GLOBAL LEADERS TAKING STEPS TOWARD A GLOBAL CURRENCY/GOVERNMENT

Note from Pastor Kevin Lea: A couple of weeks ago (early October 08), I was traveling through airports on my way back from Africa. It was during the early days of the global stock market collapse (American and Asian). The falling markets made it easy to strike up conversations with airport travelers suffering various degrees of despair associated with their disintegrating wealth (on paper). One Dutch family asked me what I thought was going to happen.

My answer: It appears that this economic disaster was planned by the elite rulers of the world in order to bring about a global problem that would require a global solution. It also appears that the solution these world leaders will propose will lead us toward a global economy/government in order to prevent a repeat of what is happening now, which is that America's foolish economic policy is bringing down not only America but the rest of the word.

They asked me why I thought so. I answered that the Bible (Psalms 2, Daniel, Revelation) predicted that in the "last days" there would be one more conspiring attempt to achieve world government, thus allowing the antichrist to come on the scene. Although the leaders think this world ruler will usher in global peace, the Bible teaches that he will instead bring global destruction. We then discussed the numerous reasons why it appears the world is headed toward the "last days" spoken of in the prophetic word of God.

For those curious to know more details about these prophesies, our church is currently studying through the book of Daniel and we welcome the reader to join us by listening to the verse-by-verse study posted in Mp 3 format at the sermon archive section of our web page.

The following news articles from Oct 6 to Oct 22, 2008 make it quite clear the global leaders are definitely bringing "change" to the citizens of the world. If that change results in a global currency and government, then we are about to witness the worst time in human history (Matthew 24:21-22), followed by the glorious return of our Great God and Savior, Jesus Christ. Are you ready? If not, then humble yourself before Him while there is still time. Confess that you are a sinner and need the forgiveness that He purchased for you on the cross. Then devote your life to serving the One who saved you from Hell, by obeying His commandments and testifying with your mouth that Jesus is your Lord and Savior, and that He is the only way by which to be saved.

> *Luke 21:28 "Now when these things begin to happen, look up and lift up your heads, because your redemption draws near."*

THE CASE FOR A LEAGUE OF DEMOCRACIES

Robert Kagan
http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/10/06/EDEC13B5FM.DTL&hw=financial+crises&sn=019&sc=260
Monday, October 6, 2008

With global tensions rising, what do you suppose keeps some foreign policy columnists up at night? It is the idea of a new international organization, a league of democracies. On both sides of the Atlantic the idea - set forth most prominently by Sen. John McCain a year ago and again in the first presidential debate

Sept. 26 - has been treated as impractical and incendiary. Perhaps a few observations can still this rising chorus of alarm.

The idea of a concert of democracies originated not with Republicans but with Democrats and liberal internationalists. Madeleine Albright, President Bill Clinton's secretary of state, tried to launch such an organization in the 1990s. More recently, it is the brainchild of Ivo Daalder, a foreign policy expert and senior adviser to Barack Obama. It has also been promoted by Anne-Marie Slaughter, dean of the Woodrow Wilson School at Princeton University, and professor John Ikenberry, the renowned liberal internationalist theorist. It has backers in Europe, too, such as Anders Fogh Rasmussen, the Danish prime minister, who recently proposed his own vision of an "alliance of democracies."

American liberal internationalists like the idea because its purpose is to promote liberal internationalism. Ikenberry believes a concert of democracies can help re-anchor the United State in an internationalist framework. Daalder believes it will enhance the influence that America's democratic allies wield in Washington. So does McCain, who talks about the need for the United States not only to listen to its allies but to be willing to be persuaded by them.

A league of democracies would also promote liberal ideals in international relations. The democratic community supports the evolving legal principle known as "the responsibility to protect", which holds leaders to account for the treatment of their people. Bernard Kouchner, the French foreign minister, suggested it be applied to Burma, where the ruling generals refused international aid to their dying people. That idea was summarily rejected at the United Nations, where other humanitarian interventions - in Darfur today or in Kosovo a few years ago - have also met resistance.

So would a concert of democracies supplant the United Nations? Of course not, any more than the Group of Eight leading industrialized nations supplants it. But the world's democracies could make common cause to act in humanitarian **crises** when the U.N. Security Council cannot reach unanimity. If people find that prospect unsettling, then they should seek the disbandment of NATO and the European Union and other regional organizations which not only can but, in the case of Kosovo, have taken collective action in **crises** when the U.N. Security Council was deadlocked. The difference is that the league of democracies would not be limited to Europeans and Americans but would include the world's other great democracies, such as India, Brazil, Japan and Australia, and would have even greater legitimacy.

