. Who then can sustain such an assault and still stand ready at all times for His coming?"

READER: I have read your book, *Global Financial Apocalypse Prophesied*, but still cannot determine if you think physical gold is the investment of choice for these days. Would you please comment on this. I also subscribe to the Midnight Call Ministry magazine.—**W.S.**

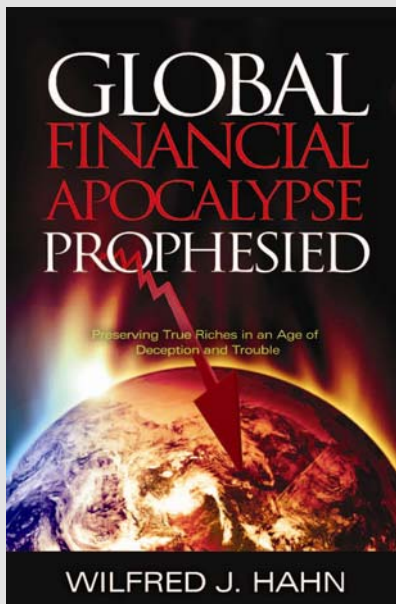
EVR: I didn't make specific investment recommendations in the book, as it wasn't intended to be an investment treatise. That said, yes, one should definitely have some savings allocated to gold bullion or gold-related investments. However, I take more of an opportunistic perspective on gold. There are times to have a larger exposure, other times not. I do not recommend that people invest a large amount of their savings in gold. Why diversify? Too often uninformed investors get caught up in manias, jumping in and out at the wrong time with a substantial portion of their savings. Remember that the informed "smart" money usually takes advantage of emotional investors. Professional investors deliberately seek to take advantage of the uninformed crowd. Moreover, I do not see that gold has any special role as "God's money" or some type of protected real wealth as so many advisors and numismatic dealers like to hype. There are times to own more, other times less. Make sure you have your savings diversified as very few (if anybody) can reliably predict the future. God is control, not gold nor mankind's financial systems.

READER: A great pleasure to be subscribing to your newsletter. As events of just the last days so show, we live in the most interesting of times. I look forward to reading your large array of pamphlets and publications. I very much enjoyed your last two newsletters ... of course read in the context of living in the events of today.—**P.O.**

READER: I wish to simply say that I am grateful for the way in which you edify the body of Christ by informing us of money's role in the end times. Also, I look forward to receiving your *Eternal Value Review* on a regular basis. Again thanks.—**J.C.** **EVR**

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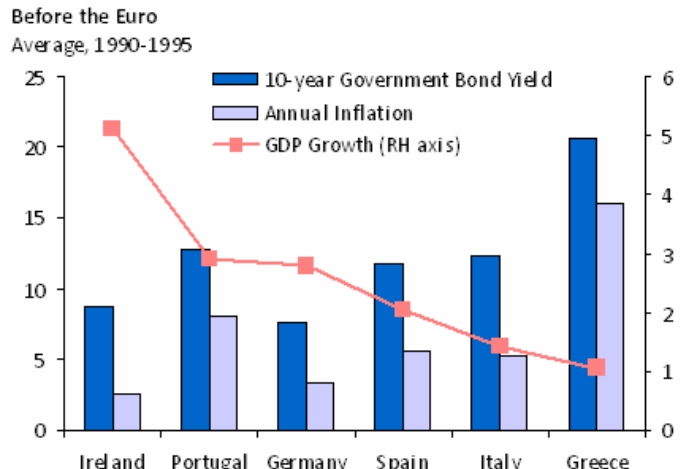
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Fig. #3: Old Problems Come Back to the Fore



some key differences that should immediately quell the scoffer's spirit. Firstly, we are the generation that would "see all these things," as Christ said (Matthew 24:33). The fig tree (Israel) has begun to blossom. "When her branch is yet tender, and putteth forth leaves, ye know that summer is near (Mark 13:28). This season can be identified, and it is here. And, there will be no false starts of this prophesied event, a process that once begun, will not be aborted. Says the Holy Spirit through Isaiah:

"Before she travailed, she brought forth; before her pain came, she was delivered of a man child. Who hath heard such a thing? Who hath seen such things? Shall the earth be made to bring forth in one day? Or shall a nation be born at once? For as soon as Zion travailed, she brought forth her children. Shall I bring to the birth, and not cause to bring forth? saith the Lord: shall I cause to bring forth, and shut the womb? saith thy God "(Chapter 66:7-9, KJV).

