##### [00:00:00.650]

It's today. We're going to go back in time to May 18, 1899 to the Great Orange Hall of Western Boss Palace in the Hague, which is located in South Holland. May 18, 1899 was the 31st birthday of Tsar Nicholas II of Russia. And the tsar was really excited because on his birthday, world leaders and diplomats from all over the world were gathering in The Hague for the open of a peace conference, which was kind of his idea. There were dignitaries from all the great powers attending because Tsar Nicholas was one of the people who thought, you know what?

##### [00:00:35.310]

This is starting to get intense. Decades of rising tensions across Europe, going back to the Crimean War, the Franco Prussian War, the Austrian Prussian War. So many more. There was a stunning rapid pace in the development of military technology, alliances, messy entanglements, and diplomacy. And Nicholas said, you know what?

##### [00:00:57.430]

It would be a good idea if we just get together and talk. Let's impose some guardrails. Let's establish a framework to see if we can maintain some peace and, if nothing else, to create some kind of standards for warfare to make sure that we don't all obliterate each other with all this new technology that's out there. So there was at least one guy who saw what was going on and felt like, we need to do something about this. And so this happened on May 18, 1899, all these diplomats convened, and they opened this conference called the Hague Peace Conference, and they spent months hammering out all these different treaties and things.

##### [00:01:33.070]

One of the things they did was they established something called the Permanent Court of Arbitration, which actually still exists today. The idea was to have an international court where nations could bring up disputes against each other as a diplomatic way of resolving their differences without resorting to military conflict. And they also made treaties and agreements to, for example, not use poison gas against each other, not use soft point bullets, which, once they enter human tissue, actually expand and make the devastation even worse inside of a human body. Now, there was a speaker that was there, and this is really important. It's a very interesting guy.

##### [00:02:09.350]

He was a Polish guy named Jan Block. And Block had been a successful, very successful banker. He invested in railroads and had made a small fortune, and he turned to military history. He was fascinated by modern warfare. What was modern, obviously, at the time, in the 18 hundreds.

##### [00:02:26.270]

And Block was particularly entranced by the results of the Franco Prussian War, the French and the Prussians, which are really kind of on their way to becoming Germany at that point, in the 1870s, early 1870s, they went to war. And Bloc was amazed at how quickly and decisively the Germans defeated the French. And he looked at it and he said, look, the Prussian victory was based on they had better technology, they had better munitions. They had better organization, they had better industrial capacity, which allowed them to produce all these munitions and ferry their people out into the field and invade more quickly and organize more quickly. And this was something everybody in Europe saw this.

##### [00:03:05.950]

Everybody in Europe said, oh my God, look, those Prussians are brutal, lethal jeez. And everybody realized they had to catch up. Whatever the Prussians were doing, that's what we all need to do. And that's what was happening, is that everybody in Europe was basically catching up to the Prussians, getting their military technology up to stuff, basically created an arms race to see who could create the biggest, deadliest, most destructive munitions, things that could go boom bigger and harder than anybody else's. And so Block noticed this and he said, the next war is going to be absolutely devastating because everybody will have caught up, right?

##### [00:03:41.370]

The Prussians aren't going to have this advantage anymore. Everybody's going to have caught up at this point. So everybody's going to be dealing from the same level. And he wrote about this. He wrote 3000 pages, this multivolume compendium of modern warfare, and basically predicting what the next war was going to look like.

##### [00:03:58.270]

And he wrote all about this sort of future conflict. And he predicted total economic mobilization. He said the next war is going to be based on the industrial capacity of these countries and they're basically going to have to turn their entire economies into this war. Production, economy, all the factories, the agriculture, everything is going to have to go to war. Total economic mobilization.

##### [00:04:21.500]

He predicted trench warfare. He said, there's all this classical warfare that's existed for thousands of years. Large volumes of troops moving on open ground, bayonet charges, cavalry charges, all these sorts of things. That classical warfare that's been waged for thousands of years, forget it. It's going to be a stalemate.

##### [00:04:37.940]

It's going to be trench warfare, artillery barrages, poison gas, widespread devastation of entire nations. It's going to be these modernized industrialized nations. They'll have to commit huge armies, million people at a time, and basically dig in across an endless battlefront and wait each other out in the trenches. It's basically like a siege, a mutual siege, where the nation that wins, basically it's because they had superior industrial capabilities, but there would be countless soldiers dying not only of combat, but even more dying of disease and famine because they're going to be sitting in these trenches. This is coming to all the elements and exposure.

##### [00:05:15.630]

There's going to be devastating psychological consequences, economic impacts. They're going to lead to social revolutions. Entire governments will be toppled. He predicted all of this and all the experts in attendance politely listened, gave him some polite applause, and then basically ignored his warnings because these people were from that classical era of war where they had brightly colored uniforms and the cavalry charges and soldiers maneuvering in the battlefield in an open battlefield accompanied by germer boys and bugles. Right?

##### [00:05:45.740]

That's the warfare that they were accustomed to. And so all these people that were sitting in the audience, all these diplomats and dignitaries, they just didn't get it. They did not comprehend what block was telling. I'm sure some of them did, some of them did. Some people understood.

##### [00:06:00.250]

Obviously, tsar Nicholas was one of the people who said this could be a big deal and we need to do something about it. But most of the people, especially the underlings that were there, the experts in diplomacy, they just didn't get it. And for his own part, John block was dejected. He was dejected after the conference. He was so dismayed, and he wrote shortly afterwards, that he said he was, quote, astonished.

##### [00:06:21.520]

He was astonished, and he said these obvious risks of war, and he said, had, quote, passed almost unnoticed even by the professional watchmen who were paid to keep a sharp lookout. He just explained, they just didn't get it. They just didn't get it. He was telling them everything that was right in front of their face. It was so obvious, and they just didn't get it.

##### [00:06:40.450]

He said, the facts at hand, the consequences, he said, go against, quote, the vested interest of the most powerful class. This was a big deal. And he lamented about the stubbornness of these people taking any real action and even distorting reality to reject the obvious conclusions that were right in front of their faces. And because of this, he said, he concluded there would be no real reform and there would be no peace. I've actually read and you can see this, there are the diplomatic reports from the delegates.

##### [00:07:05.580]

The Yale university actually has all these, the writings back and forth, the reports from, for example, the US delegates who are in attendance, and there are a lot of these that exist. And obviously they speak in glowing terms about the important work that they're doing. They were really patting themselves on the back. They said, oh yeah, those pesky Germans, they were trying to get us to concede something here, but we didn't do it. And the French wanted this, and the British wanted this, but we didn't agree.