Some critics complain that it is too hard to decide which nations are democracies and which are not. This is an especially odd objection coming from anyone in the EU, the most exclusive club of democracies in the world. When Europeans consider whether to admit a new member they do not shrug their shoulders and ruminate on the hopelessly complex meaning of the term "democracy." They employ precise and stringent criteria for deciding whether a possible entrant is or is not a democracy. A new league of democracies could simply borrow the EU's admissions form.

Will the mere fact of democracies working together produce a new Cold War? That is unduly alarmist. But ideological competition is already under way. Sergei Lavrov, Russia's foreign minister, notes that: "For the first time in many years, a real competitive environment has emerged on the market of ideas" between different "value systems and development models". The good news, he believes, is that "the West is losing its monopoly on the globalization process." True or not, democracies should not be embarrassed about holding up their side of this competition. Neither Beijing nor Moscow would expect them to do anything else.

Here is a final reason not to worry about a league of democracies. It will not come into being unless the world's great democracies want it to. This is one idea that the United States cannot impose.

The writer is senior associate at the Carnegie Endowment for International Peace and an informal adviser to Sen. John McCain. This commentary first appeared in longer form in the Financial Times.

WH: WORLD LEADERS TO MEET ON FINANCIAL CRISIS

http://www.foxnews.com/story/0,2933,443083,00.html
Wednesday, October 22, 2008
Associated Press

WASHINGTON — World leaders will meet Nov. 15 in Washington to address the global financial crisis — the first in a series of summits to mitigate what economists predict could be a long and deep downturn, a senior Bush administration official said.

The first meeting will be held to discuss underlying causes of the financial crisis, review progress being made to address it and start developing reforms needed to ensure it does not happen again, the official said, speaking on condition of anonymity because the summit had not been formally announced.

This will be the first in a series of summits that bring together leaders from countries that participate in the G-20 finance process to discuss current economic challenges. The so-called G-20 includes the Group of Seven advanced industrial countries and the European Union as well as China, Brazil, India, Russia, South Korea and other major economies.

At the first meeting, working groups will be set up to develop recommendations to be considered by leaders in subsequent summits. The White House will host a dinner on the eve of the summit. The location of the meeting, however, has not yet been announced.

Bush, French President Nicolas Sarkozy and European Commission President Jose Manuel Barroso, who met at the Camp David, Md., presidential retreat last week, announced the series of summit, saying the international community needs to work together to address the credit crisis that has shaken markets around the globe.

EU LEADERS CALL FOR GLOBAL CURRENCY

Infowars
October 17, 2008
http://www.infowars.com/?p=5387


British Prime Minister Gordon Brown speaks to French President Nicolas Sarkozy during the financial crisis summit gathering Eurogroup heads of state and government at the Elysee Palace in Paris.

If we are to believe the Washington Post, French president and current EU leader Nicolas Sarkozy has pledged to save us from nameless “freewheeling bankers and traders” who get the blame for the current economic crisis.

Sarkozy, Gordon Brown, and EU honcho José Manuel Barroso are talking up an international summit to discuss an “urgent overhaul of the world’s financial architecture,” that is to say a new Bretton Woods to establish a brand spanking new international economic order. Sarkozy has managed to grab George Bush's ear and he will travel to Washington on Saturday to lay the groundwork for a conference.

In 1944, 44 allied nations met at a resort in Bretton Woods, New Hampshire, to fiddle with monetary standards, fix exchange rates, and create the IMF and World Bank. "Launching a remake of this old model — particularly in such a short time, with so many new participants — would represent a daunting challenge at any time, but particularly during the twilight of the Bush presidency and the crisis that is still jolting banks and stock markets around the world," reports the Post.

Sarkozy and the EU leaders would have us believe this new Bretton Woods will call for "globally coordinated regulation of the financial industry, elimination of tax havens and a compensation system in which traders are not rewarded for dangerous risk-taking," among other things.

It was the demise of Bretton Woods in 1971, insists European Central Bank president Jean- Claude Trichet, that led to the abandonment of regulation and subsequent market turmoil. "The explosion of the first Bretton Woods in a way could be interpreted as a rejection of discipline," said Trichet, reports Bloomberg.

Gordon Brown, the former Chancellor of the Exchequer, wants to fix that turmoil with a new spate of regulations aimed at international finance. On October 13 in London, Brown said "we must devise new rules for a world of global capital flows" just as the founders of Bretton Woods "devised rules for a world of limited capital flows."

"We now have global financial markets but what we do not have is anything other than national and regional regulation and supervision," Brown lamented from Brussels.

