

AN INFLATION-FREE AND DEBT-FREE ECONOMY IS POSSIBLE, But Before You Can Fix A Problem, You Must Know What Is Wrong.

The Story of Inflation & Economic Misinterpretation

The roots to the current crisis are 230 years old, and reside in the choices of Robert Morris Jr., who was the first Superintendent of Finance, and one of only two people to sign all three founding documents. He was the richest man in the colonies, went bankrupt and landed in debtors prison.



A farmer picks an apple, and sells it. What happens next?

Different profit margins have a significant effect on the final price of products, much more than the original cost. As products move, percentages are compounded.

As more products move, more inflation is created!

	100% Mark-up	100% Mark-up	50% Mark-up	50% Mark-up
Cooperative Pays	.01	.05	.05	.01
Wholesaler Pays	.02	.10	.075	.015
Cold Storage Pays	.04	.20	.113	.022
Distributor Pays	.08	.40	.169	.034
Supermarket Pays	.16	.80	.253	.051
You Pay	.32	1.60	.38	.076

How much would you rather pay for the same apple?

\$1.60 - 38¢ - 32¢ - 8¢

In the examples above, the farmer charges only 1¢ or 5¢, which is a 4¢ spread, but the rate of profit the middle-man uses creates a dramatic inflationary difference.

The final consumer pays all the profits for everyone who touched the product previously.

Even 8¢ is too much. The apple could cost less.

If a simple item like an apple can have such a compounded effect, imagine the inflationary effect of a complex object, like an airplane.

When the Federal Reserve lends money at 2%, and the Prime Rate is 5%, that is a 150% Mark-up. Making money expensive makes money worth less, so it takes more money to buy the same good.

When money moves as a commodity, inflation is created, too.

High Taxes + High Profits + High Interest Rates = High Inflation INFLATION MAKES EVERYONE POOR.

TO CONTROL INFLATION WE NEED STANDARDS TO CONTROL ALL PERCENTAGES.

The Goal is to move the goods and services WITHOUT creating inflation.

Laissez-faire economics is a mathematical failure. Buy Low-Sell High has consequences.

Money goes down in value as products go up in price. It is a horrible combination. **Buy Low-Sell Low is the solution.**

To raise the standard of living, and have a long-term sustainable economy, we must lower the cost of living by Lowering ALL Percentages.