

SchitSchturm

to survive a home mortgage default,
stick it to the bank
and prosper in the post-Ponzi new world order

Stuart Mears



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ShitSchturm?

Perhaps more pedantically expressed as 'shit storm' or 'scheiss sturm', the rubric alludes to a thoroughly nasty predicament; as for example, a personal mortgage debt crisis (mortgagor no longer able to make the payments) coinciding with a Ponzi real estate market in free fall and property auctions going 'no-bid' (buyers having disappeared); a situation predicted to be (at Dec 2015) a common occurrence in 2016/17.

To a distressed mortgagor the idea that this nightmare is even survivable wouldn't exactly be top of mind.

Even less top of mind would be the notion that such an epic crisis might have a golden lining; an opportunity not simply for mere survival but for real prosperity in the post-Ponzi new world disorder.

But it has and does.

Stuart Mears

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You have a problem?

You have a mortgage debt problem we (59) assume Dear Reader. That being so; the truth it must be said is likely a tad more complex and nuanced.

The bigger picture in a nutshell is that you have a personal debt problem within the context of a societal 'debt bomb', rooted in a grand conspiracy.

Your bank threatens you with financial annihilation, but you want to survive.

Why you ask should the material treasure accumulated over half a lifetime be stripped away from your family, while hurt and bewildered you are left to wonder: what happened to decency and justice?

So here's the thing: what if you could not merely survive but thrive and stick it to the bank?

Impossible you say?

Set aside that thought. Right now; consider for a moment that we are privileged to live in conscious awareness during one of the great inflection points in world history: the turning of a great debt cycle.

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This is no small matter. As 2015 morphs in to 2016 events are teetering on the precipice of a '1914 moment'. Caste your mind back one hundred years.

Imagine that it is 28th June 1914. The Archduke Ferdinand and Princess Sophia are being driven through the streets of Sarajevo in their open-topped automobile, a rarity in that time.

On a street corner a block ahead a Serbian student and his armed companions await nervously upon the Archduke's arrival.

In moments the Archduke and Princess Sophia will be dead, twenty million human beings will die in the ensuing orgy of industrialized slaughter and the world will be changed forever.

As 2015 clicks over into 2016 it feels like August 1914. A societal debt bomb is about to implode.

You have a problem Dear Reader but the banking institution to which you are indebted is soon to be embroiled in a far bigger problem; one that will likely see Australia's big four banks on hand and knee, pleading with the federal government for a bail out.

But this is far from top of your mind and quite possibly not even on your radar.

As your own financial situation deteriorates, you may feel as this writer did for a time long ago: like the world's worst failure; too stupid to tie his own shoes. You may be experiencing relationship conflicts with your partner over money; we've all been there.

As bad as you may feel, all of it is temporary. Indeed, within certain financial circles, your trial by fire is considered a rite of passage; a necessary step in a well-rounded financial education, like a 'finishing school' in the development of character.

At the core of your crisis awaiting discovery, fate has conspired to plant the seed of a rare opportunity. You are not powerless. To the contrary you are way more powerful than you ever believed.

The flip side of all such crises is opportunity. The Chinese symbol for crisis expresses this idea with perfection.

But nothing is free. To be worthy of the gift it is necessary to study the context, the landscape and the habits of your adversary.

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Know yourself and know your enemy as the great military strategist Sun Tzu proclaimed, and you will prevail in a hundred battles.

This book was written towards that end.

Where to start; how about with the pervasive aroma of something rotten?

The great stinking wildebeest in in the room

“The Matrix is a system, Neo. That system is our enemy. But when you’re inside, you look around, what do you see? Businessmen, teachers, lawyers, carpenters; the very minds of the people we are trying to save. But until we do, these people are still a part of that system and that makes them our enemy. You have to understand, most of these people are not ready to be unplugged. And many of them are so inured, so hopelessly dependent on the system that they will fight to protect it”.

Morpheus addressing Neo in the movie “The Matrix”

In the year of our Lord 2015 – a few Australians have awoken to discover themselves immersed in a real life version of The Matrix, the few that is who choose to see the great stinking wildebeest for what it is.

Little wonder that most don’t. The mainstream media marinating in mendacity, is nowadays little more than a zombie propaganda department for the government of the day; ‘talking heads’ for whom the idea of a deeply subverted world of manufactured illusion is unthinkable

Stuart Mears

In the 1999 science fiction movie, a world is described in which 'reality' is a simulation created by machines in order to pacify and subdue the human population.

The real world of the Matrix arises out of the banal world of printed currency, Ponzi asset markets and mountains of debt. Verily it is no less subtle, no less cruel and ruthlessly inhumane in its ravaging effects. It is the machinery of Orwellian controls, perpetual debt, perpetual fear of manufactured enemies and perpetual war.