The last season of the "last days" has indeed begun. Today, all prophesied conditions are global in scale rather than applying to just one or a few nations. These conditions can all be shown to be accelerating. Moreover, God had future scoffers exactly in mind when he caused the Apostle Peter to prophesy:

"Knowing this first, that there shall come in the last days scoffers, walking after their own lusts, and saying, Where is the promise of his coming? For since the fathers fell asleep, all things continue as they were from the beginning of the creation. For this they willingly are ignorant of, that by the word of God the heavens were of old, and the earth standing out of the water and in the water: Whereby the world that then was, being overflowed with water, perished (2 Peter 3:3-6).

People who have no fear before the words of God, thereby ridiculing the Great Sovereign—who stakes the very proof of his essence in bringing about what He has said in advance—put themselves into the company of those "[...] natural brute beasts, made to be taken and destroyed, speak[ing] evil of the things that they understand not; and shall utterly perish in their own corruption [...]" (2 Peter 2:12).

We today can clearly see mankind choosing to continue its journey toward judgment and wrath. **EVR**

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Is the Revived Roman Empire Finished?

... cont'd from back page

derisively called the PIIGS — an acronym for Portugal, Ireland, Italy, Greece and Spain). These voters are not likely to approve these bail-out costs. Secondly, the PIIGS nations are now all required to cut government spending and to raise taxes as a condition of the bail-outs. This will prove to be deeply unpopular and contribute to lengthened economic recessions. More protests and riots can be expected in the years ahead.

The question arises: Can Europe hold together and for how long? Will intervention bring back calm to the Eurozone? The recent bailouts will have bought some time. However, it will not be long before new stresses again reappear.

In fact, the tremors witnessed in Europe are symptomatic of a problem that extends to other nations as well, not just European ones. For example, the fiscal situation in the United States is certifiably disastrous and over-indebtedness is also a problem in Canada (although not widely perceived as such).

Actually, the states of California and Illinois are in worse shape than Greece by far ... and are even bigger in terms of economic size. It is only a matter of time that international attention will again fall upon America's troubles. Then, the US dollar will take another drubbing ... possibly until a worse crisis erupts somewhere else in the world. The only difference in the case of America is that it has the freedom to allow its currency to depreciate. Eurozone members do not have this option (neither does California and Illinois) and must therefore take the hard medicine of spending cuts.

While gold bullion markets rose to new highs in US-dollar terms during the Greek crisis, what seems to be overlooked is that the resolution to these crises is rather deflationary ... at least for the time being. All of the countries suffering with high debts are being forced to cut spending and increase taxes. As such, a new rush to austerity seems underway around the world ... certainly so in the Western countries. Countries such as the UK, Canada and the U.S. know that they are now near the end of unlimited government borrowing, lest they also wish to become vulnerable to funding crises and currency attacks. You can be sure that these reactions ultimately stand to produce the same depressive effects that contributed to the Great Depression of the 1930s.

So much for an update of the news one might hear from the media. But what all does it mean from a prophetic point of view? Just how do these recent events fit in with the "March of History"?

To begin, we can certainly say that today's events in Europe will certainly not overturn the veracity of Bible prophecy. All prophecy will eventually be fulfilled literally, no matter the short-term gyrations of history.

At the surface, events playing in Europe today may

make it seem that the European Union is about to fall apart, and that therefore, the famous Revived Roman Empire theory of prophetic interpretation may be proven incorrect.

We can conclude no such thing. While we have never gone so far as to conclude that the final world power coalition of 10 kings (10 nations) must come from Europe, we neither see that recent events alone would negate this prophetic interpretation. The jury is still out.