##### [00:07:31.880]

For the US delegation, for example, they said, oh, well, we were able to not sign the treaty against not using poison gas for technical reasons and all these things. And they went on and on about all the great work they're doing. They said that the court of arbitration is so wonderful that there's a guy, I think his name was captain crozier, us military officer who was in attendance. He said that this arbitration court will, quote, be, will doubtless be found to be imperfect and require modification. But they went on and on about how great everything was.

##### [00:08:03.660]

The US. Didn't even bother to sign a lot of the treaties. Like I said, they didn't sign the treaty against using gas. They didn't sign the treaty against using dumb, dumb bullets. They said these were for technical reasons.

##### [00:08:11.950]

And in the end, of course, it was all useless. It was all useless. All these people that showed up, they had a guy telling, this is exactly look at the evidence, people. This is right in front of your face. Just open your eyes and you can see what's happening, what's going to happen.

##### [00:08:25.970]

It's so obvious. Just do the right thing here, steer us away from this. But instead, all these people that were there basically continue to steer the world directly into the most unimaginable devastation ever. Block turned out to be right. It was a nasty protracted.

##### [00:08:42.140]

Trench warfare required 100% economic mobilization. There were uprisings that broke out as a result, including, obviously, the Russian Revolution. Disease and famine were right, were widespread and again, just unimaginable devastation. It was so obvious. And I think anybody that looks at history, you got to ask the question, how did you not see this?

##### [00:09:01.050]

And not just the people that were there in the delegation, but obviously all the experts, all the leaders I'm doing air quotes all the leaders that were in charge making these decisions, how do they not see this? How did they not prevent this? It was just so it was so clear. I mean, Europe was this giant mess of alliances and all the diplomatic entanglements and rising powers and declining powers. The Austro Hungarian Empire.

##### [00:09:21.720]

The Ottoman Empire in decline. Places like Germany that are rising. The French were desperate to assert themselves. Britain wanted to maintain its status of the top position of the world. I mean, there was so many there were nationalist movements, Marxist movements, republican movements.

##### [00:09:35.980]

There were so many things different strategic interests. It was so clear, so obvious. And you had this guy who shows up and tells everybody everything. And Block wasn't the only one. Again, there were even people like Zara Nicholas who understood.

##### [00:09:49.770]

But once again, the experts failed to do anything about it. They failed to appreciate the consequences of what they were doing and they steered the world right into the war to end all wars. This is not uncommon. This is actually an incredibly common theme throughout history. You see these major events, wars, social revolutions, economic crises.

##### [00:10:09.580]

They're not accidents. The warning signs are there and they're often ignored. And I'm not talking about cases where there's just some bad luck. There's a natural disaster, something that's just totally beyond people's control and they're just trying to figure it out and deal with it and do the best they can. This is something where, like Block said, the experts, they're paid to keep watch and prevent disaster.

##### [00:10:29.590]

Not only they don't see the warning signs, they actually steer directly into the disaster. And World War I was an obvious example. It was an obvious example of total and complete failure on the part of the people that are being paid to prevent this from happening. I mean, it's ridiculous when you think about it. They literally had a conference to say, oh well, let's try and prevent a war.

##### [00:10:52.290]

And then that's exactly what happened. And the guy who was there saying, there's going to be trench warfare, it's going to be total warfare, it's going to be brutal, it's going to be blood, it's going to be all these things. And they said, I don't think so, I don't think so. And we see this example over and over and over again, the same model, and we'll shift gears and talk about economic crises. Now because it's very similar in this case.

##### [00:11:12.970]

Many of you probably remember very clearly, as I do, the global financial crisis. This is back in 2008, 2009. Again, not an accident. This is one of those things people go, oh, it's just bad luck. Sure, it's bad luck for everybody else.

##### [00:11:24.970]

But the experts in charge of this steered directly into this crisis. They engineered it and made it happen. You had this crisis that the banks had spent years making no money down loans to risky borrowers with poor credit so they could purchase homes at record high prices, right? So the banks were basically taking 100% of the financial risk and saying, sure, you can buy a home at a record high price. Sure, you have a history of not paying your debts.

##### [00:11:49.960]

Sure, you don't have a job, you don't have any income, you don't have any assets. They call that ninja. No job, no income, no assets. You were making these Ninja loans to people to buy homes at record high prices with no money down. Of course that was a dumb idea.

##### [00:12:02.580]

Of course that was going to blow up. And it did, right? But everybody just sort of closed their eyes. All these experts in the financial system closed their eyes and pretended that that whole arrangement was literally risk free. The rating agencies that are literally risk free were slapping their their highest ratings, triple A ratings on pools of these risky mortgages pooled together into giant bonds.

##### [00:12:23.620]

They said, oh, you're loaning money with no money, down 100% of the financial risk to a guy with no income, no job, no assets, who has a history of not paying his debts. Oh, sure, let's just pool all these together and pretend that it's risk free. And if we close our eyes and say it enough times, it'll be risk free. Totally ridiculous. And it was so obvious what would happen.

##### [00:12:43.940]

Of course, real estate prices fell, borrowers defaulted on their mortgages. Banks lost billions, and a lot of banks went under, which because the financial system is so interconnected, it dragged down almost the entire banking system in 2008 and early 2009, which nearly dragged down the entire global economy. It was the worst financial crisis since the Great Depression. Wasn't an accident. It wasn't like just some hurricane comes out of nowhere, there's a giant earthquake.

##### [00:13:10.510]

All of a sudden, this is something that the experts engineered. They created the people that were paid to keep watch. They not only missed it, but they actually helped engineer it, right? The warning signs were there. Everybody could see this.

##### [00:13:23.310]

The credit markets were starting to break down a year before the crash. Home prices were declining more than two years before the crash, but everybody missed it. And you've got when you think about the people that were involved in this system, you got the banks, right? Supposedly the financial experts, we all trust the banks. The banks are risk free.

##### [00:13:39.500]

They know what they're doing. These guys were engaged in the most reprehensible, irresponsible, unethical, probably illegal behavior, right? A lot of lies, lots of deceit. Then you have the rating agencies. These guys have a legal and ethical obligation to provide an honest risk rating.

