

*“Generation of Vipers”!*

-- Philip Wylie

# What Went Wrong with America?

**“Land of the Free,, Home of the Brave” – How has the world’s “last best hope,” a “shining light on a hill,” become such a spoiled, rotten, mess? Everybody is fearful, trembling, worried. Millions of jobs are being lost, people are losing their homes, the economy is tanking. What happened to our fabled financial institutions, our stalwart banking industry, our integrity, honesty, morality, and leadership principles? Where did America go wrong, and what does the future hold out for us? Is it too late to save our western nations from calamity, disaster, destruction and disintegration?**

**William F. Dankenbring**

**“And there shall be signs in the sun, and in the moon and in the stars, and upon the earth distress of nations, with perplexity” (Luke 21:25).**

The word for “perplexity” is the Greek word *aporia* and means a situation where “there is no way out or exit whatsoever” from a human viewpoint.

**“Men’s hearts failing them from fear and the expectation of those things which are coming on the earth, for the powers of the heavens will be shaken” (v.26).**

The Greek word for “failing” here means “swooning away” for fear of the things expected to come on the earth, because the powers (Greek, *dunameis*) of the heavens (*ouranon*) will be shaken.

Jesus Christ, Yeshua, said: “All these things are the beginning of sorrows (trouble)” (Matt.24:8).

Everybody knows something is wrong. Desperately wrong. Financial institutions are failing, everybody is screaming for a “bail out,” venerable old automotive institutions are in the begging line, including General Motors, Ford, Chrysler, state governments are going or have gone broke, California can no longer pay her obligations and debts, and states and cities cry out for federal fiscal aid and assistance. But where will the money come from? Why from the printing presses, of course! The government itself is deeply entrenched in massive debt and “borrows” from future generations to pay current obligations, and round and round it goes, with the whole wide world spoiling for a fight, each nation and political party playing the “blame game,” with no end in sight, as the whole world trading system begins to disintegrate and sink into the whirlpool.

Who’s to blame?

What went wrong?

According to the Word of God, the answer is essentially simple: “Righteousness exalts a nation, but sin is a reproach to any people” (Pro.14:35). “Reproach,” the margin of my Bible says, means in this case “shame or disgrace.” Certainly our nations today are filled with shame and disgrace, as our economies spin wildly out of control, and politicians wring their hands in anger, futility, and political invective and venomous attacks.

The verse above says “righteousness” exalts a nation. But what is righteousness? And “sin” is a reproach to a nation, bringing in its wake shame, confusion, reproach, disgrace, failure, and destruction and death. The apostle Paul wrote, “The wages of sin is death” (Rom.6:23).

But what is “sin”?

Frivolousness? Smoking? Card playing? Lust? Self-indulgence? Greed? Adultery? Pornography? Wild sexual desires and preoccupation? Stealing? Shady business transactions? Worshipping idols? Idolizing the “self”? Yourself? All of the above and more?

Whatever is not pleasing to God is “sin.” The Biblical definition of “sin” is simple: “Sin IS the transgression of the law” (I John 3:4) – the law of GOD, who is the Author of all true Law – His Word, His commandments, the “Torah.”

Or as the apostle James put it, “Therefore, to him who knows to do good and does not do it, to him it is sin” (James 4:17). Sin is failure to act righteously. And what is righteousness? “For all Your commandments are righteousness,” David wrote in Psalm 119:172.

Our nation today has certainly missed the boat, and is sinking fast. Woe betide us! The Word of God warns us, our people, our citizens, our leaders, politically and religiously, “They sow the wind, and reap the whirlwind” (Hos.8:7). The prophet Hosea

adds, “They are deeply corrupted, as in the days of Gibeah. He will remember their iniquity; He will punish their sins” (Hos.9:9).

Gibeah was a town in ancient Benjamin which had given itself over to sexual perversion and homosexuality (Judges 19:22). Perverted men sexually abused a young woman “all night until morning,” until she died (vs.25-28). The young Levitical husband, filled with anger and remorse, took a knife, divided her body into twelve pieces, and sent them to the twelve tribes of Israel so that all who saw it exclaimed, “No such deed has been done or seen from the day that the children of Israel came up from the land of Egypt until this day” (v.10). In those days, righteous indignation came over the whole people, and Civil War erupted between the eleven tribes against the tribe of Benjamin who defended the acts of the perverse men in their tribe and refused to give them up for punishment.

What about America, today?

What about Great Britain, and the English-speaking nations?

### **Homosexuality – a Fallen Nation**

**“Professing themselves to be wise, they became fools . . . For this reason God gave themselves up to vile passions. For even their women exchanged the natural use for what is against nature. Likewise the men, leaving the natural use of the woman, burned in their lust for one another, men with men, committing what is shameful, and receiving in themselves the penalty of their error which was due”** (Romans 1:22-27).

President Barack H. Obama is poised to be the most pro-homosexual chief executive in history. Unveiling his agenda Tuesday on the newly refurbished version of the White House Web site, Obama called for the repeal of the federal Defense of Marriage Act (DOMA), as well as the extension of more than 1,000 federal marriage benefits and of adoption rights to homosexual couples.

The new administration laid out its plans on the Web site--whitehouse.gov--at 12:01 p.m. EST, during Obama’s swearing-in ceremony. The site’s “Civil Rights” section lists a number of items long on the homosexual agenda, including expanding federal hate-crimes laws, repealing the ban on homosexuals in the military and extending the definition of workplace discrimination to include sexual orientation. In the section entitled “Support for the LGBT (Lesbian/Gay/Bisexual/Transgendered) Community,” the Web site says Obama wants full inclusion of homosexual couples under federal law. “President Obama supports full civil unions that give same-sex couples legal rights and privileges equal to those of married couples,” the Web site says. “Obama also believes we need to repeal the Defense of Marriage Act and enact legislation that would ensure that the 1,100-plus federal legal rights and benefits currently provided on the basis of marital status are extended to same-sex couples.” the Web site says.

Obama also favors granting adoption rights to homosexual couples, saying that children benefit from a healthy home, regardless of whether the “parents” are homosexual or not. Obama further promises to distribute contraceptives through the nation’s public health system, saying the move is vital to combating HIV and AIDS – and the new president wants contraceptives to be distributed in federal prisons. Obama renewed his pledge to expand federal hate-crimes laws to include sexual orientation – an effort he spearheaded as a freshman U.S. senator. The bill that Obama introduced in the Senate, the Matthew Shepard Act, would make it a federal hate-crime to commit violence against someone because of their sexual orientation.

### **Abortion**

**“Every abomination to the LORD which He hates they have done to their gods; for they burn even their sons and daughters in the fire to their gods”** (Deut.12:31).

In July 2007 Barack Obama pledged to America’s largest abortion provider, Planned Parenthood, that upon taking office as President he would sign the “Freedom of Choice Act.” The billion dollar abortion giant, responsible for more unborn dead children than any other abortion provider, could see the number of children it murders skyrocket, beyond the 289,750 it reported in 2006.

Abortion is a particularly heinous crime in God’s sight.

Christians want President Obama not to change policies that ban federal funding for embryonic stem cell research, protect federally funded health care providers who have a moral objection to abortion, and prohibit federal dollars being spent on abortion in foreign countries -- the so-called Mexico City or global gag rule that Obama is expected to reverse in the coming days. They are concerned that Obama will sign the Freedom of Choice Act, which would codify women's right under Roe v. Wade to terminate their pregnancy and would forbid any interference with that right."

President Obama has already rescinded the “global gag rule”, so the possibility that he might liberalize other portions of the abortion and life issues is truly very real and very troubling. Obama is also said to be in favor of bringing the legal establishment down upon anti-abortion protestors, throwing open the possibility that protestors outside an abortion clinic might be arrested and jailed as “Domestic Terrorists”. *Those who kill the innocent unborn children are the real “domestic terrorists”!*

Abortion was introduced into the fabric of our national life in 1973 by a Supreme Court decision entitled, “Roe vs Wade”. This date is 10 years after the Supreme Court threw God out of America's Public Schools! In other words, the killing of the unborn could not occur until America officially severed its national ties with God and His Holy Bible.