All of this is nonsense. It should be obvious by now the bankers engineered the current crisis in order to consolidate their hold on the global economy and all the talk about rogue traders, tax havens, and over-compensated executives is merely that — talk, or more specifically a sales pitch, a slick parlor trick devised to fool the commoners.

Glossed over in all the corporate media coverage is the global elite demand that a global currency be established. "Europe wants to present a blueprint for a new worldwide currency system," reports the AFP in the video here.

"Another subject in tomorrow's world is that of the great currencies," Reuters reported Sarkozy musing on October 16. "How many should there be? What should the agreement between these great currencies be? Should we organize a discussion?"

Any discussion would be purely academic, as the ruling elite long ago decided to force a global currency down our throats. In fact, a global currency is at the very core of their plan to dominate the world. Control money and you control the destiny of states, you eliminate national sovereignty. "The control of money and credit strikes at the very heart of national sovereignty," A.W. Clausen, president of Bank of America once observed.

As Georgetown professor and CFR historian Carroll Quigley noted, the goal of the banking families and their minions consists of "nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole… controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent private meetings and conferences."

It remains to be seen if the EU will realize its "solution" to the world economic crisis. In 2007, Robert Mundell, "the father of the euro," noted that "international monetary reform usually becomes possible only in response to a felt need and the threat of a global crisis."

Certainly, the elite cooked up an appropriate global crisis, now they will engage in a full court press to establish a global currency and eventually a global government.

THE UNITED STATES, EUROPE AND BRETTON WOODS II

By George Friedman and Peter Zeihan
October 20, 2008 | 2200 GMT
http://www.stratfor.com/weekly/20081020_united_states_europe_and_bretton_woods_ii

French President Nicolas Sarkozy and U.S. President George W. Bush met Oct. 18 to discuss the possibility of a global financial summit. The meeting ended with an American offer to host a global summit in December modeled on the 1944 Bretton Woods system that founded the modern economic system. (Related Special Topic Page: Political Economy and the Financial Crisis)

The Bretton Woods framework is one of the more misunderstood developments in human history. The conventional wisdom is that Bretton Woods crafted the modern international economic architecture, lashing the trading and currency systems to the gold standard to achieve global stability. To a certain degree, that is true. But the form that Bretton Woods took in the public mind is only a veneer. The real implications and meaning of Bretton Woods are a different story altogether.

Conventional Wisdom: The Depression and Bretton Woods

The origin of Bretton Woods lies in the Great Depression. As economic output dropped in the 1930s, governments worldwide adopted a swathe of protectionist, populist policies — import tariffs were particularly in vogue — that enervated international trade. In order to maintain employment, governments and firms alike encouraged ongoing production of goods even though mutual tariff walls prevented the sale of those goods abroad. As a result, prices for these goods dropped and deflation set in. Soon firms found that the prices they could reasonably charge for their goods had dropped below the costs of producing them.

The reduction in profitability led to layoffs, which reduced demand for products in general, further reducing prices. Firms went out of business en masse, workers in the millions lost their jobs, demand withered, and prices followed suit. An effort designed originally to protect jobs (the tariffs) resulted in a deep, self-reinforcing deflationary spiral, and the variety of measures adopted to combat it — the New Deal included — could not seem to right the system.

Economically, World War II was a godsend. The military effort generated demand for goods and labor. The goods part is pretty straightforward, but the labor issue is what really allowed the global economy to turn the corner. Obviously, the war effort required more workers to craft goods, whether bars of soap or aircraft carriers, but "workers" were also called upon to serve as soldiers. The war removed tens of millions of men from the labor force, shipping them off to — economically speaking — nonproductive endeavors. Sustained demand for goods combined with labor shortages raised prices, and as expectations for inflation rather than deflation set in, consumers became more willing to spend their money for fear it would be worth less in the future. The deflationary spiral was broken; supply and demand came back into balance.

Policymakers of the time realized that the prosecution of the war had suspended the depression, but few were confident that the war had actually ended the conditions that made the depression possible. So in July 1944, 730 representatives from 44 different countries converged on a small ski village in New Hampshire to cobble together a system that would prevent additional depressions and — were one to occur — come up with a means of ending it shy of depending upon a world war.

When all was said and done, the delegates agreed to a system of exchangeable currencies and broadly open rules of trade. The system would be based on the gold standard to prevent currency fluctuations, and a pair of institutions — what would become known as the International Monetary Fund (IMF) and the World Bank — would serve as guardians of the system's financial and fiduciary particulars.

