



Written by [Joe Wolverton, II, J.D.](#) on August 18, 2010

“The Ecstasy of Empire” and the Agony of Tyranny

Infowars.com, the website founded by self-described “aggressive constitutionalist” Alex Jones, published an article by former Reagan Treasury Department official and co-author of Reaganomics, Paul Craig Roberts entitled “The Ecstasy of Empire.” With such an alluring title, it is little wonder that the article has attracted a volume of comments. Roberts brings to bear all the entries of his impressive resume in diagnosing the illness afflicting the American body politic, particularly the economic might that is its lifeblood.



After performing a thorough fiscal exam, Dr. Roberts pronounces that the prognosis is not good (Roberts holds a Ph.D. from the University of Virginia, so he isn’t a “real” doctor). “Without a revolution,” says Roberts, “Americans are history.”

Unless very stringent and invasive treatments are undertaken immediately, the economic muscle of the United States will atrophy and all the members will suffer irreparable harm. As Roberts says, “The United States is running out of time.”

The two-headed tapeworm sapping the strength of America is budget and trade deficits. Roberts blames Republicans and Democrats alike for exposing the United States to this parasite. The gaping trade deficit and the inflations caused by unchecked deficit spending programs have eviscerated the value of the dollar to the point where it can no longer be relied upon as the world’s reserve currency.

There is hope, though, in the fact that many observers now recognize the mortal danger in which the United States finds itself. The dark cloud inside that silver lining, however, is that the remedies suggested by those who have lately realized the gravity of the situation are, as Madison once said, “worse than the disease.”

First, Boston University professor Laurence Kotlikoff is credited with recommending “savage Social Security and Medicare cuts or equally savage tax increases or hyperinflation” as a cure for what ails us.

Roberts finds this course of treatment discouraging and not at all capable of retarding the progress of this cancer, much less eradicating it permanently. “Social Security and Medicare are insufficient at their present levels, especially considering the erosion of private pensions, by dot com, derivative, and real estate bubbles.”

So much for raiding the entitlement programs in hope of finding enough of the serum to hold off the impending death of our Republic. Tax increases are no better as a long-term solution, according to the infowars.com piece penned by Roberts. “It is widely acknowledged,” he asserts, “that the majority of households cannot survive on one job.” “Raising taxes makes it harder to make ends meet — thus more foreclosures, more food stamps, more homelessness,” he continues.

What, then, will be the government reaction to the plummeting purchase power of the dollar? Taxing pensions, says Roberts. As foreign governments demur from loaning the United States the money



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necessary to fund its various wars, Washington will begin to cannibalize the American middle class, specifically devouring their savings through burdensome tax levies and regulatory schemes that force private fund managers to invest pension dollars in worthless Treasury bonds. This short-sighted statist policy will irrevocably redistribute America's wealth away from funding retirement and into the financing of protracted wars in far-flung theatres of operation.

With the repeated bailout of banks obviated by overwhelming opposition (for now) and the tapping of TARP funds stretching even the unimaginable power of the Federal Reserve to prop up this or that segment of the paper economy, where will the money come from to continue paving the road toward empire?

The proceeds of manufactured global financial crises, Roberts reckons. He explains the ruse:

The Treasury was able to unload a lot of debt thanks to "the Greek crisis," which the New York banksters and hedge funds multiplied into "the euro crisis." The financial press served as a financing arm for the U.S. Treasury by creating panic about European debt and the euro. Central banks and individuals who had taken refuge from the dollar in euros were panicked out of their euros, and they rushed into dollars by purchasing the U.S. Treasury debt.

Thus frightened by this false fire, fickle investors ran from the defamed euro and into the waiting arms of the dollar, thus making the dollar attractive enough to become the de facto reserve currency again. Which, in turn, gave the plutocrats on the Potomac a little more time and money to continue plundering the Middle East and immolating the Constitution in the name of "homeland security."

When John Adams insisted that the British government cease vexing American shipping and abide by terms of the Treaty of Paris that ended the War for Independence, the Minister of King George refused, asking Adams, "Qui bono?" or who benefits. The question posed by Roberts is "when no countries remain that can be destabilized by Wall Street investment banksters and hedge funds, what then finances" the growth of the American empire? That is to say, qui bono?

The Federal Reserve, that's qui. The Federal Reserve will buy up the undesirable Treasury bonds creating the illusion of fat balances in the Treasury's operating accounts. With all that cash burning a whole in its pocket, the Treasury will hastily spend the money, and when that account is bled dry, they will bring their bundles of junk bonds back to the Federal Reserve pawn shop where the proprietors will willingly pay more than fair market value in order to secure its position as the sole holder of the marker of the United States of America. The result of all this shell game is hyperinflation. The result of hyperinflation?

In a word: panic. The meltdown will begin when foreign purchasers cotton on to the charade and the dollars they own will be dumped en masse into the global currency market and central banks around the world will rush to cash in their chips, cutting their losses just to get out of the game alive.

"The collapse of the dollar will drive up the prices of imports and offshored goods on which Americans are dependent," predicts Roberts. Prices will swell until the bubble explodes drowning Americans in the viscous fluid mixed by their own government and the bureaucratic establishment created by it to manage the regulatory leviathan.

At last, Americans will resort to apocalyptic looting and rioting just to feed their families. This is the chilling final act of the tragedy. As Roberts laments, "'our government' and 'our patriotic corporations'" will have created a monster that rages beyond their control and the villagers will grab pitchforks and



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torches and march on the palaces of power.

How can we stop this nightmare from becoming reality? Dr. Roberts has written the following prescription: First, immediately end all wars. "This would reduce the U.S. budget deficit by hundreds of billions of dollars per year," he claims.

Second, the cessation of hostilities will permit the reduction in size of the military, further reducing the size of the budget by billions and billions. These first two steps would thwart the "crazed neoconservative goal of U.S. Empire and world hegemony." Win-win.

Next, bring back the millions of American jobs that have been exported to China, Brazil, Vietnam, etc. This will devastate Wall Street and the corporate insiders that profit from the impoverishing of American manufacturing, but it will restore hope and household income to the middle class that for decades has suffered the slings and arrows of outrageous fortune-building.

The bottom line: "If the wars are not immediately stopped and jobs brought back to America, the U.S. is relegated to the trash bin of history." As usual, the neoconservatives that control both parties and their Wall Street financiers will unleash the fullness of their economic might to impede this retrenchment. They will continue serving as the ATMs for the warmongers in the legislative and executive branches.

Finally, while all of Dr. Roberts' remedies are commendable and well taken, he fails to administer the ultimate antidote: the Constitution. We, the People, may yet assert our natural sovereignty and restrain the government with the chains of limited, enumerated powers. We may yet combine all our collective efforts and wrestle the reins of government away from the globalists and forcefully pull them back and stop our nation from careening headlong into the chasm of tyranny and anarchy.



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