A woman's "Freedom of Choice" is one of the catch-words of the "pro-abortion" masses who want to indulge themselves sexually and bear no responsibility for the results.

Today, Satan is working mightily through various secret societies to move America to the final point of full judgment. Americans have adopted the mental position that they know better than God how to run their lives. This mindset is the reason that abortion is being sold on the basis of "Choice". A mother may murder her baby within her womb only because she has made her "Choice"; her helpless infant has no choice, but God hears the victim's screams from within the womb.

No wonder God says of our generation, as He did of that of John the Baptist,

*"Brood of vipers! Who warned you to flee from the wrath to come? Therefore bear fruits worthy of repentance"* (Matthew 3:7-8).

### **America's Betrayal**

Long ago far-sighted writers and men of understanding knew that mighty powers behind the scenes were seeking to remake the world into a One World Government, with themselves and those with their ideology at the helm, bearing the power and authority to rule the "united" world.

To do so they knew they would have to bring the world economy into chaos and failure in order to bring the masses of people into willingness to accept the tyrannical authoritarian changes necessary to accomplish such a purpose and to give up their historical freedoms.

The ones seeking these changes are the powerful men who direct the Trilateral Commission, the Bilderbergers, the Council on Foreign Relations and the Group of Thirty. Their objective is to destroy the financial stability of our nation, impoverish the American people, undermine Christianity and install a world authoritarian Fascist government!

The collapse has already begun. The unemployment rate in America is at the highest it has been in fourteen years. In the last three months 1.2 million Americans have lost their jobs; 533,000 in November 2008 alone. One in ten mortgage holders is presently in default unable to make payments on their homes.

Far-sighted Senator Barry Goldwater warned about this subversive plan in 1979, thirty years ago. He wrote:

"The Trilateral Commission is international. . . . It is intended to be the vehicle for multinational consolidation of the commercial and banking interests by seizing control of the political government of the United States. . . . What it proposes to substitute is an international economy managed and controlled by international monetary groups through the mechanism of international conglomerate manu-

facturing and business enterprise. . . . What the Trilaterals truly intend is the creation of a worldwide economic power superior to the political governments of the nation-states involved. . . . As managers and creators of the system, they will rule the future.” (Barry Goldwater, *With No Apologies*, p.280-285).

A leading member and creator of this vast conspiracy is David Rockefeller. He is “Honorary Chairman” of the CFR, a permanent member of the Bilderbergers, and founded the Trilateral Commission. In fact, he boasted:

“For more than a century ideological extremists at either end of the political spectrum have seized upon well-publicized incidents such as my encounter with Castro to attack the Rockefeller family for the inordinate influence they claim we wield over American political and economic institutions. Some even believe we are part of a secret cabal working against the best interests of the United States, characterizing my family and me as ‘internationalists’ and of conspiring with others around the world to build a more integrated global political and economic structure -one world, if you will. If that’s the charge, I stand guilty, and I am proud of it” (David Rockefeller, *Memoirs*, p.405).

### **The Destruction of America**

The destruction of any country begins with its economy and currency. The Bush administration is direly culpable of grievous wrong-doing setting up the United States for a great “Humpty Dumpty” fall into oblivion and ruin.

Says Dr. Stanley Monteith in *Radio Liberty*, “The Financial Elite are trying to conceal the true cause of the current economic meltdown. How did they create the sub-prime mortgage crisis?” An article by Thomas Friedman, he says, provides the answer. Friedman wrote:

“What do you call giving a worker who makes only \$14,000 a year a nothing-down and nothing-to-pay-for-two-years mortgage to buy a \$750,000 home, and then bundling that mortgage with 100 others into bonds – which Moody’s or Standard & Poors rate AAA – and then selling them to banks and pension funds the world over? That is what our financial industry was doing. If that isn’t a pyramid scheme, what is?” (“The Great Unravelling,” *New York Times*, Dec.17, 2008).

Another scheme, fostered by the Bush administration, called ‘Pick-a-Pay’ loans, will devastate another two million home owners in 2009. Says the *New York Times*:

“Known as an option ARM -and named ‘Pick-A-Pay’ by World Savings – it is now seen by an array of housing analysts and regulators as the Typhoid Mary of the mortgage industry. Pick-A-Pay allowed homeowners to make monthly mortgage payments that were so small they did not cover their interest charges. That meant the total principal owed would actually grow over time, not shrink as is normally the case. Now held by an estimated two million homeowners, the option adjustable rate mortgage will be at the forefront of a further wave of

homeowner distress that could greatly delay or even derail an economic recovery . . . .” (Michael Moss et al, NYT, Dec.25, 2008, p.A1).

Asks Stanley Monteith, “Why didn’t the federal government stop the predatory lending practice that precipitated the current economic crisis? High-ranking state officials across America wanted to intervene, but the Bush administration wouldn’t let them.”

Eliot Spitzer, New York Attorney General, explains that several years ago state attorney generals noticed a large increase in predatory lending practices by banks. What happened was:

“Some were misrepresenting the terms of loans, making loans without regard to consumers’ ability to repay, making loans with deceptive ‘teaser’ rates that later ballooned astronomically, packing loans with undisclosed charges and fees, or even paying illegal kickbacks. These and other practices, we noticed, were having a devastating effect on home buyers. In addition, the widespread nature of these practices, if left unchecked, threatened our financial markets.

“Even though predatory lending was becoming a national problem, the Bush administration looked the other way and did nothing to protect American homeowners. In fact, the government chose instead to align itself with the banks that were victimizing consumers.

“Predatory lending was widely understood to present a looming national crisis. This threat was so clear that as New York attorney general, I joined with colleagues in the other 49 states in attempting to fill the void left by the federal government. . . . What did the Bush administration do in response? The Bush administration embarked . . . on an aggressive and unprecedented campaign to prevent states from protecting their residents from the very problems to which the federal government was turning a blind eye” (washingtonpost.com).

Interestingly, the FBI tapped Eliot Spitzer’s telephone and leaked the story that he was having an affair with a high priced prostitute, ending his political career! Do you think that was mere coincidence?

Says Stanley Montieth, “Since soliciting a prostitute isn’t a federal crime, have you ever wondered why the FBI tapped Eliot Spitzer’s telephone, and told the press (leaked the story) he was having an affair with a high-paid prostitute? I believe the Bush administration destroyed Eliot Spitzer’s reputation because he tried to prevent the current financial meltdown.”

Both Democratic and Republican parties for various reasons are responsible for the debacle, crisis, and economic meltdown. All in the name of perfidy, greed, avarice, power and prideful arrogance!

### **The Model of Fascism**

The objective of the Global Elite is now rapidly being accomplished. Wrote Ari Levy, in “Citigroup, Bank of America May Look ‘Nationalized’”, Bloomberg Financial News, January 23, 2009: “The U.S. government’s decision to pledge billions of additional dollars with strings attached to Citigroup Inc. and Bank of America Corp. may be *nationalization by another name*, according to former bankers and regulators. Faced with pressure from lawmakers, banks have shaken up management, eliminated executive bonuses and staff and canceled conventions. They’ll be forced to do monthly reports on how they’ve boosted lending while slashing quarterly dividends to one cent a share for three years” (emphasis mine).

One of the hallmark characteristics of a Fascist Economy is that the government so severely regulates key businesses within key sectors of the economy that the regulators can force the kinds of changes listed in this paragraph, above. It is completely astounding to realize that the government is going to force officials from a private company to issue monthly reports on how much lending they have done in the previous month! This kind of tight regulation is unheard of in a Capitalist Economy.

### **How to Take Over a Nation**

The main agenda behind all these “new” policies will be to create one of the most popular Presidents in history. After all, the President who will be in the White House when the time comes for World War III, for the dissolution of our Constitutional government, and for the arrest of dissidents, must be so popular and trusted that the vast majority of the people will believe his rhetoric and follow his leadership -- even if tens of thousands of their countrymen are disappearing from their homes!