Operating freely and brazenly within notionally civil society is a conspiracy one hundred years in the making; a conspiracy orchestrated by the financial elite (AKA the 1%) to subdue and enslave the 99% (60).

This story is the uber –'wildebeest in the room' of our time and a no-go zone. To even whisper its name is to be smeared: '*conspiracy theorist*'.

However, as sublimely effective as the elite have been in silencing dissent; since 9/11 they have lately become reckless. The Matrix is showing cracks around the edges. As the line in Longfellow's poem(61) goes: "*those whom the Gods would destroy – first make them mad*".

Barely do these words describe the out of control hubris of the elite in pushing the world's monetary system to the point of inevitable and unavoidable collapse. Debt levels have reached a tipping point.

All of this is background context for your journey to debt emancipation.

The origin and mechanics of financial collapse are beyond the scope of this book.

The topic is dealt with by several writers better qualified than I, among whom are James Dale Davidson (“*The Great Reckoning*” 1991) and James Rickards’ in his seminal 2014 book: “*The Death of Money*” (6) (Portfolio/Penguin 2014).

Agora Publishing (Bill Bonner) has published several books and reference articles dealing with the subject (9) (15) as has Michael Maloney in his excellent documentary series “*Hidden Secrets of Money*”.

Suffice to know that the chaos just over the horizon is nonpareil in the modern epoch. This monster economic storm will arrive without warning via a ‘black swan event’ (8) out of left field.

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By definition the nature and timing of 'black swan' events is beyond prediction. Rickards likens the phenomenon to the snowflake triggering the avalanche.

The avalanche is predictable and inevitable. The trigger event and its timing are impossible to pinpoint. It is fruitless therefore to attempt to identify the snowflake that triggers the mountainside giving way; simply know that the avalanche is coming and prepare accordingly.

Sovereign debt crises and currency collapses are common events in history, but never before have all major fiat (9) currencies collapsed in concert. Yet this is what is precisely what lies in prospect.

The wherewithal to survive

The 'lucky country' will not escape. To the contrary Australia's Ponzi real estate sector in and of itself is about to deliver a catabolic blow (40) to the Australian economy into 2016/17. This will likely coincide with the onset of an international currency crisis leading to a 'Shit Sturm' of epic proportions on the home front.

For the majority of punters, unable or unwilling to connect the dots, nothing short of a full throttle existential crisis will trigger an awakening to the reality that they have been scammed, lied to and stolen from. But even this is far from certain to be effectual; for to awaken to the Matrix is to question the very foundational underpinnings of civil society.

Stanly Milgram in his famous Yale experiments (67) demonstrated how so very few possess the courage to question 'authority' and the orthodox world view.

But you?

Why you Dear Reader have run slap bang, head-long into the perfidy of the one percent for reasons nothing to do with your entertainment.

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For you are we (69) assume, immersed in the fiery crucible of your own mortgage debt crisis. You have little choice.

You have not the luxury of remaining 'head in the sand' oblivious to the realities around you, discomfoting as they may be.

To survive you must understand the system and the context of impending crisis within which the system operates. You must garner the intestinal fortitude to fight- back and you must have a strategy.

For survivors these three commitments are not negotiable.

The question is: are you up for it Dear Reader?

**If no; then for your peace of mind we counsel you:
*put this book aside - read no further!***

Otherwise brave comrade we assume that you happened upon this e-book out of your purposeful search for solutions or out of a whimsical stroke of synchronicity.

It matters not.

Either way, here we posit a simple but possibly novel idea; so simple that it can be expressed in a single line statement.

Your debt is rooted in an epistemic fraud; the self-same fraud that has latterly (2015) brought the monetary system to the brink of collapse.

Of course your mortgage debt (1) is legally undeniable. You signed a contract to repay the borrowed sum with interest. If you fail to meet the terms of the contract there are prescribed consequences.

At the same time your debt was created at the click of a mouse. The funds you borrowed to purchase the property in the first instance were not extant bank depositor's money. Nor were the funds the property of the bank's shareholders or borrowed from the bank's bond holders.

This new currency as debt, was created from nothing (59).

When new currency is created from nothing it marginally depreciates the value of all existing currency in circulation, hurting everyone in society but most heavily, those who possess savings accounts.

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Every dollar in savings accounts was slightly depreciated and worth a fraction less when the bank printed the new currency units used to purchase your home. New debt currency is a transfer of wealth from savers to speculators.

Simply described, the process is called inflation.

Conversely as you pay back the loan or as the loan is defaulted-on and written-off, it is negative inflation or deflation.

This is one reason why this economic system demands that ever more debt be created to counter the paying-down of debt with interest.

When the process of new debt creation falters, and the punters accelerate their saving and paying-down of debt (and/or by a process of default), the economy slides into recession.