##### [00:13:54.960]

They're brought assets, and they're supposed to say this is a risky asset or it's not a risky asset, and they say it's B rating or an A rating or AAA rating. And so not only did they not they didn't provide an honest risk rating. They didn't notice that there was no risk, and they kept slapping these AAA ratings on all these risky loans and risky bonds. Just absolutely outrageous behavior. Then you have government watchdogs once again asleep at the wheel.

##### [00:14:20.780]

They didn't notice. They didn't see any of this going on. They just closed their eyes and said, la la la. And they didn't notice any of this. My favorite one to beat up on, though, is the Federal Reserve.

##### [00:14:31.520]

And the reason I say that I say that seriously, I actually think it's very important to beat up on the Federal Reserve because the Federal Reserve, the central bank in the United States, is the most cared for agency. Nobody says an unkind word about the Federal Reserve, right? If you look at all, you look at all these other government agencies, people beat up on the SEC. They beat up on the, on the you know, they beat up on the White House. They beat up on Congress.

##### [00:14:58.100]

They beat up on everything else in government. They beat up on the national parks. They beat up everybody in government. But not the Federal Reserve, right? Technically, the Federal Reserve is independent from government, but it obviously has this huge role in the US.

##### [00:15:10.600]

Economy, and there's a lot of overlap between the Fed and the government. But nobody says an unkind word. Nobody scrutinizes the Fed. Nobody criticizes the Fed. The press gets together.

##### [00:15:20.360]

They have these press conferences, and everybody just sort of bows down to the Federal Reserve. The Federal Reserve says, let there be 0% rates, and it was good. And nobody questions the almighty Federal Reserve, partly because I think people afraid of looking stupid, because so many people, the reporters, these are the same people that cover they write stories about Justin Bieber and whatever. They don't understand central banking, so they're going to sit in a room with a guy who's the chairman of the Federal Reserve. This is the great and powerful Oz, and they're terrified of the man behind the curtain.

##### [00:15:53.880]

So they don't want to look stupid, so they just go, okay, well, the Fed raised rates. The Fed cut rates. Nobody really questions any of this, but they should, because what the Federal Reserve does over and over and over again, they engineer these bubbles. They engineer huge consequences. They're totally asleep.

##### [00:16:09.680]

They fail to notice. And we see this over and over again. In the 2008 financial crisis, it was the Federal Reserve that created the fuel and lit the match. To begin with, you probably recall there was a recession in 2000 followed by 911, right? That was pretty devastating for the US economy.

##### [00:16:25.220]

The US. Economy was down. So what did the Federal Reserve do? They cut interest rates, right? This is what central banks do when the economies slow down.

##### [00:16:32.460]

They cut interest rates. So the Federal Reserve slashed interest rates down to 1%, basically, which at the time was like people are like, oh my God, that's so low. Interest rates throughout the 90s have been quite high, in the 80s have been really high, in the 70s have been high. For the Fed to slash rates down to 1%, there was hardly anybody alive that even remembered rates being so low. And obviously, when rates are that low, borrowing was cheap.

##### [00:16:55.660]

It was cheap to borrow. And so, of course, things like real estate boomed. Suddenly. People thought, oh my God, mortgage rates are so low. I can afford to pay more for my house if I'm in the market.

##### [00:17:07.190]

And I used to think I could afford X, well now I can afford a whole lot more than that because rates are so low. Rates came down, it makes my monthly payment lower, so I'm just going to buy a bigger house, right? And so real estate boom. Real estate went through the roof, and it quickly became a bubble. Real estate, really, all asset prices, stocks went up, bonds went up, commodities went up.

##### [00:17:26.770]

But real estate in particular, there was so much money, so much activity in the real estate market. And a lot of you guys probably remember this. I mean, it was like everybody was becoming a real estate agent. It was ridiculous. Every single person.

##### [00:17:38.820]

People were quitting their jobs to become real estate agents because it was just so easy. People were going and signing up, flipping houses, off plan. Some developer would go and announce a project to say, oh, I'm going to develop some condos in Miami. And people would go clamoring to go and sign contracts to buy these condos. The same condo would be flipped four, five, six times before, in some cases before the building even broke ground.

##### [00:18:05.190]

I mean, that's how the ridiculous amount of activity that was in the marketplace. Real estate agents were getting commissions, housing contractors, people that were in construction were making tons of money. Plumbers are making three, four $500,000 a year. They were in such high demand. It was such a boom that was clearly a major bubble.

##### [00:18:25.950]

But the Fed didn't understand any of it. They didn't see, they didn't, they never stepped back and said, gee, wow, we we slash rates so low that made houses really cheap. So now this entire housing industry is just on fire. I guess we don't have anything to do with that. Well Corey, you created the conditions for that.

##### [00:18:43.510]

You're completely responsible for it. They didn't see how what they were doing, that they were facilitating this outrageous and really dangerous lending practices. They didn't see real estate prices booming, housing activity is booming, and everybody's in on it. The banks are in on it, the rating agencies are in on it, the mortgage companies are on it, the mortgage brokers are in on it. Real estate, everybody is making so much money from this and it's leading to this outrageous and again, very dangerous conditions.

##### [00:19:09.930]

Lending practices. People are saying, oh, normally 80% banks provide 80% of a home's purchase price. And they said, oh well, we'll provide 90%, we'll provide 100%, we'll provide 105%. I mean, it was getting so ridiculous and the Fed again just closed its eyes and said la la la, nothing to see here. And in the same time, not only did they not see how they sort of created this whole bubble to begin with, the Fed then in 2005 would say, oh wow, there's inflation now, right?

##### [00:19:37.660]

Suddenly 20 03, 20 04, 20 05 inflation is rising. And they started raising interest rates in 2005 and they failed to see, they said, well, we slash rates to 1%, and failed to see how that would cause any problems, failed to see how that would cause a bubble in 2005. They quickly raised rates, failed to see how that would have any consequences. And this is where, again, the Fed, they really, I mean, there's some real doozies here. In February 2006, for example, actually go back in July 2005, chairman of Federal Reserve said we'd never had a decline in house prices on a nationwide basis.

##### [00:20:12.710]

February 2006, he says house prices will probably continue to rise, right? This is an epically bad prediction because home prices started to fall two months later, right? So he says house prices will probably continue to rise two months later. They started to fall in November 2005, he says talk about financial derivatives, insisting that financial derivatives are safe. And he says derivatives with respect to the safety derivatives for the most part are traded among very sophisticated financial institutions and individuals who have considerable incentive to understand them and use them properly.