What is this plan which will require the most popular and trusted President possible? It was categorized centuries ago in strange document set forth by the so-called “Illuminati” began by Adam Weishaupt in 1776:

“We shall rule by force of will ... it is from us that the all-engulfing terror proceeds. By these [terror acts] all states are in torture; they exhort to tranquility, are ready to sacrifice everything for peace; but we will not give them peace until they openly acknowledge our international Super-Government, and with submissiveness ... There is another reason also why they will close their eyes: for we shall keep promising them to give back all the liberties we have taken away, as soon as we have quelled the enemies of peace and tamed all parties. It is not worth while to say anything about how long a time they will be kept waiting for this return of their liberties” [“Protocols of the Learned Elders of Zion”, Protocol 9 and 11]

Although the provenance of the above quotation and the origin of the document is purported to be Jewish, note the word ‘Zion,’ its real origin appears to have been in Russia. It does describe in vivid terms the essence of world conspiracy workings and rules for political take-over, whether Jewish or Gentile, and delineates an ages old “Master Plan” to rule the world, probably going back in theory to Nimrod’s first world empire in the post-Flood world.



## **World Economy Collapsing**

Henry Meyer and Ayesha Daya write that U.S. financial losses from the credit crisis may reach \$3.6 trillion, suggesting the banking system is “effectively insolvent,” said New York University Professor Nouriel Roubini, who predicted last year’s economic crisis.

“I’ve found that credit losses could peak at a level of \$3.6 trillion for U.S. institutions, half of them by banks and broker dealers,” Roubini said at a conference in Dubai today. “If that’s true, it means the U.S. banking system is effectively insolvent because it starts with a capital of \$1.4 trillion. This is a systemic banking crisis.”

Losses and writedowns at financial companies worldwide have risen to more than \$1 trillion since the U.S. subprime mortgage market collapsed in 2007, according to data compiled by Bloomberg.

President Barack Obama will have to use as much as \$1 trillion of public funds to shore up the capitalization of the banking sector, following the \$350 billion injection by the Bush administration, Roubini told Bloomberg News. Congress last year approved a \$700 billion rescue fund, of which half remains to be disbursed.

Bank of America Corp., the largest U.S. bank by assets, posted a quarterly loss of \$1.79 billion last week, its first since 1991, and received \$138 billion in emergency government funds. Citigroup Inc. posted an \$8.29 billion fourth-quarter loss, completing its worst year, and plans to split in two under Chief Executive Officer Vikram Pandit’s plan to rebuild a capital base eroded by the credit crisis.

## **Bankrupt Banking System**

What about the economy? What about it?

In sheer dollars, the 2009 federal deficit will shatter every record deficit of every nation in history. Federal spending will reach 25% of GDP, the highest level since World War II – most of it on corporate bail outs, unemployment benefits, Social Security and Medicare.

Its time to brace yourself for the Second Great Depression! Anyone who doesn’t prepare for the future is taking a great risk. As the Word of God warns:

**“For man also does not know his time: Like fish taken in a cruel net, like birds caught in a snare, so the sons of men are snared in an evil time, when it falls suddenly upon them” (Eccl.9:12).**

The 2009 federal deficit will be \$1.16 trillion dollars -- more than the combined cost of the Vietnam War (698 billion) and the Korean War (\$454 billion). For 2008, the

total number of paychecks lost by U.S. families was 2.6 million. The stock market had a “nervous breakdown” – plunging as much as a 1,000 points in a single trading session!

But last year’s financial disaster seems like merely a “warm up” or rehearsal for the new banking crisis beginning now. Every source of income and profits is in extreme danger in 2009! The disaster is spreading like a wildfire engulfing the entire globe.

“The problems of Citi, Bank of America and others suggest the system is bankrupt,” Roubini said. “In Europe, it’s the same thing.”

Stocks in Europe, Canada and Brazil dropped on speculation government efforts to shore up the financial industry will fail to stem the deepening global recession. The U.K.’s Royal Bank of Scotland Group Plc said it expects to post a loss of as much as 28 billion pounds (\$41 billion) for 2008 and the government got ready to raise its stake in the lender. Oil prices will trade between \$30 and \$40 a barrel all year, Roubini predicted.

“I see commodities falling overall another 15-20 percent,” Roubini said. “This outlook for commodity prices is beneficial for oil importers, it’s going to imply that economic recovery might occur faster, but from the point of view of oil exporters, this will be very negative.”

Oil has tumbled 77 percent from its July high of \$147.27 as the global economy sinks into recession, straining the budgets of crude exporters. Saudi Arabia, Oman and Dubai, the second-largest sheikdom in the United Arab Emirates, have said they will post budget deficits this year.

Where is all the bad news leading?

Deflation? Stimulus? Deleveraging? Recession? A soft depression? A return to a bull market?

With all that is going on, how does it all end up? When we get to where we are going, where will we be?

### **The End Game**

John Mauldin, in “The End Game,” tells us, “In chess, the endgame refers to the stage of the game when there are few pieces left on the board. The line between middlegame and endgame is often not clear, and may occur gradually or with the quick exchange of a few pairs of pieces. The endgame, however, tends to have different characteristics from the middlegame, and the players have correspondingly different strategic concerns.”

Government data can be misleading. We were told that initial unemployment claims were “only” 524,000. The talking heads immediately said that was proof the

economy is simply bad, not falling off a cliff. However, that seasonally adjusted number masks the real number, which was 952,151. That is not a typo. There were almost 1 million newly unemployed last week! That is up over 400,000 from the same week in 2008, while the seasonally adjusted number was up only 200,000. Last week the real number was 726,000, so this is a material rise of over 225,000, yet the seasonally adjusted number suggests a rise of only 57,000 from last week.

The continuing claims data leaped over 500,000 to (again, not a typo!) 5,832,746. The length of time people are staying unemployed is also rising rapidly. We are up almost 1.5 million new continuing claims in just the last five weeks. That is a stunning rise of over 30% in unemployment claims in just over a month. The data is truly ugly, but it is what it is.

Says Mauldin, “We are in completely uncharted territory in terms of the economic landscape. Like the USS Enterprise in Star Trek, we are boldly going where no man has gone before. But the captains of our fleet are Keynesians to their core (and they don’t have any Vulcan advisors). They don’t have any historical maps to guide us back to a functioning economy; they only have theory. The North Star they are guiding us by, for good or ill, is John Maynard Keynes, with a slight nod to Milton Friedman.

“It is not a question of whether or not there will be massive stimulus. The question is simply how much and for how long. And my wager . . . is that it will be far larger than anyone would want to admit today. Think of Scotty, aboard the Enterprise, when Captain Kirk demands more power, ‘But Captain, I’m giving her all she can take. She’s ready to explode!’ (But he always finds a little bit more.)”

On the more positive side, oil is currently below \$40, which is more of a stimulus to consumers than anything anticipated by the incoming Obama administration (at least as far as consumers go). Says Mauldin, with short-term rates at zero, adjustable-rate mortgages are actually not the problem anticipated a year ago, and many homeowners are rushing to refinance their homes at lower rates. Large banks have indicated a willingness to actually cut the principle and interest on troubled mortgages, which might lower the number of defaults.

Mauldin continues: “Conversely, the number of defaults is high and rising – throughout the developed world. It is likely to be 2011 before the housing market finds a real bottom and housing construction can begin to rise.

“The credit markets are still in disarray. While there are some signs that the frozen markets are thawing, the Fed and the US Treasury are having to provide more bailout capital to large US banks. Citigroup is breaking up. Bank of America needs massive amounts of capital to digest Merrill. The hole that is AIG just keeps getting deeper. It is going to take several years for the credit markets to function at anything close to normal, as we simply vaporized a whole credit industry worldwide. To think it will take anything less is simply naive. And in the meantime, the various central banks of the world, along with their governments, are going to step in to fill the need for credit.

“The auto industry is reeling. Without a lot more government funds, it is unlikely that GM or Chrysler will survive without going through bankruptcy. The industry needs to shed about 20% of capacity. No amount of government funding will change that reality. Beyond autos, industry after industry is on the ropes.

