

Welcome and thank you for listening. Let's pray.

Jesus, I pray that Your divine anointing will be on every word spoken during this broadcast and that Your divine purposes will be accomplished in every listener's life. I pray for Christians everywhere to wake up and vote and make their elected leaders accountable again. I pray for those who are in authority over us to have Godly wisdom and do the right thing. In Jesus name.

Last week I started a discussion about debt. I want to continue this discussion about debt. I want to discuss it from a commonsense and logical point of view. I do not think emotions and finances serve each other well.

I want to read what God thinks about the plans of humans and nations in Psalms 33:12-22

Psa 33:12 Blessed *is* the nation whose God *is* the LORD; *and* the people *whom* he hath chosen for his own inheritance.

Psa 33:13 The LORD looks from heaven; he beholds all the sons of men.

Psa 33:14 From the place of his habitation he looks upon all the inhabitants of the earth.

Psa 33:15 He fashions their hearts alike; he considers all their works.

Psa 33:16 There is no king saved by the multitude of an host: a mighty man is not delivered by much strength.

Psa 33:17 An horse *is* a vain thing for safety: neither shall he deliver *any* by his great strength.

Psa 33:18 Behold, the eye of the LORD *is* upon them that fear him, upon them that hope in his mercy;

Psa 33:19 To deliver their soul from death, and to keep them alive in famine.

Psa 33:20 Our soul waits for the LORD: he *is* our help and our shield.

Psa 33:21 For our heart shall rejoice in him, because we have trusted in his holy name.

Psa 33:22 Let thy mercy, O LORD, be upon us, according as we hope in thee.

In the last broadcast, I told you that the US debt is \$22 trillion dollars. The US Treasury holds this debt in two major groups. These two groups are 1) Intragovernmental holdings and 2) Debt held as public debt.

Let's start with intragovernmental debt. There are 230 federal agencies that hold \$5.9 trillion or 27 percent of the national debt. If you are like me, I want to know why our government owes Itself money.

Well as an accountant, I will give you the short answer. They are legally manipulating the funds. That means the government takes in taxes to one agency, for example, the Social Security Trust Fund. This agency actually takes in excess cash and buys US Treasury's. But why would the Social Security Trust Fund buy US Treasury notes. Because once the money is in US Treasury notes it can be transferred to the general fund and spent.

Now as a senior citizen on social security this really annoys me, because the politicians are threatening to cut social security benefits, when the truth is that social security taxes actually raises more money than is needed to pay senior's the benefits. That is the definition of a trust fund. The trust has an obligation to protect the money entrusted to it and to handle the money in the best interest of the beneficiary.

But the Washington politicians are not taking the excess cash and putting it into an interest bearing account and saving it for future needs of the actual beneficiaries. No the politicians have created a legally viable way to take our hard earned tax dollars that should more than cover our seniors' retirement benefits for years to come and they have diverted those entrusted tax dollars to the general fund to be spent.

As a business person in accounting and helping clients set up trust funds, if I had handled my fiduciary responsibilities like the government handles its duties to the public monies held in trust, I would be called unethical and probably face some legal action.

However, the politicians will argue that when social security needs that money, they will say it is invested in US Treasury's and all they have to do is redeem the treasury notes for the needed cash to pay benefits. However, what the politicians do not tell you, is that in order to raise the cash to cover the treasury notes that social security holds that the government must increase taxes on the

public elsewhere or issue more debt to give the agency the cash they need to continue operating.

Now I want to itemize the agencies within our government that make up that \$5.9 trillion dollars of intragovernmental debt, because the politicians are doing this practice with several agencies.

- Social Security Trust Fund and Federal Disability Insurance Trust Fund owes \$2.8 trillion dollars
- Office of personnel management retirement fund owes \$989 billion dollars
- Military Retirement Fund owes \$829 billion.
- Medicare and other federal hospital and medical trusts funds owe \$277 billion
- All other retirement funds owe \$192 billion

Cash on hand to fund federal government operations owe \$633 billion

Did you notice that most of these agencies that are swapping their excess cash for US Treasuries are monies collected from hard working US citizens and our veterans to provide retirement and disability benefits when we are no longer able to work.

These are not FREE benefits, these are benefits that we have been ordered by law to pay into government managed trust accounts to provide for us when we need them most. But when we actually need to draw our retirement benefits then the politicians want to make us pay more for services and cut the benefits promised to us years ago.

This is why we, as a nation, need to stop giving the government and the politicians more control over our money and lives. We need to stop believing that the government can take better care of us than we can take care of ourselves.

We need to look for political candidates that want to limit government and government spending and government involvement in our lives. I think history has demonstrated that the government does not work for the common man's best interest, but they are too heavily influenced by big spending lobbyist that can convince them to spend our money on pet projects that only

benefit the special interest groups that can afford to make big campaign contributions.

The next group that makes up our national debt is called public debt. This portion of national debt is \$16.1 trillion dollars.

- Of this debt foreign governments, sovereign and hedge funds holds 30 percent of it.
- Individual investors and banks holds 15 percent of it.
- Our own Federal Reserve holds 12 percent of it.
- Mutual Funds hold 9 percent of it.
- State and local governments own 5 percent of it.
- Other holders of our national debt are pension funds, savings bonds, insurance companies, corporate and non-corporate businesses, brokers and dealers, and various other investors make up the remaining trillions in debt.

Now I know I have provided a lot of numbers. Probably you just want to know how does this debt crisis affect me personally. Well if you did not notice, nearly HALF of the US debt is in retirement accounts like social security, retirement and pension funds. So if the United States ever defaults on its debts, the ones that will be hurt the worst are US citizens and their social security retirement and pension accounts.

In other words, the politicians are legally taking your money and saying that it will be there for your retirement, but if they keep managing our national finances by over spending and borrowing from foreign investors and manipulating the books, I fear that the US financial house of cards will come tumbling down. It is just a matter of time. The time is for Americans, especially Christian Americans to wake up and make our politicians accountable again.

But I saved the most interesting scenario for last. Why does the nation's central bank, the Federal Reserve own US Treasury notes? There is no financial reason for the Fed to own treasuries, but beginning in 2007 and continuing up until recently the Fed doubled its holdings.

The Fed purchased about \$2 trillion in treasuries to stimulate the economy during the 2008 financial crisis. This is called quantitative

easing and kept the interest rates low and was aimed at helping the US to break out of a deep recession.

Basically, the FED monetized our debt. They created credit out of thin air by purchasing treasuries from its own member banks. It is a similar result as just printing money. This action did keep interest rates at historically low rates, but now it is time to pay the piper.

The FED is going to decrease the amount it holds in US Treasuries and start selling them. This action will make interest rates rise. As interest rates rise and monetary policy tightens, the interest on our national debt will rise as well. This just adds fuel to the fire and just the interest on an annual basis will exceed a trillion dollars alone.

I have to end it there, but I will be talking on this subject some more next time.

I want to offer everyone the opportunity to pray and ask Jesus to become their Lord and Savior. Repeat this prayer with me.

Jesus I confess I am a sinner. I humble myself and repent of my sins. Please forgive me of my sins. I believe You sacrificed your life and rose again from the dead to secure my salvation. Jesus come into my heart and be my Lord and Savior. In Jesus name.

I want to announce that I have developed a web site for this radio broadcast. My web address is www.DeborahLane.org. I will spell that for you. D-E-B-O-R-A-H and L-A-N-E as all one word. Again my new web site is www.DeborahLane.org. You can listen to previous broadcasts, download a transcript of the broadcast, submit prayer request, email me, and find contact information.

Thank you for listening and God bless you all.