##### [00:20:45.770]

This is one of the things that nearly blew up the entire global economy two to three years later, in February 2007, he said delinquency rates on most consumer loans remain low. The next month, dozens of subprime lenders had gone under due to rising delinquencies in May 2007. He said, we don't expect any significant spillovers from the subprime market into the rest of the economy. Three months later, the entire financial system was frozen. Inner bank lending had ground to halt.

##### [00:21:13.100]

Bank runs had started. And this was worldwide at this point. There was Northern Rock in the UK. Had a bankruptcy. It's a big bank in the UK.

##### [00:21:20.340]

And people were queued up in line, standing outside to get their savings out of this bank. Banks across the world were reporting billions of dollars in losses on the subprime debt. But again, three months earlier, the guy said, oh no, there's nothing to see here. Everything's going to be fine. January 2008, the guy says, Fannie Mae and Freddie Mac, these big US federal housing agencies, fannie Mae and Freddie Mac will make it through the storm.

##### [00:21:41.610]

They failed two months later and had to be nationalized by the federal government in June 2008, he said, the risk of recession appears to have diminished. Three months later was the worst economic crisis since the Great Depression. So these guys, they engineered this bubble by slashing interest rates to near record lows, right? In the early 2000s, after 911, they just slashed rates and they engineered this bubble. They failed to see it, right?

##### [00:22:07.590]

They failed to see what they were doing. They failed to see the risk. They failed to look at jeez, that doesn't make any sense. They're loaning money to unemployed homeless people getting million dollar mortgages. There was a guy named Johnny Moon.

##### [00:22:19.920]

That's his name, johnny Moon got a million dollars in home loans. He's a homeless guy, right, with no history of any credit whatsoever. Was able to go out and get all these no money down loans. No money down loans. This is absolutely ridiculous.

##### [00:22:33.420]

And the Fed just didn't notice. And then they rapidly increased interest rates, caused that bubble to burst. Totally failed to anticipate any consequences whatsoever. And the whole time, three months before the worst financial crisis, the Great Depression says, oh no, everything's going to be fine. It's not going to be fannie Mae and Freddie Mac are going to be fine.

##### [00:22:53.420]

Nationalized two months later. Risk of recession appears to have diminished. Worst crisis since the Great Depression. Three months later. I mean, these guys just it's just so it's just almost comical how much they get it wrong.

##### [00:23:07.440]

And even though, again, the warning signs were there along the way they should have seen in 2007, said, oh my God, there's bank runs, there's banks reporting billions of dollars of losses. I mean, it was so obvious. They should have seen it. They could have seen real estate prices were declining in 2006, two and a half years before the real crisis started. What did they do about it?

##### [00:23:26.210]

Nothing. Did they notice? No, they didn't do anything. They didn't do anything. They didn't even notice.

##### [00:23:31.970]

They're so bad at what they do. And they were extremely intelligent people. It was like Jan Block all over again. They're extremely intelligent people, giving speeches, writing about it, warning about it, and some people even betting on a collapse of the financial system. But the fed was totally and completely clueless.

##### [00:23:50.250]

Now, we've seen over the past few weeks, same thing, bank runs, right? It's the same issue again, shouldn't have been a surprise. The warning signs were there. In fact, a lot of people saw this. Readers of Sovereign Man probably saw this coming because we were writing about this.

##### [00:24:04.210]

I was writing about this going back several years now. I actually wrote some time ago, I wrote, quote, it's just assumed that banks are stable, sound and conservative. Nothing could be further from the truth. Banks get to keep pretending that they're safe, but they're gearing up to take a huge bath as the values of their bond portfolios collapse. That's exactly what happened.

##### [00:24:22.480]

That's exactly what happened a couple of weeks ago with Silicon Valley Bank and Signature and First Republic and all these it's basically the same situation as the GFC, right? As the global financial crisis. We go back to the early 2000s. Post 911, the Fed creates this giant asset bubble. They slashed interest rates down to 1%, which again, at the time was people thought, oh my God, 1%.

##### [00:24:41.440]

That's crazy. The Fed slashes interest rates down to 1%. So asset prices boomed, stocks went up, real estate went through the roof, bonds, commodities, everything went up. But the fed didn't understand. They didn't see the risk that they were creating.

##### [00:24:54.200]

And then they reversed it. They suddenly started ratcheting up interest rates because inflation was heating up. And they failed to anticipate that there would be any consequences of that. That's what we've been seeing here. The Fed after the GFC, the Fed basically just repeated the same mistake all over again.

##### [00:25:09.600]

They slashed rates in the early 2000s. There were consequences. Failed to anticipate the consequences when they raised rates. So what do they do after the GFC? They slash rates again.

##### [00:25:18.170]

Kept them. Instead of 1%, they said, oh, who needs 1%? I'm not going to be a coward and go down to 1%. I'm going to go down to 0%. So they kept rates at 0%.

##### [00:25:27.900]

Over in Europe, they slashed rates down to below 0%. Europe and Japan rates were negative, right? It was insane. It was insane. And they kept them there for years.

##### [00:25:38.590]

Completely failed to anticipate any consequences of that. Completely failed to notice any consequences of that. And it was silly stuff that you had governments. Argentina was able to sell a 100 year bond. You have a country that has defaulted so many times on its debt, was somehow able to go and raise money, billions and billions of dollars at 100 year bond.

##### [00:26:01.820]

You had the famous case of the Art Basel banana duct taped to a wall that was considered art, sold for six figures. You. Had startups with no hope of ever turning a profit that were being valued at tens of billions of dollars. There was ten plus trillion dollars in government bonds with negative yields. It was just there were so many outrageous stories of this giant asset bubble.

##### [00:26:22.240]

All these assets, bonds, stocks, real estate, everything trading at record high prices, the Fed didn't notice any of it. The Fed didn't notice any of it. There was nothing about this. Well, jeez, that's unusual. Banana duct taped to a wall, sold for more than $100,000.

##### [00:26:35.900]

That's unusual. That seems like something drunk. Didn't notice any of it. And so, of course, because interest rates are so low, they slash rates down to zero on all of this, created an enormous asset bubble. Everything went up in value.

##### [00:26:49.650]

The Fed didn't notice any of it. And then finally, the Fed started, after completely failing to see this, they started raising rates again, really aggressively raising rates last year, and also totally failed to anticipate the consequences of that. And this is what happened during the boom. Banks did what banks do. They take their customer deposits and they buy things.