“I could go on and on, but you get the picture that is facing the Obama administration and the entire rest of the developed world.”

### **Problem #1: Deflation**

The Consumer Price Index numbers today tell a tale of deflation. On an annualized basis, the CPI for the last three months was a negative -12.7%! Even core CPI, which is without food and energy, was a minus 0.3%. The CPI for 2008 was just 0.1% for the whole year. This was the smallest calendar-year increase since 1954, and it's down from 4.1% for 2007.

Obama wants an extra \$825 billion in his stimulus package, in addition to the \$350 billion in TARP monies. The Fed has started to buy mortgage assets, and that could be \$500 billion or more. That is in addition to some \$300 billion plus and growing in commercial paper, in addition to bank assets, etc.

Says Mauldin, “Let me predict right here that this is merely the first installment. The problems described above are very large. It is one thing to make credit cheap and yet another to make consumers either want to borrow more, or be able to convince a lender that borrowers can repay their debts. On the one hand, the government is providing capital to banks and hoping they will lend it, and on the other hand the regulators are telling them to reduce lending and increase their capital. Their commercial mortgages on a mark-to-market basis are imploding. Consumer credit risk is high and rising. What's a bank to do?

“Let's add it up. In the US, we have seen massive wealth destruction on personal balance sheets. At the end of the third quarter the losses totalled \$5.6 trillion, between housing and stocks. They could be over \$10 trillion at the end of the fourth quarter. (Source: Hoisington) The losses will almost certainly top \$12 trillion by the middle of the year as housing continues to deteriorate. Pick any country in the developed world or much of the developing world, and it's the same picture: wealth destruction.

“We have seen at least a trillion dollars of capital on financial companies' balance sheets disappear; and given the recent spate of bailouts, it is likely to get worse.

“As I have been pounding the table about, a credit crisis and imploding balance sheets, a housing crisis, and a massive earnings shortfall that yields a relentless stock market drop are all independently deflationary. The combined forces are massively so. To think that a mere trillion or so dollars in stimulus will be enough to reflate the US and the world economies is simply not realistic.

“And much of the proposed stimulus is not really stimulus. Temporary tax cuts, as much as I like them, that are not targeted at getting small businesses recharged (which is where the real growth in jobs will come from) will likely be saved, much in the way that the last stimulus package did little real good for the economy, and simply put us another \$177 billion in debt that our kids will have to pay. Helping keep people in their homes when they are already over their heads in debt is not really stimulus, however noble it sounds. Over 50% of mortgages that are reduced and rewritten are delinquent again within 6 months. That does not bode well for future efforts. Better to let the home go at some price to someone who can afford it. Tough love, but realistic.

“Giving money to states to allow them to continue to spend beyond their budgets is not stimulus. And why should Texas pay for a profligate California? We have our own problems. The Robin Hood approach to stimulus programs is nonproductive and only encourages bad budgeting habits.

“What will work? Infrastructure development, although that takes time, and some real thought should be given as to which projects are undertaken, rather than allocating according to which Senator has the most seniority.

“Spending on green technologies? Creating a million new jobs in clean tech? Get real. How do we go from less than a 100,000 real clean-tech jobs to 1,000,000 in five years, let alone one? And three million new jobs? Really? From where? What government program could do this? In what universe? It makes for nice feel-good talk, but has no bearing on reality.

“The Keynesian economists will keep trying to ‘jump start’ the flagging economy until it works. Obama told us to expect trillion-dollar deficits for years to come. Give him this: he is being candid and honest.

“The Fed, and I think other central banks, are going to step in and be the buyers of last resort for a whole host of debts, both corporate and consumer. There are those who worry about creating inflation, because they actually do have to print money to buy these debts. While I would prefer a world where a central bank does not intervene in the markets, the time to fix the problem of excess leverage was a decade ago. Allowing banks to go to 30:1 leverage based on ‘value at risk’ models and other financial wizardry that clearly neither the banks nor the regulators understood, was simply bad policy, and we are paying for it. As Woody Brock so wisely notes, 30:1 leverage is not three times more risky than 10:1 leverage, it is 25 times more risky. (Trust me, or at least Woody, on the math.) As an aside, many European banks were even more highly leveraged.”

### **Three End Game Scenarios**

We all know that the US (and indeed soon the whole world) is in a deep recession. Mauldin points out that the US is going to try and combat that recession with stimulus on a scale never before tried. It is a grand experiment. On the one hand is the theory that you can allocate stimulus and keep the velocity of money from falling. On the

other hand is the theory that once the deleveraging process starts, there is not much you can do about it: it is going to work its way through the economy. We are about to find out which theory is correct.

The first possibility -- the basic optimistic assumption is that, while this recession is deep and the worst in the post-WWII era, it is still just a recession. Free-market economies eventually recover. Recessions do their work of reducing excess capacity, and the businesses which survive enjoy increased market share and potential for profits to rise. And corporations do indeed have on balance stronger than usual balance sheets going into this recession, except for most financial corporations. Another exception is businesses that were bought by private equity firms with large leverage. Many of those will have to be restructured. And those that have too much leverage or were too aggressive with expansion programs? They will go the way of all overleveraged flesh.

Says Mauldin, the optimistic scenario holds, the massive amount of stimulus being applied to the US economy is on a scale never seen. It will work, just as an easy monetary policy has always worked. (Except in the '70s, but we won't make that mistake again! We learned our lesson, yes we did! Volker can stay in retirement.)

“This scenario assumes that the psyche of US consumers has not actually been seared all that much, and that they will return to their spending habits as soon as they are able. It also assumes this is a normal business-cycle recession. There really is no endgame. It is business as usual. There has been no fundamental altering of the US dynamic. Banks will start lending again, businesses and consumers will start borrowing, and things get back to normal. Deflation is just some bugaboo that a weird coterie of economists and investment writers harp on to scare the children into behaving more rationally. It can't really happen here. And besides, the Fed can print enough money to make deflation go away. The real worry will be if they overshoot and inflation comes roaring back.”

## **Problem # 2: Pushing on a String**

The present economy clearly let leverage run to an irrational level. US debt to GDP is now over 300% and has risen precipitously in the last ten and especially the last five years. Leverage and debt fueled the growth of the economy, but debt growth hit a wall and now the deleveraging process is the painful result.

This brings us to the worst-case scenario: that all the efforts of the Fed will go for naught and that we are in a liquidity trap.

A liquidity trap is a situation in monetary economics in which a country's nominal interest rate has been lowered nearly or equal to zero to avoid a recession, but the liquidity in the market created by these low interest rates does not stimulate the economy. In these situations, borrowers prefer to keep assets in short-term cash bank accounts rather than making long-term investments. This makes a recession even more severe, and can contribute to deflation.

Says Mauldin, “And there is no question, at least in my mind, that the economy, if left to its own devices, would fall into a soft deflationary depression, which would take years to climb out of. The contention of those who believe that we are headed for such a state of affairs is that no matter what the Fed does, excesses on the part of consumers and unrestrained government deficit spending is going to create a *Perfect Storm*. First of deflation and then, because the Fed is going to try to re-inflate the economy by printing money, we will see a resurgence in inflation and a collapse or, at the very least, a serious drop in the value of the dollar. Further, to expect foreign governments to continue to buy depreciating dollars and allow the dollar to continue to be the world's reserve currency is not realistic. And of course, there are those who think we will eventually see hyperinflation as the Fed is forced to monetize the national deficits, with gold going to \$3,000 (or higher!). And Obama, with his talk of trillion-dollar deficits for an extended period, certainly adds fuel to that fire.

“If, and it is a big but possible if, the Fed is indeed pushing on a string, then we are likely to see 15% unemployment, yet another lost decade for the stock market, and a real calamity in the pension, endowment, and insurance worlds, which are planning on 8% long-term portfolio returns to meet their obligations. And while I think it is a possibility we must be mindful of, it is not the most likely scenario.”