The conventional wisdom is that Bretton Woods worked for a time, but that since the entire system was linked to gold, the limited availability of gold put an upper limit on what the new system could handle. As postwar economic activity expanded — but the supply of gold did not — that problem became so mammoth that the United States abandoned the gold standard in 1971. Most point to that period as the end of the Bretton Woods system. In fact, we are still using Bretton Woods, and while nothing that has been discussed to this point is wrong exactly, it is only part of the story.

A Deeper Understanding: World War II and Bretton Woods

Think back to July 1944. The Normandy invasion was in its first month. The United Kingdom served as the staging ground, but with London exhausted, its military commitment to the operation was modest. While the tide of the war had clearly turned, there was much slogging ahead. It had become apparent that launching the invasion of Europe — much less sustaining it — was impossible without large-scale U.S. involvement. Similarly, the balance of forces on the Eastern Front radically favored the Soviets. While the particulars were, of course, open to debate, no one was so idealistic to think that after suffering at Nazi hands, the Soviets were simply going to withdraw from territory captured on their way to Berlin.

The shape of the Cold War was already beginning to unfold. Between the United States and the Soviet Union, the rest of the modern world — namely, Europe — was going to either experience Soviet occupation or become a U.S. protectorate.

At the core of that realization were twin challenges. For the Europeans, any hope they had of rebuilding was totally dependent upon U.S. willingness to remain engaged. Issues of Soviet attack aside, the war had decimated Europe, and the damage was only becoming worse with each inch of Nazi territory the Americans or Soviets conquered. The Continental states — and even the United Kingdom — were not simply economically spent and indebted but were, to be perfectly blunt, destitute. This was not World War I, where most of the fighting had occurred along a single series of trenches. This was blitzkrieg and saturation bombings, which left the Continent in ruins, and there was almost nothing left from which to rebuild. Simply avoiding mass starvation would be a challenge, and any rebuilding effort would be utterly dependent upon U.S. financing. The Europeans were willing to accept nearly whatever was on offer.

For the United States, the issue was one of seizing a historic opportunity. Historically, the United States thought of the United Kingdom and France — with their maritime traditions — as more of a threat to U.S. interests than the largely land-based Soviet Union and Germany. Even World War I did not fully dispel this concern. (Japan, for its part, was always viewed as a hostile power.) The United States entered World War II late and the war did not occur on U.S. soil. So — uniquely among all the world's major powers of the day — U.S. infrastructure and industrial capacity would emerge from the war larger (far, far larger) than when it entered. With its traditional rivals either already greatly weakened or well on their way to being so, the United States had the opportunity to set itself up as the core of the new order.

In this, the United States faced the challenges of defending against the Soviet Union. The United States could not occupy Western Europe as it expected the Soviets to occupy Eastern Europe; it lacked the troops and was on the wrong side of the ocean. The United States had to have not just the participation of the Western Europeans in holding back the Soviet tide, it needed the Europeans to defer to American political and military demands — and to do so willingly. Considering the desperation and destitution of the Europeans, and the unprecedented and unparalleled U.S. economic strength, economic carrots were the obvious way to go.

Put another way, Bretton Woods was part of a broader American effort to extend the wartime alliance — sans the Soviets — beyond Germany's surrender. After all wars, there is the hope that alliances that have defeated a common enemy will continue to function to administer and maintain the peace. This happened at the Congress of Vienna and Versailles as well. Bretton Woods was more than an attempt to shape the global economic system, it was an effort to grow a military alliance into a broader U.S.-led and -dominated bloc to counter the Soviets.

At Bretton Woods, the United States made itself the core of the new system, agreeing to become the trading partner of first and last resort. The United States would allow Europe near tariff-free access to its markets, and turn a blind eye to Europe's own tariffs so long as they did not become too egregious — something that at least in part flew in the face of the Great Depression's lessons. The sale of European goods in the United States would help Europe develop economically, and, in exchange, the United States would receive deference on political and military matters: NATO — the ultimate hedge against Soviet invasion — was born.

The "free world" alliance would not consist of a series of equal states. Instead, it would consist of the United States and everyone else. The "everyone else" included shattered European economies, their impoverished colonies, independent successor states and so on. The truth was that Bretton Woods was less a compact of equals than a framework for economic relations within an unequal alliance against the Soviet Union. The foundation of Bretton Woods was American economic power — and the American interest in strengthening the economies of the rest of the world to immunize them from communism and build the containment of the Soviet Union.

Almost immediately after the war, the United States began acting in ways that indicated that Bretton Woods was not — for itself at least — an economic program. When loans to fund Western Europe's redevelopment failed to stimulate growth, those loans became grants, aka the Marshall Plan. Shortly thereafter, the United States — certainly to its economic loss — almost absentmindedly extended the benefits of Bretton Woods to any state involved on the American side of the Cold War, with Japan, South Korea and Taiwan signing up as its most enthusiastic participants.