##### [00:27:13.120]

They buy assets. They buy bonds usually. They buy bonds, usually liquid, highly tradable bonds. And that's what these banks did. In this case, we're not even talking about some crazy super high risk bond.

##### [00:27:25.130]

They bought Silicon Valley bank bought us. Treasuries, US. Government bonds. That's what they bought. There wasn't any toxic asset.

##### [00:27:32.100]

It wasn't anything like that. It was US. Government bonds. But because they bought these bonds at record high prices during the boom, and then all of a sudden, the Fed started raising rates. And when they raise rates just in the same way that when they slash rates, asset prices go up.

##### [00:27:46.260]

When the Fed aggressively raises rates, asset prices fall really quickly. And so the banks paid record high prices for their bonds. And then all of a sudden, interest rates are a lot higher, and those bond prices plummeted in value, and banks are sitting on huge losses. But the Fed didn't notice that either, which is really curious because the Fed is one of the primary bank supervisors in the country. But the Fed, even though they're supposed to be supervising these banks, they have an entire division devoted to bank supervision.

##### [00:28:13.590]

They didn't notice. They didn't pay attention. People just looking at these reports, these monthly reports of banks seeing these huge losses, what do they do about it? Nothing. Nothing.

##### [00:28:23.120]

And now there's this basically full blown banking crisis where there been bank runs and banks have gone under because exactly what the Fed has done. They slash rates to zero. They engineered this asset bubble. Banks loaded up on assets at record high prices. Now the Fed has aggressively raised rates.

##### [00:28:40.300]

Asset prices have fallen. Banks are sitting on huge losses as a result. And the Feds goes, oh my God, how could this have happened? Wow, what a surprise. What a shock.

##### [00:28:49.250]

No, it's not a surprise. It's not a surprise. The people, just like Yon Block said, the people paid to keep watch failed again. They failed to predict. They failed to acknowledge anything about it.

##### [00:29:00.050]

They failed to acknowledge their complicity in creating this. They steered this again, not an accident. They steered the entire financial system directly into this disaster. I'm actually reminded of the Hague Convention in this case because remember all these guys got together and they created all these treaties and their institutions, their International Arbitration Court, it's the same thing. After the 2008 financial crisis, congress and the regulators, they all got together and said, we got to prevent another bank crisis from ever happening.

##### [00:29:28.550]

And so they created all these institutions. They created the Consumer Financial Protection Bureau and watchdog agencies. Then they created all these rules and so forth, just like in The Hague. They did all these things that ended up doing absolutely no good. In the same way, all their watchdog agencies and all their new institutions and all their new banking regulations weren't able to prevent the banking crisis.

##### [00:29:49.010]

The guys in the Hague weren't able to prevent World War I. The whole thing ended up being completely and totally useless. And then you look at the response. We talked about this before. The Federal Reserve has basically stepped forward and taken over.

##### [00:30:01.810]

They said, oh well, oh banks, you bought an asset for a dollar, now it's worth fifty cents, and now you're about to go under. Tell you what, why don't you post your 50 cent asset as collateral, we'll loan you money against it as if it's still worth a dollar, essentially taking on 100% of the financial risk for all the bank's losses. It's over $600 billion. And they've basically taken that risk away from the banks. The banks have no risk now, and they pass that risk on to every single person alive who uses US.

##### [00:30:31.200]

Dollars. It's not only unethical, I don't see how it's legal. There's nothing in the Federal Reserve legislation, the Federal Reserve Act, or any subsequent legislation that actually authorizes them to do this. But they did it anyways. They didn't ask Congress.

##### [00:30:42.580]

They didn't have a hearing. They just went and did it on a Sunday afternoon. They came up with a half a page term sheet and just created this program. I don't know how that's even legal, but this is what they did. For her part, the Treasury Secretary has been hilarious.

##### [00:30:55.980]

She stepped forward at first and said there's not going to be any blanket government guarantee of bank deposits. Then the next day she said, oh yeah, sure, we would definitely look at doing that, especially for smaller institutions. Then the next day she said, no, just kidding, we're not going to do that at all. They can't even stick to a policy. Just come up with something what is true and what is not true and just stick to it.

##### [00:31:16.060]

But they can't even do that. What I want to do now is I think it's important to talk about what else is lurking out there. What are the other examples of this? We talked about World War One, we talked about the GFC, we talked about these bank runs that we've seen over the past few weeks. These were all obvious risks that the people, the watchdogs who were in charge, who should have seen coming, not only did they not see it coming, they actually steered everybody into these disasters.

##### [00:31:43.240]

So what else is lurking out there where you've got the people in charge, the warning signs are there. The people in charge are clueless and they seem to be actively steering everybody into this disaster. What else is there? And there's a few that I want to talk about. Number one is still more fallout from these interest rate hikes, right?

##### [00:32:00.250]

The Federal Reserve has been raising interest rates. That's what has caused I mean, among other things, that's what has caused these bank runs because banks lost a lot of money on their bond portfolios because of the interest rate hikes. They paid record high prices because interest rates were so low. Now the interest rates are a lot higher. They've lost billions of dollars in their bond portfolios and they need to be bailed out.

##### [00:32:19.560]

They're crying about, oh well, we can't go under. And so the federal government and the Federal Reserve has stepped in. But what else is lurking out there with the interest rate hikes? Well, plenty, because if you think about it, this is going to affect so many heavily indebted corporations, businesses, governments, local governments, state governments, the federal government, anybody with a significant amount of debt. And if you think about it like this, let's look at the federal government.

##### [00:32:42.400]

Every single year the federal government federal government has 30 plus $31 trillion in debt. And soon as they raise the debt ceiling, which they certainly will, that's going to go up significantly. The amount of us. Federal debt is frozen right now because they hit the debt ceiling. But that's only a matter of time before they raise that.

##### [00:32:58.010]

So every year the government, a portion of the government's debt matures and it has to be in theory it's supposed to be repaid, right? So that they have if they issue ten year government federal treasury notes today, in ten years those notes are going to mature and will need to be repaid. But of course the federal government doesn't have any money to repay anybody. So what do they do whenever old bonds mature instead of repaying them with cash? All the government does, they go out and they sell new bonds to repay the old bonds.

##### [00:33:25.810]

The key difference being is that whenever they sell the new bonds they have to pay whatever the current interest rates are. So think about it like that. Ten years ago there were some the government was selling debt or selling treasury securities, ten year, ten year treasury notes at basically 0%, they're getting eight basis points, 20 basis points, 30 basis points they were paying, now they're paying 400 basis points, right? So you're talking about 4% higher rates. When the debt that they issued ten years ago matures this year, the government's going to have to take out new debt and pay today's interest rates to pay off the old debt, right?