Maybe not, but the threat is palpable – and I believe all mankind can do judging by their historical aversion to pain, and wisdom, is to “postpone” the inevitable day of reckoning!

### **The California Crisis**

Consider California which is in crisis. Lawmakers can't agree on how to balance the budget. And the truth is that there is no easy solution. Painful decisions will have to be made. And no matter what politicians decide, it is clear that the good times are over for the Golden State.

“Our state faces the most challenging budget in its history,” Gov. Arnold Schwarzenegger warned. “The combined effect of our structural deficit and the dramatic decline in revenues ... have produced a two-year deficit of . . . *nearly half* of our projected 2009-2010 revenues” (emphasis mine throughout).

By some estimates, California's current expenditures through fiscal year 2010 will reach \$145 billion. And state revenue will only be around \$100 billion—a massive *\$45 billion shortfall*. And that is if the economy doesn't deteriorate more than expected, and if the state doesn't get hit with another wave of unprecedented lightning storms, fires, drought, or other natural disasters.

Lawmakers are at loggerheads over how the state is to cover expenses.

The state is simply spending so much money that Governor Schwarzenegger could fire *every single California civil servant* and still not come close to balancing the

budget! Even if he also fired the other 149,000 legislative aides and people who work for the state's courts or university systems (people not directly under the state's control), he still couldn't eliminate the deficit. Lawmakers are spending so much money that California could become a state without employees and still not balance its books.

Alternatively, Schwarzenegger could close every single state prison, fire the guards, release all the prisoners—plus cut off all funding for health care across the entire state—and still be billions in the hole.

Governor Schwarzenegger has described this deficit as a rock upon California's chest that is suffocating the state.

The situation is now so critical that state Director of Finance Michael Genest says that in just over a week, California will be forced to defer making payments on certain state commitments. Instead, he says, "the state will have to defer or pay with *ious for most of its obligations*."

That is right; California will be reduced to sending out bits of paper indicating that at some point in the future, if finances ever allow, the state will make good on its bills.

What a dramatic turn of events for what was once arguably America's most prosperous state.

Much of California's problem stems from the fact that it is dependent on borrowing money to pay back old debt, as well as to finance new spending. To lawmakers, it was totally unexpected that lenders would ever grow shy of providing ever increasing amounts of money. Legislators somehow believed that, unlike individuals, the state could go on living beyond its means indefinitely. But now the unexpected has happened, and California's creditors have cut it off, at least for now.

"Until we have solved our budget crisis and until the financial community sees that we are getting our act together, there's no confidence out there in us," Schwarzenegger told reporters last month, "and no one is going to buy our bonds."

Astoundingly, some lawmakers are calling on Schwarzenegger to take a page out of President Obama's book and spend additional money to create jobs.

California is reaping the consequences of having an economy based on debt and borrowing. "We've been slipping downhill for years, and now we're at the edge of a cliff," says Jack Pitney, a political scientist at Claremont McKenna College. "ious and shortened school years are just two ways in which the budget crisis will directly affect Californians in their everyday lives."

California, trying to live beyond its means, piling up debts like a drunken sailor, is headed for the tank. The experience won't be pleasant.



**“A prudent man foresees evil and hides himself, but the simple pass on and are punished” (Proverbs 22:3).**

### **Great Britain’s Crisis**

Says TimesOnline, Britain’s economic performance this year will also be much worse than the government has predicted, the European Commission has said, with the economy due to contract by 2.8 per cent — the worst performance since 1946.

Unemployment will rise to 8.2 per cent with exports too weak to stop output plummeting, according to Brussels, but it is the forecast of such deep recession that is the most worrying. One of the biggest drops in the European Union, it compares to the Government’s own forecast of negative growth of between 0.75 per cent and 1.25 per cent.

Annual net borrowing will rise to 8.8 per cent of GDP this year, more than the 8 per cent forecast by Alastair Darling in November, while the gross national debt will rise from 44.1 per cent of GDP in 2007 to 72 per cent in 2010, the Commission predicted, largely due to the multi-billion pound bank bailouts.

Britain will be one of the hardest-hit of the 27 EU countries, but all are in for a tough year, with the overall EU economy due to contract by 1.8 per cent this year before recovering to 0.5 per cent growth in 2010.

The European Commission report also suggested that Britain’s manufacturing base was now too small to take advantage of the weak pound. “Despite the sharp fall in the effective exchange rate over 2007-8, net external demand will provide only limited support to growth in 2009, given the weakening of growth in UK export markets. Output is likely to show only a modest recovery in 2010, with annual growth of one quarter of one per cent. Given the pronounced fall in output, the unemployment rate is likely to rise to around 8 per cent this year.”

### **The Growing Theat**

Says TimesOnline,

**“The recession is worse than we are being told and its social consequences could be explosive.”**

“There is something oddly muted about current discussion of our economic difficulties. The Government fears we may have to wait until the second half of the year for an upturn. The Opposition warns that counter-recessionary measures may mean higher taxes in future. We should be so lucky.

“Doubtless those in charge of our destiny are wary of sparking panic. Hence their reassurances that whatever we face, it won't be anything like the 1930s. On this, at least, they're right. Things could be far worse.

“Today, a frozen credit market and impending deflationary spiral are combined with unprecedented global imbalances. The predicament this creates will not be dissolved by fiscal stimuli, debt guarantees and quantitative easing. Such measures may however make things worse. . . **In a worst-case scenario, strikes, riots and looting could all occur forcing the Government to impose martial law.**”

In such a world, Britain's debt will leave the country particularly disadvantaged,. UK bonds are likely to become unsaleable long before their American equivalents. If their public finances collapse, the IMF is unlikely to be in any position to rescue them. The Government may find itself obliged to default on pensions and benefits, ravage public services and resort to hyperinflation to dissipate its liabilities. This could make the middle classes as disaffected as the workless.

Says TimesOnline, “Our society is no longer cohesive enough to accept whatever share-out of pain authority dictates. Strikes, riots and looting could all occur. *Martial law may be required*, as Britain loses, perhaps for ever, its standing as a serious world player.”

*The same dismal threat scenario could also apply to America itself!!!*

**“. . . Unless you repent, you will all likewise perish . . . unless you repent, you will all likewise perish”** (Luke 13:3-5).

### **British National Bankruptcy?**

The Telegraph.co.uk reported this horrifying outlook for one-great Britain. The new source stated:

“They don't know what they're doing, do they? With every step taken by the Government as it tries frantically to prop up the British banking system, this central truth becomes ever more obvious.

“Yesterday marked a new low for all involved, even by the standards of this crisis. Britons woke to news of the enormity of the fresh horrors in store. Despite all the sophistry and outdated boom-era terminology from experts, I think a far greater number of people than is imagined grasp at root what is happening here.

“The country stands on the precipice. We are at risk of utter humiliation, of London becoming a Reykjavik on Thames and Britain going under. Thanks to the arrogance, hubristic strutting and serial incompetence of the Government and a group of bankers, the possibility of national bankruptcy is not unrealistic.

“The political impact will be seismic; anger will rage. The haunted looks on the faces of those in supporting roles, such as the Chancellor, suggest they have worked out that a tragedy is unfolding here. Gordon Brown is engaged no longer in a standard battle for re-election; instead he is fighting to avoid going down in history disgraced completely.”

Shocking? Incredible?

But REAL!

Says the Telegraph, “This catastrophe happened on his watch, no matter how much he now opportunistically beats up on bankers. He turned on the fountain of cheap money and encouraged the country to swim in it. House prices rose, debt went through the roof and the illusion won elections. Throughout, Brown boasted of the beauty of his regulatory structure, when those in charge of it were failing to ask the most basic questions of financial institutions. The same bankers Brown now claims to be angry with, he once wooed, travelling to the City to give speeches praising their "financial innovation".

“Does the Prime Minister realize the likely implications when the country joins the dots? He has never been wild on shouldering blame, so I doubt it. But Brown is a historian. He should know that when a nation has put all its chips on red and the ball lands on black, the person who made the call is responsible. Neville Chamberlain discovered this in May 1940 with the German invasion of France.