As we have explained in other articles and presentations, there are other plausible theories or variations on the Revived Roman Empire theme that could yet play out. We can certainly assert what is directly ascertainable from Scripture. Bible prophecy expressly indicates that a union of 10 kings will take form in the last days just before the Antichrist is revealed. Daniel tells us that, "The ten horns are ten kings who will come from this kingdom. After them another king will arise, different from the earlier ones; he will subdue three kings" (Daniel 7:24). In other words, they collectively represent the last world-ruling power before the 8th ruler-king (the Antichrist) emerges. These 10 kings are shown on the seventh head (actually, in our view, they collectively represent the 7th head) of the beast depicted in Revelation 12, 13 and 17, as well as by the ten toes mentioned in Daniel 2 and the 10 horns in Daniel 7.

In our extensive studies of this topic (*Please see the MS PowerPoint presentation that is posted on the home page of our website for additional details*) we conclude that 10 sovereign nations are indicated by the Bible's terminology of "10 kings." As mentioned, a view held by many pre-millennial prophecy students is that these "10 kings" will come from Europe or at the very least, from within the boundaries of the ancient Roman Empire. It also remains possible that "Roman type" nations that are not found on the European continent (i.e. America, Canada, Brazil ... etc.) could number in this final coalition. We have presented a list of countries that could prove to be eligible candidates for these 10 kings (using scriptural criteria as well as the prevailing conditions of today) in previous issues of *EVR*.

There are several points we wish to make. Firstly, please realize that an official European Union or currency zone is not a prerequisite for the final 10 nations to come together. Their union can be based on some entirely different set of values or rules. It is true that the conception of the European Union that exists today is very much in the old Roman model, which is one that is centrally controlled through systems and government. However, as Scripture appears to indicate, the final 10-nation coalition is more about joint "power and authority." In other words, a small set of nations have a shared purpose and interest as opposed to a multi-lateral structure with a large number of member countries that seeks to rule the world through broad consensus. It is a significant difference.

The Bible tells us that a group of 10 ally together out of

common self-interest. They have one purpose and will give their power and authority to the Beast (Revelation 17:13). The large multinational nation groups of today simply have too many conflicts of interest to be any effective consequence in today's geopolitical environment. Developments in Asia today also, we believe, play a decisive role in these last-day machinations of 10 kings.

(Please see the new 3-part series entitled *Far East Asia Nations Today: Subject of Bible Prophecy?*, scheduled to be first published in *Midnight Call Magazine* June through August 2010. Our conclusions are quite different from the popular view!)

It is indeed possible that the entire final 10 nation coalition may all come from Europe (though it remains much too early to be dogmatic on this point). However, this group will likely have very little to do with today's organization as represented by the EU.

Please reflect on the fact that the Bible says that a small group of only 10 nations will have sufficient pooled power to allow the Antichrist to control the entire world. All current 27 members of Europe are not needed. As such, either the EU will break up (as could be possible) or a new group of 10 forms outside of it. Yes, this is a concept that is directly in opposition to today's idea of globalism ... the notion that a "common parliament of man" will rule the world. We recognize, of course, that today's global agencies and non-governmental organizations such as the United Nations or Group of 20 are comprised of a greater number of members than just 10. That means that none of these assemblies qualify as the final 10-nation ruling power according to the Bible.

Here one final point: Power and agendas are not always clearly evident to the broad audience. They tend to work secretly and unobserved. Moreover, crisis can be (and are) deliberately used to accelerate change. As such, anything is possible. Next, the Europe Union may break up and devolve into a more "Roman Catholic" version of the Roman Empire (centering on the more major nation-states with "Christian values" and heritage) or become yet more undemocratic and centrally-controlled in response to economic crisis. Frankly, we cannot yet be sure.

Of one thing we are certain: A break-up of the current Eurozone (perhaps even the European Union, though not necessary) actually would be an alignment with Bible prophecy. Scripture specifically only numbers 10 nations ... not 20, 27 or 195 of the G-20, European Union or United Nations, respectively. As such, either the large groups must break down or another coming together of 10 nations outside or in concert with these other organizations must occur.