##### [00:34:05.230]

And so when doing that, if they borrowed, you know, if they borrowed, you know, for example, they gotta pay. And again every year the government pays back $5 trillion on average five to $7 trillion of debt that matures. So if they have to repay $5 trillion of debt this year and the interest rate that they pay is let's say 4% higher, right? 4% higher than it was ten years ago, five years ago, three years ago, whatever. Well that $5 trillion now that they have to refinance is going to cost them 5 trillion times 4%, that's $200 billion a year in additional interest expense, right?

##### [00:34:39.880]

So if you think about that, by the way, that's before. Now they're saying like, oh, we're going to spend $3 trillion, have a $3 trillion deficit this year, right? So you got to refinance, let's call it five to $7 trillion plus another $3 trillion on top of that. So a minimum of eight, maybe $10 trillion that you're going to have to take on with at, you know, 4%. So if it's $10 trillion at 4%, that's $400 billion in additional interest expense this year that they're going to start paying every year $400 billion, right?

##### [00:35:09.990]

And now do it again next year and the year after that and the year after that, right? So in four years that's $1.6 trillion in additional interest above and beyond the interest expense they're already paying. You just can't do that. You just can't do that. It's going to get to the point here very quickly where the problem becomes exponentially worse.

##### [00:35:29.970]

And if interest rates stay at this level, the federal government is very quickly going to be paying the vast majority of tax revenue just to pay interest on the debt. It is just not sustainable. And it's not just the federal government. State governments are going to be in this position. Local government is going to be in this position.

##### [00:35:46.030]

Heavily indebted corporations are going to be in this position because it's the same with heavily indebted corporations. They issue bonds, the bonds have to be repaid. They repay those bonds by issuing new bonds, but they have to pay the current interest rates on those new bonds. All these companies that borrowed money at 0% basically ten years ago, well now when they refinance they're going to have to pay four, five, 6% or more. And that's going to be crushing for these companies.

##### [00:36:08.920]

It's going to be bankruptcies, government bankruptcies, corporate bankruptcies. So this is one of these things that's important to watch out for and of course the biggest risk of all is this leading into the federal government. It's not going to be for the federal government. They can withstand this for a year, two years, but the longer they go, with interest rates being this high, it's very quickly going to be an absolutely horrendous problem that they cannot get out of. The first people to suffer this are going to be corporations, maybe local governments.

##### [00:36:35.240]

And so those are sort of the canaries in the coal mine to see of the sort of the next. Not necessarily the next, but another shoe to drop in this crisis from the Federal Reserve has managed to engineer and been completely clueless about. That's another issue, a second one that's obviously worth discussing. We've talked about this a whole lot, is Social Security. Social Security and Medicare as well, by the way.

##### [00:36:57.690]

Medicare's primary trust fund is expected to run out of money in three years. Social Security is in about ten years, right? This is another multitrillion dollar problem. The government is saying, the Social Security trust fund is saying, they themselves are saying this in their annual report. They're saying we will run out of money.

##### [00:37:14.600]

This is going to happen and when we do, we're not going to be able to pay 100% of the benefits that we've been saying. Maybe we'll be able to pay 80%, 70, some odd percent, something like that. But there will have to be cuts and that's based on their estimates today, it could actually get much, much worse, especially if inflation continues to rain, make the problem much, much worse. And so if you look at this, you go, this is at a minimum a multitrillion dollar problem on top of everything else. That is a looming crisis.

##### [00:37:44.070]

Again, this isn't a next year crisis, this is a three to probably six year crisis. But it's one of these things that's looming out there. It's lurking and people are going to pretend that it's a surprise. Suddenly the meeting is going to go, oh, how could anybody see this coming? It was so obvious.

##### [00:37:59.400]

It was so obvious. The Social Security Board of Trustees puts out the report every single year. You can practically circle a date on your calendar for when this is going to run out of money. And so this is another one of these things that's lurking out there that people are going to pretend to be surprised about, but the people in charge not only fail to see it, but are actually engineering this problem and steering everybody directly into the disaster. What's another example?

##### [00:38:21.810]

I hate to say it, but war is actually another potential risk. I don't think it's inevitable. I'd certainly like to hope that it's not inevitable, but let's be honest, the world is closer to a major war than it has been at any other time since really the end of World War II. We can argue about maybe the Cuban missile crisis and so forth, and what that really was. But if you look at all the tensions that are out there, and not just Russia and so forth, but you've got China now and so many others, this is a really big deal.

##### [00:38:56.010]

And there's so many things that are completely obvious here. We could do an entire podcast again just on that, and perhaps we will one of these days. Again, it's not one of these things. I don't think this is a risk tomorrow, but I think it would be very foolish to close our eyes and go la la la. And there's nothing going on here.

##### [00:39:13.250]

And there's absolutely no risk of war. There's clearly more risk of war than there has been in a really long time. And these risks are obvious. And what are the people in charge doing about it? They're actually steering us closer to war rather than away from war.

##### [00:39:27.030]

And that's a huge problem. This is, again, the example that we see the people that are supposed to be responsible for preventing these things. They seem completely clueless, asleep at the wheel, and getting us closer, not farther away from a disaster like this. Another one that's worth pointing out is energy us. Oil production.

##### [00:39:42.740]

This is especially in the US. But I think in many respects this is an international problem, not necessarily purely global, but Europe has already seen this. US. Oil production is starting to dwindle, and we see this particularly in the shale fields. It is impossible to overstate how important shale oil production has been to overall US.

##### [00:40:03.280]

Oil production in the petroleum industry. And I'm really talking about oil, but I also should include gas in this as well. I mean, it's been absolutely enormous for natural gas in 20 06 20 05 20 06 you might remember oil prices really going through the roof and oil production in the US. Was dwindling as well. I mean, it was really kind of bottoming out.

##### [00:40:21.370]

And this was about the time that shale producers got in and really started producing all this shale oil. Now, for a lot of people, shale oil is controversial. There's no reason to get into that right now. But it's just important to point out that this is single handedly the biggest factor in US. Oil production.

##### [00:40:39.030]

Shale oil production essentially brought on the equivalent of an entire Saudi Arabia's worth of oil production into the United States. That's how big it was. It propelled the US. To being the dominant oil producer worldwide, so important in US. Energy independence.