“We’re some way from a similar event. But do not underestimate the gravity of the emergency and potential for disgrace.

“The Government's bail-out of the banks in October with £37 billion of taxpayers' money was supposed to have "saved the world", according to the PM, but now it is clear that it has not even saved the banks. Our money kept the show on the road for only three months.

“As the Liberal Democrats’ Treasury spokesman Vince Cable asks: where has the £37 billion gone? The answer, as Cable knows, is that it has disappeared down the plug hole.

“It is finally dawning on the Government that the liabilities of the British banks grew to be so vast in the boom years that they now eclipse the entire economy. Unfortunately, the Treasury is pledged to honor those liabilities because it has guaranteed not to let a British bank go down. RBS has liabilities of £1.8 trillion, three times annual UK government spending, against assets of £1.9 trillion. But after the events of the past year, I wager most taxpayers will believe the true picture is worse.

“Meanwhile, the assets are falling in value. This matters, because post-nationalization these liabilities are now yours and mine.

“And they come piled on top of the rocketing national debt, charitably put at £630 billion, or 43 per cent of GDP. The true figure is much higher because the Government has used off-balance sheet accounting to hide commitments such as PFI projects.

“Add to that record consumer indebtedness and Britain becomes extremely vulnerable. The markets have worked this out ahead of the politicians, as usual, and are wondering what to do next. If they decide our nation is a basket case, they will make it so.

“The PM and the Chancellor , both looking a year older every day, tell us that for their next trick they will buy more bank shares, create a giant insurance scheme for bad debt, pledge to honor liabilities without limit, cross their fingers and hope it all works. The phrase "bottomless pit" springs to mind for a reason: that is what they have designed.

“In this gloom, the Prime Minister has but one slender hope: that somehow, by force of personality, the new President Obama engineers a rapid American recovery restoring global confidence, energizing the markets and making us all forget this bad dream.

“Obama is talented but he is not a magician. Instead, Gordon Brown’s nightmare, in which we are all trapped, is going to get much worse.”

**“. . . a wise man built his house on the rock: and the rain descended, the floods came, and the wind blew and beat on that house; and it did not fall, for it was founded on the rock. . . a foolish man . . . built his house on the sand: and the rain descended, the floods came, and the winds blew and beat on that house; and it fell, and great was the fall of it”** Matthew 7:24-27).

### **China’s Worsening Problem**

China, too, is suffering from the global economic meltdown.

China can no longer afford its massive lending to the United States, the *International Herald Tribune* has reported. China has already spent more than \$1 trillion on American debt. In the past five years, Beijing has used as much as *one seventh* of the country’s entire economic output to buy up foreign debt—principally U.S. treasury bonds and mortgage-backed securities.

But China now has too many problems of its own to worry about the U.S. The Chinese government is planning a \$600 billion stimulus package for its own economy, leaving less cash to stimulate America’s flagging economy. Chinese tax revenue has fallen sharply, so instead of spending Chinese cash on America’s debt, Beijing is trying to finance its own recovery.

Writes David Cox, “In the past, China’s readiness to buy debt has kept an otherwise-sinking U.S. economy afloat. Now that flotation device is disappearing right

when America needs it most. The *Tribune* writes, “In the United States, China’s voracious demand for American bonds has helped keep interest rates low for borrowers ranging from the government to home buyers. Reduced Chinese enthusiasm for buying those bonds takes away some of this dampening effect” (The Trumpet.com, January 8, 2009).

“All the key drivers of China’s treasury purchases are disappearing,” Ben Simpfordorfer, an economist in Hong Kong, said. “There’s a waning appetite for dollars and a waning appetite for treasuries. And that complicates the outlook for interest rates” (ibid.).

The *Tribune* goes on to detail exactly why China is now unable to lend to the U.S. like it used to. China has bankrolled its huge reserves by effectively requiring its entire banking sector, which is state-controlled, to hand nearly one fifth of its deposits over to the central bank. The central bank, in turn, has used this money to buy foreign bonds.

Now the central bank is rapidly reducing this requirement, instead pushing banks to lend more money domestically.

At the same time, three new trends mean fewer dollars are pouring into China to begin with. As fewer dollars flow into China, the government has fewer dollars to buy American bonds and help finance the U.S. trade and budget deficits. The *Tribune* reports:

The first, little-noticed trend is that the monthly pace of foreign direct investment in China has fallen by more than a third since the summer. Multinational companies are hoarding their cash and cutting back on the construction of factories.

The second trend is that the combination of a housing bust and a two-thirds fall in the mainland Chinese stock markets over the past year has resulted in moves by many overseas investors—and even some Chinese—to get money quietly out of the country. They are doing so despite China’s fairly stringent currency controls, prompting the director of the State Administration of Foreign Exchange, Hu Xiaolian, to warn in a statement Tuesday of “abnormal” capital flows across China’s borders; she provided no statistics.

China’s trade surplus set another record in November, at \$40.1 billion. But because prices of Chinese imports like oil are starting to recover while demand remains weak for Chinese exports like consumer electronics, most economists expect China to run trade surpluses closer to \$30 billion a month.

Says Cox, “This Chinese cash crunch comes at the same time the U.S. wants to borrow large amounts of cash in an attempt to borrow its way out of a borrowing-and-greed-induced recession. U.S. politicians have announced plans to spend *trillions* of dollars. If the money doesn’t come from China and other foreign lenders, the U.S. will have to create it from nothing. Common sense—not to mention history—should tell us that a nation cannot become richer by simply printing more money.

“The fact is, the Great Recession is here, and America’s patched-up, jury-rigged economy is simply out of options. Built on a faulty foundation, it has to fall. No ad hoc repairs can fix it permanently. Because they ignore altogether the foundational failures of our economy, these “solutions” simply prolong the agony.”

**“Where there is no revelation [prophetic vision], the people cast off restraint; but happy is he who keeps the law”** (Proverb 29:18).

### **America In Prophecy**

God’s Word prophesies of the United States, today, “Ephraim also is like a silly dove” (Hos.7:11). God compares Ephraim with a “silly dove” which seeks allies in the world. Even today, the United States seeks to build a “coalition against terror,” and tries to make “allies” of its enemies – including Syria, Iran, and even the Palestinians – to combat the threat of international terrorism.

This strategy has already back-fired, as Iran coddles and helps terrorists to escape from Afghanistan. Truly, a “silly dove” is a very apt description of the foolishness of American foreign policy!

In Biblical prophecy for the end times, the United States is the birthright tribe of “Ephraim,” second son of Joseph. For proof of this identification, write for our free article “The United States in Prophecy!”

The prophet Hosea said of the U.S. or Ephraim, “Ephraim has hired lovers” (Hos.8:9). The United States makes alliances and pays foreign nations to co-operate in its fight against terror. Back-room deals were struck with the Russians, and Pakistan leaders, to gain their support in the war on terror, the Taliban, and Al Qaeda.

Isaiah declares, of Ephraim, or the U.S., in the end of days, “Fortresses shall cease from Ephraim,” and “In that day the mass of Jacob shall dwindle, and the fatness of his body become lean” (Isa.17:3-4). The Amplified Parallel Bible has it “And in that day the former glory of Jacob [Israel – his might, his population, his prosperity] *shall be ENFEEBLED, and the fat of his flesh shall become lean*” (verse 4).

### **The Economic Collapse of America Foretold Thousands of Years Ago**

The Moffatt translation puts it this way: “Then shall Jacob’s strength be sapped, his lusty vigour languish; ‘twill be as when the standing corn is reaped, the ears in armfuls, or as when olive-trees are shaken, and little there is left to glean, two or three berries on the top-most bough, four or five berries on the twigs” (verses 4-6).

Our nation, renowned for its “fat” and “obesity,” is going to become *LEAN* and waste away. Prosperity will be replaced by slim pickings!