The process might seem like magic, just as the process of debt/credit creation might seem to have no limits. But this is not the case.

The truth is that wealth is created from saving and productive investment, not from money printing (debt creation). Debt does indeed have limits, best expressed in relation to income.

That is, debt is ultimately limited by debt service capacity. This is so for an individual and equally so for a society.

Australian private debt as at November 2015 has probably reached that ceiling. According to Barclays chief economist Kieran Davies, Australian private sector debt to income gearing is currently (2015) 206%.

And this number refers to private debt only. Not included is the \$AUD401 billion (Nov 2015) of government debt (and counting).

Your problem we assume is that due to your lately straightened circumstances, you cannot (we assume) any longer maintain the scheduled loan repayments. Your bank (we assume) threatens to foreclose on the debt and take the property.

Should this foreclosure event happen; here is a question. By what right does the foreclosing bank then 'own' what was nominally your property?

By what right we ask? The answer is *none, nada, zippo*; the bank was purely an intermediary.

The foreclosure threatening you like the Sword of Damocles might be technically legal but it's a scam!

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By rights, the foreclosed property should be resumed by 'society' which in the first instance permitted the bringing forward of wealth from a collective future into the collective present and paid the price as a wealth transfer.

This is what debt does. Debt brings future command over resources into the present. In the process, debt expansion drives up asset prices in a feedback loop. Eventually at the peak of the credit cycle all of this borrowing and stealing from the future catches-up in the form of economic over-capacity and maxed out debt service capacity.

The banker scam is made possible because money is a mystery to the majority of punters. Indeed it serves the agendas of the elite, for money to remain a mystery. As Henry Ford once said:

"if the people knew how banks worked, there'd be revolution before tomorrow morning".

The most unfortunate consequence of monetary ignorance is that debt has become the instrument of enslavement. Moreover, the fact that the slaves willingly signed-on to their indenture shackled to the wheel of servitude surely is the ultimate irony.

Debt service now accounts for 40% of combined income in an average Australian two income household (Q4 2015) (39).

But to return to your personal predicament; if you have significant residual equity in the property; know that your erstwhile equity will melt before your eyes like ice on a hot griddle in the event of foreclosure. This is sad because for so many punters, the house is where most accumulated wealth is invested.

Unless you fight back and somehow succeed, the bank (and/or its hirelings) will have strip-mined your property (and many others like it from similarly distressed mortgagors) in a process accomplished without the bank putting up a cent of its shareholder's money; again by virtue of a click of a mouse.

Do you not detect the whiff of a scam? Ah but Dear Reader, this is just the visible tip of an iceberg.

Dig a little and you will discover that this system is made possible by the phenomenon of fiat paper currency and fractional reserve banking; in effect a license granted the big banks to print currency as debt (57).

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In a prior system of real money (21), the borrower had a legal, ethical and moral obligation to the lender to repay the debt.

In a system of fiat currency created by the fractional reserve banking system, such as now prevails, the borrower has a legal obligation to the lender, end of story.

Borrow under this fiat currency system and you will be subject to legal consequences in the case of default, irrespective of the reason.

Deposit currency in the bank under this fiat currency system and you may one day discover that in law your deposit account is no longer your money but the bank's money; meaning that in the event of a bank crisis, you rank (as a depositor) alongside unsecured creditors of the bank.

**In this case good luck with recovering your money!
Does this legalized larceny not strike you as a scam?**

Banks operate under a system that bestows upon their business alone, enormous privileges and egregious protections in law. Bank operations are substantially untrammled by legal and ethical constraints.

Like a tiny piglet that turns into ravaging, feral monster after years of over-feeding, Australia's big four banks are too big to fail and too big to prosecute.

The emergence of a grossly overweight finance and banking sector is entirely due to Australia's obsession with Ponzi real estate speculation.

Moreover should Australia's big four banks encounter a future crisis with mortgage debt defaults rising and house prices falling, all G20 countries now have uniform 'bail-in' legislative frameworks, meaning that the big banks across G20 countries are uniformly buttressed by domestic laws authorizing the robbery of depositors and/or bond holders.

Uniform framework for 'bail-in' legislation was negotiated at the 2014 Brisbane G20 Summit and ratified at the November 2015 G20 Summit in Antalya Turkey (60).

Hello - would any among the citizenry of the G20 nations have voted for legislation authorizing confiscation of their own bank savings deposits to save the banks...in any circumstances on God's Green Earth?

Stuart Mears

We think not! Absolutely not! Yet the governments of all G20 nations blithely agreed. Is this not an extraordinarily sinister development? Yet the story gets no oxygen in the mainstream media.

There is something very, very wrong and very awry at the heart of civil society.

The center piece of this manipulation, planted at the aorta of the body politic is the institution of modern banking, by any measure a cabal of criminal enterprises masquerading as responsible corporate citizens.