##### [00:40:54.670]

And that has now peaked. And there are a lot of reasons for that. Honestly. You've got an administration that has essentially been waging war on oil companies. They never miss it.

##### [00:41:03.920]

The President of the United States never misses an opportunity to go out of his way to shame the oil companies. ExxonMobil. It's so ridiculous. This guy doesn't understand anything. It's one of my favorite sort of biden quotes.

##### [00:41:17.580]

He goes around and says ExxonMobil is making all this money, as if that's somehow not okay. This is the guy who claims to be a capitalist, but is lamenting that ExxonMobil is making all this money. He says, I'm going to make sure that everybody knows how much money ExxonMobil is making. And it's like, Dude, this is a publicly traded company. They're supposed to let everybody know how much money they're making.

##### [00:41:36.510]

They have to report their profits to the marketplace and to the whole world. I mean, he just doesn't understand anything. It's embarrassing. But he goes on and on and on. He refuses to lease federal land and make the oil concessions that he's supposed to is required by law.

##### [00:41:50.980]

All these things constantly thwarting passing new taxes, passing new regulations, specifically to thwart the oil company. Oh, what a surprise. The oil companies aren't going out yet. You got all the high priests of oil. You got the Greta Thunbergs of the world and Klaus Schwabs and Larry Finks and all these guys that are withholding capital from oil companies.

##### [00:42:09.500]

Oil companies need capital in order to explore for new oil. They need capital to make new discoveries. But all that capital is being withheld because the banks now they're not allowed to invest in oil companies because Greta Thunberg is going to be upset with them. And Larry Fink, a guy that runs trillions of dollars over at BlackRock, he's refusing to give money to oil companies. He's got these activists that have taken over the boards of oil companies.

##### [00:42:31.780]

And so, wow, what a surprise. They're not investing in new discoveries. So therefore, oil production is starting to fall. Shale production in particular appears to have peaked. This is a huge deal.

##### [00:42:43.000]

And one of these things that whether it's next year or the year after or the year after that, at most, it's going to be major declines in US. Oil production based on this trend right now. And the people in charge are going to go, oh my God, what a surprise, what a surprise. We weren't aware of this, of course. You should have seen this.

##### [00:42:59.210]

It was so obvious. The oil companies report this information. They show that they're not investing. Their production is dwindling. Their best performing rigs are actually in decline.

##### [00:43:08.590]

It's so obvious the information is out there, but the people in charge refusing to pay attention and continue to steer into this dwindling oil production. And they're absolutely to blame in this. The last one that I want to mention, I think is what is so completely obvious is decline in the US. Dollar. This is a really, really big deal.

##### [00:43:29.090]

We've talked about this before. The US. Dollar is the global reserve currency, and this is not uncommon. Reserve currency basically means that other countries in the world use the US. Dollar in their transactions.

##### [00:43:39.980]

They hold us. Dollar as their official foreign reserves. They transact in us. Dollars in global trade. When France buys oil from Saudi Arabia.

##### [00:43:49.040]

They buy oil in us. Dollars. Every country in the world holds US. Dollars. Every central bank in the world holds US.

##### [00:43:54.560]

Dollars. And that's a really big deal, because in order to hold US. Dollars, basically, I have to hold the biggest and most liquid US. Dollar asset in the world, which happens to be US. Government debt.

##### [00:44:05.950]

And so this reserve currency status essentially enables the US. Government to get away with the most outrageous fiscal shenanigans imaginable. They can go and close their thumb and their index finger together and say, this multitrillion dollar spending package, quote, costs nothing. They can go out and have $3 trillion deficits every year and do that with a straight face and not have to ever suffer any consequences because the world just gives them a pass. Because it's the reserve currency.

##### [00:44:33.040]

People say, well, we got to hold US. Dollars, so we just got to put up with it the reserve currency. The idea of reserve currency goes back a really long way. The Greek drachma in the ancient world, classical Greece, was the reserve currency. Around the Mediterranean, we had the Roman daenerys, the Byzantine gold solidus, the Spanish real de ocho, the British pound.

##### [00:44:52.100]

Throughout history, there's always been some kind of reserve currency, and that reserve currency usually goes to the dominant superpower. But now you've got, with the United States a superpower. That's an obvious decline across the board. You've got social decline. You've got military decline.

##### [00:45:06.810]

You have obvious fiscal decline, the decline of the currency itself. You got a central bank that's completely clueless, has managed to engineer inflation, managed to engineer a banking crisis. Completely clueless, has no idea how any of this could have possibly happened. It's a sleep of the wheel. I mean, it took them a year to realize that inflation was actually a thing.

##### [00:45:24.470]

The whole time, they kept saying, it's transitory, it's transitory, it's transitory. And then finally we go, oh, my God, it's not transitory. And now it says, oh, my God, we've got to do whatever it takes to resolve inflation. So they've ratcheted interest rates up so fast, so high, that they caused a banking crisis. And if you're a foreigner looking at this, can you possibly have any confidence in any of these people?

##### [00:45:44.260]

Can you have confidence in the White House? Can you have confidence in the Treasury Department that goes, yeah, we're going to guarantee bank deposits? No, we're not going to guarantee yes, we are. No, we're not. Every single day they change their mind.

##### [00:45:55.000]

Can you have confidence in the Federal Reserve that doesn't have a clue what it's doing, and now went and signed up $600 billion in potential financial risk so that the banks wouldn't have to suffer any losses? I mean, can anybody possibly have any confidence in the US. They look at the military and they could see all the headlines, all the reports, all the analysis about a decline in military readiness and decline in training, a decline in the readiness of the equipment in the naval vessels and the fact that the Air force can't get enough flight training hours for their pilots and all these things. All this is all just publicly available information. You got to look at this.

##### [00:46:32.690]

You got a decline in military power. You got all this just extreme social conflict that is just completely ridiculous an economy. You got people that just refuse to go to work anymore looking for bailouts, looking for just free money from the government. All these things. Could people really have the same level of confidence in the United States that they would have had ten years ago, 20 years ago, 30 years ago?

##### [00:46:56.310]

And at a certain point now where people are foreigners are suffering their own losses, all the stuff with the interest rate hikes, they're foreign banks that have suffered losses as well. They're not going to get bailed out by the Fed but foreign banks that went and bought US government bonds, they're sitting on billions of dollars in losses. They're not particularly happy about it. Right? So you have all these foreign governments, foreign banks, foreign central banks, they're looking this going guys what are we doing?