Truly, as the prophet predicted, “the fat of his flesh shall become lean.” The Hebrew word for “lean” here is *razah* and means, “to emaciate,” “make thin,” “famish, wax lean.” Gesenius’ Hebrew Lexicon defines it further, “to spread out, to make thin and lean, hence to consume, to destroy.” He says the primary idea appears to be that of “scraping, scraping away”—to become “emaciated, enfeebled.”

Could that happen to our so proud nation? Have we not become as proud and arrogant as ancient Babylon? Have our national leaders not become proud, haughty?

During a raucous feast being celebrated by the Babylonian king Belshazzar, using the implements of the Temple of God as their serving and drinking vessels, a strange thing occurred. As they were carried away by the wine, “That very hour, the fingers of a man’s hand appeared, writing on the plaster of the royal palace, opposite the lampstand. The king saw the palm of the hand as it wrote, and the king’s fresh colour paled, his thoughts alarmed him, the muscles of his thighs relaxed, and his knees struck one against another” (Daniel 5:5-6, Moffatt).

The king appealed to his wise men and astrologers to interpret the writing on the wall, but none could do so. Finally, someone remembered Daniel, the Hebrew who served under Nebuchadnezzar, so he was called upon.

Daniel came, rejected all the king’s gifts and promises of entitlement, but interpreted the strange writing for him.

The king of Babylon, Belshazzar, had known how his ancestor Nebuchadnezzar had become proud, and lifted himself up, and was punished by going mad, and forced to eat grass like an ox for seven years, because of his arrogance (Dan.4:1-37). Yet he, too, became arrogant and proud.

God’s prophet Daniel warned him, “Yet you his son, O Belshazzar, have not humbled yourself, though you knew all this; you uplifted yourself against the Lord of heaven . . . . You have not glorified the God who holds in his own power your breath of life and all your destiny. Hence the palm of the hand was sent from his presence, and this writing was inscribed. This is the inscription:

### **Mene, Tekel, Peres**

“The meaning of it is: *Mene* (numbered), God has numbered the days of your kingdom and ended it; *Tekel* (weighed), you are weighed in the scales and found wanting; *Peres* (divided), your kingdom is divided up and assigned to the Medes and the Persians” (Dan.5:22-28).

That very night Belshazzar, the Babylonian king, was killed and Darius the Mede entered his city, capturing Babylon, and began reigning at the age of 62 (Dan. 5:30). The Greek historian Herodotus describes the incredible capture of the city in his history, as does the Jewish historian Josephus.

Most Bible scholars have missed the entire point of this prophecy. It, too, has a hidden, secret, arcane END OF DAYS meaning, which only God can reveal. These strange, eerie *words* – *Mene, mene, tekel, parsin* have a special meaning.

*Mene* is the minah. *Tekel* is the shekel. *Parsin* or “*Upharsin*”, as the King James Version has it, is *peres* in the plural, meaning “halves.” *These are all Hebrew weights designating monetary values!*

We are told to “halve” or “divide” these weights into their lowest common denomination (like dividing dollars into pennies). So what monetary value or equivalent do we come up with? Originally the minah consisted of 50 shekels (*The Interpreter’s Dictionary of the Bible* (“Weights”). The shekel was subdivided into *gerahs*, 20 *gerahs* to the shekel. Therefore let’s do as Daniel said, and divide everything into the smallest number – into *gerahs*.

Mene (minah)	=	1,000 <i>gerahs</i>
Mene (minah)	=	1,000 <i>gerahs</i>
Shekel	=	20 <i>gerahs</i>
Peres (half)	=	<u>500 <i>gerahs</i></u>
<i>Total</i>	=	2520

The word *peres* means “half,” so taking “half” of a *minah* or *mene* gives us 500 *gerahs*. We end up with a total of 2,520 *gerahs*. This compares with the punishment upon king Nebuchadnezzar of 7 x 360 days, or 7 years! (One prophetic year equals 360 days, the length of the original year). If the “*gerah*” represents one “day,” then 2,520 *gerahs* equals 2,520 days – or seven prophetic YEARS in fulfillment!

This number “seven years” is very interesting. Not only did Nebuchadnezzar eat grass for 7 years, but God warns His people Israel that they would suffer “seven times” or “seven years” for their wickedness, when they transgressed His covenant! (see Leviticus 26:18, 21, 24, 28). A “time” equals a “year” being fulfilled.

Compare the following: 42 months (Rev.11:2) = 1260 days (Rev.11:3). Divide 42 into 1260 and you get 30 day months. 42 months, 12 months to a year, equals 3 ½ years. 3 ½ years is exactly one half of 7 years. 1260 days times 2 = 2520 days.

Compare also: The “virgin” bride of Christ, the Church who are faithful, will be protected “in the wilderness” for 1260 days (Rev.12:6). This period of time equals “a time, times, and half a time”(Rev.12:14). Thus 3 ½ times equals 42 months = 1260 days.

Therefore, Daniel’s 2520 *gerahs* – 2520 days or SEVEN YEARS in prophetic end-time fulfillment!

This is the same as a WEEK (7) of YEARS – or the final “week” of Daniel’s 70 weeks prophecy (Dan.9:27) – which = the FINAL WEEK OF YEARS, OR THE



## FINAL SEVEN YEARS OF THIS END-TIME AGE BEFORE THE COMING OF THE MESSIAH!

### **End-Time Babylon**

Today, the predominant world superpower is the United States. New York City has been compared to ancient Rome. It is the financial capital of the world. The U.S. is the world's strongest military power. But it is showing signs of decay and decadence.

It can certainly be compared to ancient Babylon, in more ways than one!

Could this ancient prophecy, then, of the "Handwriting on the Wall," have a DIRECT APPLICATION to the modern UNITED STATES OF AMERICA? And TODAY God says to America and her allies, "YOU HAVE BEEN WEIGHED IN THE BALANCES, AND FOUND WANTING"!

End-time "Babylon" today is represented by the United States and her allies in Europe, and the members of the global trading bloc (compare with Rev.18), a great merchantile union governing world trade.

Does this mean, then, that the United States and the modern Babylon have "2520" gerahs left – SEVEN YEARS – the final seven years of Daniel's 70 weeks prophecy – before the MESSIAH comes and ushers in the Kingdom of God?

The year of the economic meltdown in the US, and the global nations, began in the fall of 2008. If we add 7 years to that time, we come to 2015.

### **Signs of the Times**

According to the Jewish calendar, the year 2008 is a Sabbatical year. A new Sabbatical cycle will begin September 29, 2008. 2015 will also be a Sabbatical year. But most amazing of all, it has been discovered that in the years 2014 and 2015 there will be two solar eclipses and four lunar eclipses, all of them occurring on Jewish Holy Days!

The Lunar eclipses break down as follows:

Passover	April 15, 2014
Feast of Tabernacles	October 8, 2014
Passover	April 4, 2015
Feast of Tabernacles	September 28, 2015

The two Solar eclipses connected with God's Holy Days in 2014-2015 occur:

Adar 29/Nisan 1 (new year)	March 20, 2015
Feast of Trumpets	September 13, 2015

It was on Nisan 1 that the Hebrew new year's day occurred, according to the Scriptures (Exo.12:1-2). On the anniversary of this date, one year later, Moses raised up the Tabernacle of God, inaugurated it, and the glory of God descended from heaven (Exodus 40:2, 17, 34).

The real shocker is that this phenomenon is extremely rare, for this pattern of eclipses to fall on both Passover and Sukkot in two years in a row, and for a solar eclipse to occur on important Holy Days in the same year (2015).

This intriguing, incredible discovery comes from Mark Biltz, pastor of El Shaddai Ministries, in Bonner Lake, Washington.

Biltz was intrigued with the statement in the Scriptures that connect the second coming of the Messiah with "signs in the heavens," particularly the signs that "the sun will be turned into darkness and the moon into blood" before the return of Christ.

He went on the internet, to the U.S. Government NASA website to see if there were any significant eclipses of the sun and moon during the next few years. To his surprise, he discovered four lunar eclipses in the Sabbatical year 2014/2015, and was intrigued by the fact that they occurred on God's annual Holy Days!

