

GAO

United States
General Accounting Office
Washington, D.C. 20548

(11)

General Government Division

November 6, 1990

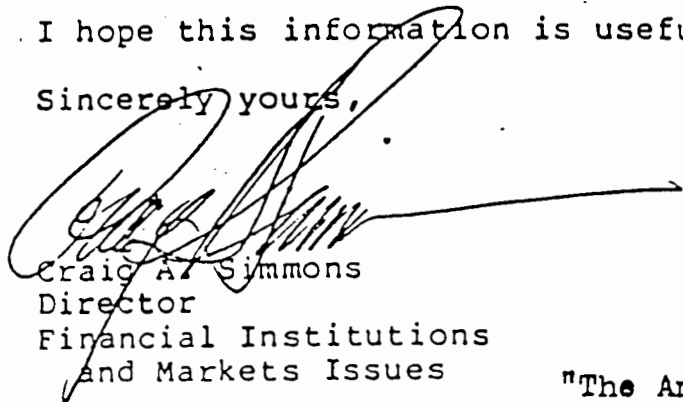
Mr. J. Gordon Lott
344 E. Breckenridge
Ferndale, MI 48220-1322

Dear Mr. Lott:

Thank you for your letter of October 22, 1990. I am not aware of any category of the public debt known as "off budget" debt. There are certain federal programs that are conducted "off budget" but if public debt is used to finance those programs it is part of the public debt totals. There is a large amount of so called "agency debt" that is not counted as part of the public debt totals. This debt, which is issued by Fannie Mae, Freddie Mac and other so-called Government Sponsored Enterprises currently amounts to roughly \$800 billion, but is not backed by the full faith and credit of the U.S. government. This is debt for which, arguably, the federal government may be contingently liable. In addition to these securities, there are other contingent liabilities of the federal government such as the potential exposure of the deposit insurance fund and the myriad federal loan guarantee programs which, in total, equal roughly \$6 trillion.

I hope this information is useful to you.

Sincerely yours,



Craig A. Simmons
Director
Financial Institutions
and Markets Issues

The oxymoron of
"The American Pluralist Economy"

"With the Liberty(?) of 'Their Prison' and the 'Economic Freedom'(?)
(MANAGED) (MANAGED)
of 'The Exercise Yard'".

\$\$\$ "Caveat Emptor" \$\$\$

J. G. Lott

"THE 'BLOOD MONEY' THAT CLAIMS 'YOUR BLOOD'"

ALL MONEY(?) IS NOW VALUELESS INTEREST BEARING DEBT OWED TO THE PRIVATE BANK, THE FEDERAL RESERVE. "THE FRACTIONAL BANKING \$Y\$TEM" PERMITS THE "CREATION OF MONEY" (?) OUT OF NOTHING! FINANCIAL INTERESTS OWN THE WORLD!

"INVOLUNTARY SERVITUDE"

"Caveat Emotor"

"PEONAGE" - A FELONY CRIME

\$\$\$ Government Securities v Individual Security \$\$\$

In the G.A.O. letter it is noted that Government Securities can also be used as collateral to insure the repayment of loans made to a third party by a private bank. In other words the U.S. cosigns the loan and the Govt. Security is our promise to pay the loan if the third party fails to do so. This is how the U.S. "loans money" (?) to other Nations of the world. The U.S. only loans a NON-NEGOTIABLE SECURITY which makes the bank loan possible. Note; The Security is marked "not negotiable" so that neither the bank or borrower can use it for any other purpose.

As part of the pre-loan agreement the U.S. retains control of WHERE it will be spent, HOW it will be spent, and in WHAT nations with WHAT Corporations and WHAT is being bought with this "loan". Any nation that will not accept these terms will get NO Govt. Security. The term that defines this type of action is; "Hegemony", A conditional Power which permits a nation to control and dictate internal political and economic conduct of another nation or nations.

Being on(?) "The Most Favored Nations" list opens the door for the "LOAN" of the Government Security which brings to this nation a possibility of greater debt and if it is a condition of this "loan" that it must be spent in the U.S., then our economic benefit will be INFLATION due to the increase of this "money" in circulation without any prior production of goods for consumption in this nation.

This is the first cause for our current economic roller-coaster, the out of balance condition between production and consumption with the variable value destabilized monetary system. The quantity of this "money" in circulation determines its "value". The more that the Bankers put into circulation by loans, the less value that the "money" already in circulation will have and prices will go up in order to maintain the profit level while wages will be the last to adjust to this loss of value. This loss of purchasing power means less consumption which leads to overproduction and layoffs and recession. The greater part of this whip-saw economy could be eliminated with a FIXED VALUE MONETARY SYSTEM where changes in the amounts in circulation would have no effect on the purchasing power value of the Dollar and Society would be protected from the LOSS of INFLATION and a great number of other social ills which are offsprings of this "up & down" economy! U.S. Codes, Title 18, Sec.1581 The taxation of LABOR'S WAGES is a "FELONY CRIME", PEONAGE! KEEP THIS SAME BASIC SYSTEM AND IT WILL PRODUCE THE SAME BASIC PROBLEMS! U.S. Codes, Title 42, Sec. 1994: "PEONAGE ABOLISHED" (13th Amendment) IF YOU CHANGE THE CAUSE YOU WILL CHANGE THE EFFECT!



WE ARE NOW A SOCIETY OF PEONS! IN A PERMANENT UNLIMITED DEBT STATUS TO "OUR MASTERS" WHO DESIGNED THIS SYSTEM, THE FEDERAL RESERVE BANK AND THE FEDERAL CONGRESS OF THE UNITED STATES. OUR REPRESENTATIVES?????

A POLITICAL DEBT that "CLAIMS & REGULATES" ALL OF LABOR'S "TIME OF LIFE"!

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