As we have argued in the past, the world today is moving to a post-globalism period. Multilateralism (this referring to the joint interactions of nation groups) is coming to an end. Instead unilateralism (the idea that a small group of powerful or influential nations seize the agenda) is at the door.

EVR



Personal Perspectives

European Union: Is the Revived Roman Empire Finished?

Recent financial events in Europe have many worried. Is it possible that the European Union (EU) could soon disintegrate? And if so, would such developments hold any implications for the Revived Roman Empire interpretation of endtime Bible prophecy? The answer will probably surprise you. Let's first review the financial and political spin that is being reported in the popular media. Things surely look terrible.

This quote from an article entitled, "Goodbye to Europe as a high-ranking power" carried in the Financial Times, is indicative of prevailing worries:

"The combination of structural economic flaws, political parochialism and military limits will accelerate this transatlantic drift. A weaker Europe will possess a smaller voice and role. NATO will no longer be the default partner for American foreign policy. Instead, the US will forge coalitions of the willing to deal with specific challenges. These clusters will sometimes include European countries, but rarely, if ever, will the US look to either NATO or the EU as a whole. Even before it began, Europe's moment as a major world power in the 21st century looks to be over."

Over the past month or so, the so-called flaws of the European Union and its Eurozone have come into popular focus, although well identified by many political historians long, long ago. While there are now 27 member countries in the EU, only 16 share (soon Estonia is to join as the 17th member) the common currency of the euro, this group of countries correspondingly called the Eurozone.

What happened was that a number of the Eurozone members shamelessly milked the benefits of currency union, not caring to conduct a disciplined management of their own financial accounts. To varying degrees, countries such as Italy, Ireland, Portugal, Spain and Greece, all enjoyed the benefit of lower interest rates when they joined this currency bloc, anchored by the stable economic juggernaut of Germany.

To recall, the reason that investors had demanded higher interest rates on the borrowings of these nations in the first place was precisely because these nations ran higher deficits and debts, not to mention inflationary monetary policies. (See Figure #3 on page 9.) As it happened, these countries continued their spendthrift ways after joining the currency union. They wasted the windfall of membership and have now found themselves in an intractable refinancing situation as the fall-out of the



Source: Telegraph.co.uk, Alamy

Global Financial Crisis (GFC) hits home. That brings us to today.

Recent events are therefore of no surprise. What is always unpredictable in crisis situations, is the specific catalyst that prompts a reappraisal of risk ... the sudden awakening to reality. As unfolded in Europe recently, a panic run on the bonds of these weaker nations in the Eurozone began in Greece. This country was mired with high debt levels, an enormous government budget deficit (equivalent to near 14% of economic output at one point) and an intransigent populace that considered it an outrage that their country's profligacy might come to an end.

Before long, a bond market rout spread to the other financially weak nations of Spain, Portugal and others already mentioned. (The UK is another country in rickety financial shape and continues to deteriorate, though not a member of the Eurozone.) As a consequence, the euro dropped sharply and interest rates shot up in these countries — more than doubling in a matter of days in some cases — as investors sought to escape these tumbling bond markets. Fears escalated to the point that policymakers saw no other alternative but to intervene.

Initially, the stronger EU-member countries were reluctant to bail out their spend-happy brethren in the monetary union. And, rightly so. Yet, as the crisis of confidence escalated and the euro continued to weaken, the International Monetary Fund (IMF) the European Commission and the European Central Bank (ECB) quickly cobbled together a bail-out equivalent to nearly \$1 trillion (€750 billion).

The European monetary union today is undoubtedly on shaky ground. Unless some significant changes are made, it is likely to fracture further. Frankly, it is unlikely that such changes will be easily forthcoming for several reasons. Firstly, the hard-working citizens of nations such as Germany and France do not want to pay for the squandered borrowing of the deficit nations (now

... continued on page 10



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