Writing about the amazing discovery in the May 2008 issue of *Prophecy in the News*, J. R. Church declares, "This is most unusual. It is a rare occurrence for four lunar cycles on successive Passover and the Feast of Tabernacles (Sukkot) observances. It will not happen again for hundreds of years."

Says J. R. Church, in a letter accompanying the magazine issue, "Four lunar eclipses occurring on the Feast of Tabernacles and Passover in two successive years are phenomenal. But add to them two solar eclipses on the two days that open the Jewish year – Adar 29/Nisan1, just two weeks before Passover, and Tishri 1 (Rosh Hashannah) – is uncanny. On each of these six Jewish Holy Days, the sun will be darkened and the moon will not give her light.

Will this happen again in the 21<sup>st</sup> century? No. Did it happen in the 20<sup>th</sup> century? Yes, in 1949/1950, the year following Israel's statehood, and 1967/1968, the year Jerusalem was liberated in the Six-Day War! Before that, you have to go back to 1493 for four successive lunar eclipses on Passover and the Feast of Tabernacles" (May 2008 letter).

Is God Almighty telling us something? Skeptics and scoffers will denounce the discovery as mere coincidence, but the prophet Daniel informs us, "Many shall be purified, made white, and refined. But the wicked shall do wickedly; and none of the wicked will understand, but the wise will understand" (Dan.12:10).

Peter warned, “Scoffers will come in the last days, walking according to 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 creation” (II Pet.3:3-4).

“ ‘God wants us to look at the biblical calendar,’ says Mark Biltz, pastor of El Shaddai Ministries in Bonney Lake, Wash. ‘The reason we need to be watching is [because] He will signal His appearance. But we have to know what to be watching as well. So we need to be watching the biblical holidays.’” (“Blood Moon Eclipses: 2<sup>nd</sup> Coming in 2015? Minister uses NASA forecasting to study signals of Jesus’ return,” WorldNetDaily, May 9, 2008).

In an interview with J. R. Church of “Prophecy in the News,” Biltz said he’s been “studying prophecies that focus on the sun and moon, even going back to the book of Genesis where it states the lights in the sky would be ‘be for signs, and for seasons.’

“ ‘It means a signal, kind of like ‘one if by land, two if by sea.’ It’s like God wants to signal us,’ he said. ‘The Hebrew word implies . . . ‘not only is it a signal, but it’s a signal for coming or His appearing.’”

Biltz adds, “You have the religious year beginning with the total solar eclipse, two weeks later a total lunar eclipse on Passover, and then the civil year beginning with the solar eclipse followed two weeks later by another total blood red moon on the Feast of Succoth all in 2015.”

Biltz focused on the precise times of solar and lunar eclipses, sometimes called “blood moons,” by logging onto NASA’s website on eclipses. He noticed a rare phenomenon of four consecutive total lunar eclipses which are known as a “tetrad.” During this century, tetrads occur at least six times, but the only string of four consecutive “blood moons” coincide with God’s Holy days of Passover and the Feast of Tabernacles. This occurs between the years 2014 and 2015 on today’s Gregorian calendar.

In the 20<sup>th</sup> century, he noticed that such successive blood moons coinciding with Passover and Tabernacles occurred only on 1967-68, the year the Jews liberated Jerusalem from the control of the Arabs. He also noted that the only other such combination of eclipses in the 20<sup>th</sup> century took place in 1949-50, the year following the Jewish state’s hard-fought war of independence, when Israel became a nation.

Just how significant is this astounding information? Is this another tell-tale clue pinpointing the period of the second coming of the Messiah?

### **“Signs” in the Heavens**

Why did God create the stars in the heavens in the first place? We read one significant answer in Genesis, the first chapter.

Moses wrote: “And God said, ‘Let there be lights in the expanse of the sky to separate the day from the night, and let them *serve as SIGNS* to mark *seasons* and days and years’ (Genesis 1:14, NIV).

The word for “sign” here, in the Hebrew, is *owth*, and means “a signal, as a flag, beacon, monument, omen, prodigy, evidence,” etc. The word for “seasons” is the Hebrew *moadim* and means “festivals, literally, appointed times.”

*Gesenius' Hebrew-Chaldee Lexicon* points out that this word means “a sign,” “a token” (Exo.12:13; Josh.2:12), “signs and times” (Gen.1:14), i.e., “signs of times.” It is used of a military ensign, a sign of something past, and a sign of something future, a portent, as well as a sign of anything which cannot be seen.

For “seasons”, Strong’s Concordance has “an appointment, i.e. a fixed time or season; spec. a festival.” Gesenius has it, “(1) a set time, . . . (2) an assembly . . . (3) a place in which an assembly is held . . . (4) an appointed time, a signal.”

Thus heavenly bodies, and the periodic return of comets, and celestial meteor showers, and eclipses, can be, in Biblical terms, a “heavenly sign”! Yeshua spoke of such signs occurring before His return to planet Earth. When such a sign occurs on a *moad* or *moadim*, or Festival of God, it is especially significant.

### **Signs of the Second Coming**

Jesus Christ Himself said, referring to the days before His second coming: “And there will be fearful sights and GREAT SIGNS *from heaven*” (Luke 21:11, KJV). Christ went on, “And there will be SIGNS in the sun, in the moon, and in the *stars* . . .” (Luke 21: 25).

Also speaking of His second coming, to rule this world, and to deliver mankind from its greatest crisis in all human history, Jesus foretold: “*Immediately after the tribulation of those days*, the sun will be darkened, and the moon will not give its light; the stars [meteors] will fall from heaven, and the powers of the heavens will be shaken [an incredible cosmic quaking and shaking -- see Hebrews 12:25-28; Hag.2:21-23]. *Then the SIGN of the Son of Man will APPEAR in heaven*, and then all the tribes of the earth will mourn, and they will SEE the Son of Man coming on the clouds of heaven with power and glory” (Matt.24:29-31).

What is the main lesson these vital End-Time SIGNS in the heavens show us?

Jesus Himself said: “Verily I say unto you, *This generation shall not pass*, till ALL these things be fulfilled” (Matt.24:34). You and I – those of us of THIS present generation of the Atomic Bomb, nuclear weapons, biological and chemical weapons of mass destruction – WE are the ones living in the Biblical “time of the end” -- the FINAL generation! The time has come. The Messiah's footsteps are approaching. His coming is near. His heavenly stallion is getting nervous, chomping at the bit, getting ready for

that great ride through the sky (Rev.19:11-14). The heavenly army is growing tense with excitement and anticipation. The time is near – the moment we are all breathlessly waiting for.

***OUR GENERATION -- this present generation -- will be the FINAL, LAST, END-TIME GENERATION that will see all these things come to pass, and that will WITNESS the awesome, spine-tingling return of JESUS CHRIST, THE MESSIAH in tremendous power and unimaginable GLORY!!!***

Could the years 2014-2015 picture the final years of the countdown to the approaching footsteps of the Messiah? Could the present “Sabbatical week” – 2008-2015 – be the beginning of the final week of “woes” -- the final seven years of this age?

Could this be the beginning of Daniel’s 70th week, which heralds in the “end of the age,” “to bring in everlasting righteousness, to seal up vision and prophecy, and to anoint the Most Holy”? (Dan.9:24-27).

Could this be the final “seven times” or “years” of Leviticus 26 – a time of plagues and punishments upon all Israel? God says, “I will punish you seven times [“years”] more for your sins. I will break the pride of your power; I will make your heavens like iron and your earth like bronze. And your strength shall be spent in vain” (Lev.26:18—20).

During this time, God says, “Your highways shall be desolate” (verse 22). “I will bring a sword against you that will execute the vengeance of the covenant . . . I will send pestilence among you . . . I will lay your cities waste and bring your sanctuaries into desolation . . . I will scatter you among the nations and draw out a sword after you; your land shall be desolate and your cities waste” (Lev.26:22-33).

But this horrendous time of punishment will terminate with the COMING OF THE MESSIAH! Will you be ready to greet Him joyously when He comes?