And fast-forwarding to when the world went off of the gold standard and Bretton Woods supposedly died, gold was actually replaced by the U.S. dollar. Far from dying, the political/military understanding that underpinned Bretton Woods had only become more entrenched. Whereas before, the greatest limiter was on the availability of gold, now it became — and remains — the whim of the U.S. government's monetary authorities.

Toward Bretton Woods II

For many of the states that will be attending what is already being dubbed Bretton Woods II, having this American centrality as such a key pillar of the system is the core of the problem.

The fundamental principle of Bretton Woods was national sovereignty within a framework of relationships, ultimately guaranteed not just by American political power but by American economic power. Bretton Woods was not so much a system as a reality. American economic power dwarfed the rest of the noncommunist world, and guaranteed the stability of the international financial system.

What the September financial crisis has shown is not that the basic financial system has changed, but what happens when the guarantor of the financial system itself undergoes a crisis. When the economic bubble in Japan — the world's second-largest economy — burst in 1990-1991, it did not infect the rest of the world. Neither did the East Asian crisis in 1997, nor the ruble crisis of 1998. A crisis in France or the United Kingdom would similarly remain a local one. But a crisis in the U.S. economy becomes global. The fundamental reality of Bretton Woods remains unchanged: The U.S. economy remains the largest, and dysfunctions there affect the world. That is the reality of the international system, and that is ultimately what the French call for a new Bretton Woods is about.

There has been talk of a meeting at which the United States gives up its place as the world's reserve currency and primacy of the economic system. That is not what this meeting will be about, and certainly not what the French are after. The use of the dollar as world reserve currency is not based on an aggrandizing fiat, but the reality that the dollar alone has a global presence and trust. The euro, after all, is only a decade old, and is not backed either by sovereign taxing powers or by a central bank with vast authority. The European Central Bank (ECB) certainly steadies the European financial system, but it is the sovereign countries that define economic policies. As we have seen in the recent crisis, the ECB actually lacks the authority to regulate Europe's banks. Relying on a currency that is not in the hands of a sovereign taxing power, but dependent on the political will of (so far) 15 countries with very different interests, does not make for a reliable reserve currency.

The Europeans are not looking to challenge the reality of American power, they are looking to increase the degree to which the rest of the world can influence the dynamics of the American economy, with an eye toward limiting the ability of the Americans to accidentally destabilize the international financial system again. The French in particular look at the current crisis as the result of a failure in the U.S. regulatory system.

And the Europeans certainly have a point. If fault is to be pinned, it is on the United States for letting the problem grow and grow until it triggered a liquidity crisis. The Bretton Woods institutions — specifically the IMF, which is supposed to serve the role of financial lighthouse and crisis manager — proved irrelevant to the problems the world is currently passing through. Indeed, all multinational institutions failed or, more precisely, have little to do with the financial system that was operating in 2008. The 64-year-old Bretton Woods agreement simply didn't have anything to do with the current reality.

Ultimately, the Europeans would like to see a shift in focus in the world of international economic interactions from strengthening the international trading system to controlling the international financial system. In practical terms, they want an oversight body that can guarantee that there won't be a repeat of the current crisis. This would involve everything from regulations on accounting methods, to restrictions on what can and cannot be traded and by whom (offshore financial havens and hedge funds would definitely find their worlds circumscribed), to frameworks for global interventions. The net effect would be to create an international bureaucracy to oversee global financial markets.

Fundamentally, the Europeans are not simply hoping to modernize Bretton Woods, but instead to Europeanize the American financial markets. This is ultimately not a financial question, but a political one. The French are trying to flip Bretton Woods from a system where the United States is the buttress of the international system to a situation where the United States remains the buttress but is more constrained by the broader international system. The European view is that this will help everybody. The American position is not yet framed and won't be until the new president is in office.

But it will be a very tough sell. For one, at its core the American problem is "simply" a liquidity freeze and one that is already thawing. Europe's and East Asia's recessions are bound to be deeper and longer lasting. So the United States is sure — no matter who takes over in January — to be less than keen about revamps of international processes in general. Far more important, any international system that oversees aspects of American finance would, by definition, not be under full American control, but under some sort of quasi-Brussels-like organization. And no American president is going to engage gleefully on that sort of topic.

Unless something else is on offer.

Bretton Woods was ultimately about the United States trading access to its economic might for political and military deference. The reality of American economic might remains. The question, then, is simple: What will the Europeans bring to the table with which to bargain?