##### [00:47:19.610]

I'm sick of it. I'm sick of it. Meanwhile you got the Chinese, they're showcasing a very powerful military. They're going around the world. They say oh well we just negotiated peace between Saudi Arabia and Iran.

##### [00:47:31.980]

They're going all over on goodwill missions across Africa, across the Middle East, across Latin America, Honduras, everywhere to Russia even supposedly to negotiate a peace. And they're showing the world that they are a dominant power to be taken seriously. And they are actively having conversations with Saudi Arabia to start selling oil in Renminbi in their own currency rather than in US dollars. Not to say that US dollar oil contracts would go away but that the US wouldn't have complete and total market share, that all oil contracts would be sold in US dollars. That there would actually be some oil contracts sold in Renminbi.

##### [00:48:10.200]

This is a really really big deal because every country in the world needs to be able to buy and sell oil. And if oil, if the vast majority of oil contracts around the world are priced and sold and settled in US dollars it means that every country in the world has to have US dollars. But if all of a sudden there's an alternative right? And this is the largest market in the world to say most widely traded commodity in the world, one of the most important commodities in the world and if all of sudden a there's an alternative. If all of a sudden people say oh well I could actually also buy and sell oil in Renminbi, well jeez, I guess I'll start holding at least some of my reserves in Renminbi instead of US dollars.

##### [00:48:47.980]

And so all of a sudden it starts chipping away at the US. Dollars, market share in terms of the global reserves. And suddenly, if that happens, suddenly the US government isn't able to get away with these things. Suddenly, when the US government remember I was talking about they have to refinance five to $7 trillion worth of their debt every single year. Well, suddenly now that $5 trillion comes due, and you got these foreign bondholders to say, you know what?

##### [00:49:11.070]

I just want the cash. I don't want to refinance this. I don't want to repay this. Just give me my money back. Now the government's got to go and scramble, looking for somebody, please, somebody.

##### [00:49:19.160]

US. Banks, US. Individuals, somebody, please. We need $5 trillion to pay back certain foreigners and so forth. I mean, this is potentially a really, really big deal.

##### [00:49:27.910]

And without that foreign support, the US government isn't going to be able to get away with all these things that they've been able to do for years, decades. The multi trillion dollars cost nothing. $3 trillion deficits. Nobody else in the world is able to get away with that. France can't get away with that.

##### [00:49:45.290]

Spain can't get away with that. Singapore can't get away with that. The UK can't get away with it. And you got to bring up the UK, because we just saw this six months ago in September. The British government essentially had to resign because the Prime Minister and the Finance Minister, the Chancellor, stepped forward with an economic plan that involved cutting taxes and running small deficit.

##### [00:50:07.390]

And investors freaked out. They said no. Absolutely not. We can't support this. And so investors started dumping British government bonds called gilts.

##### [00:50:15.750]

UK. Government bonds were dumped. The British pound got dumped, and the government had to resign. The Prime Minister of a sovereign nation, a major one of the top economies in the world, had to resign because the bond market didn't like her economic plan. This is the thing that's going to happen in the United States if the US.

##### [00:50:34.000]

Loses its reserve status, because what they do consistently is so fiscally irresponsible, outrageously irresponsible, that if they don't have that reserve status, at least in the same market share they do, they start losing market share to China. They're not going to be able to get away with this stuff anymore. And that is going to be life changing in the United States. I don't want to overstate it. And it's not the end of the world.

##### [00:50:56.440]

It's not to say that the US. Ceases to exist or the government goes under any of these sorts of things, but my God, there's going to be serious cuts. Social Security is going to get cut, and they're going to say, hey, sorry, tough luck, everybody. We're not going to be able to fund this anymore. They're going to have to scale back on military spending.

##### [00:51:13.770]

They're going to have to significantly raise taxes, going to have to do all these things, really cut government services, start paying down. The debt, all these things that they're going to have to do. They cannot live in this sort of fiscal fantasy land anymore. And that's going to definitely have an impact. It's going to have an impact, and it's going to happen sooner than later.

##### [00:51:31.100]

They don't have ten years. The President of the United States, the guy who shakes hands with thin air, recently released a budget for next year. Talk about, again, multi trillion dollar deficit. And they said he actually had the audacity to look at the camera and say that this new budget will reduce the deficit in ten years. Over ten years it will reduce the deficit.

##### [00:51:52.300]

And you go, Dude, you don't have ten years. This stuff is probably going to come to pass way before that. You don't have ten years because when they say we're going to reduce the deficit in ten years, that means you're still running a deficit ten years from now. You don't have ten years to balance your budget. You don't have ten years to get your shit together.

##### [00:52:08.410]

You've got to do it now. You've got maybe a couple of years at most before this stuff starts happening, before foreigners, instead of buying dollars from you, start shipping those dollars back home, causing a serious, serious issue to the dollar, to confidence in the dollar, confident in the government, confidence in the treasury market. That's going to have major financial implications not only to the government, but in global financial markets, the stock market in the US. Everything. It's going to matter so much.

##### [00:52:33.820]

They don't have ten years. They've got a couple of years at most. But they're la la la la. They're completely clueless to me. That is the number one most obvious threat.

##### [00:52:43.630]

All the warning signs are there. And by the way, this is one. The canary in the coal mine here is Saudi Arabia does start selling oil to China in Renminbi and starts issuing renminbi denominated oil contracts. And that's almost a foregone conclusion at this point. Saudi Arabia has already been meeting with China to set this up.

##### [00:53:04.590]

So this is already in progress. Another one might even be that Saudi Arabia decides to repeg its currency, right? So right now it has been for so long, kind of baked primarily on the US dollar. And we start seeing, oh well, maybe we should change this again and repeg this. So these are some of the canaries in the coal mine.

##### [00:53:22.120]

And a lot of this is in some respects, almost a foregone conclusion. It's already happening. It's already in the works. They don't have ten years. They've got to dial it in now, get their fiscal house in order, be prepared for this.

##### [00:53:33.350]

But they are totally clueless. The people in charge aren't paying attention, and they're steering directly into this financial disaster. So that one is a really, really big deal. This is why we talk so much about taking control back, why we talk about having a plan B pre made decisions. And I think we'll probably have to do a whole other discussion about that in the future.

##### [00:53:51.040]

But I'm going to go ahead and stop for now. We've been at this for about an hour, so I want to, again, as always, appreciate you guys taking a listen to this, and we'll speak to you again soon.