

The outlook: The World is Going Broke

January 03, 2009 –

KIEV, Ukraine -- A top Ukrainian official warned Saturday that European customers could see serious natural gas disruptions in about two weeks if the energy dispute between Russia and Ukraine is not resolved, and the Russian gas monopoly Gazprom accused Ukraine of boycotting contract negotiations.

As Russia and Ukraine traded accusations in their bitter dispute over energy prices, four European nations -- Romania, Hungary, Poland and Bulgaria -- all reported some supply drops in natural gas Saturday.

JERUSALEM -- Israel's military said ground forces are crossing the Gaza border in an escalation of Israel's week-old offensive against the territory's Hamas rulers, according to the Associated Press and television networks.

BEIJING (Reuters) – Factories in China and India joined much of Europe in slashing output and jobs at a record pace in December, another sign the biggest emerging markets were wilting under the recession gripping industrialized nations.

(CBS) Over the years, booming oil prices helped turn Dubai into a land of opportunity and playground for the ultra rich.

But that was then and this is now.

Baltimore police and fire employees lost about \$3.5 million in pension money invested in a fund with ties to disgraced money manager Bernard L. Madoff.

Madoff's alleged \$50 billion Ponzi scheme has dented public funds and nonprofits across the country, with new victims discovered daily.

With President-elect Barack Obama and congressional Democrats considering a massive spending package aimed at pulling the nation out of recession, the national debt is projected to jump by as much as \$2 trillion this year, an unprecedented increase that could test the world's appetite for financing U.S. government spending.

PHILADELPHIA (Reuters) - Governors of five U.S. states urged the federal government to provide \$1 trillion in aid to the country's 50 states to help pay for education, welfare and infrastructure as states struggle with steep budget deficits amid a deepening recession.

States need \$1 Trillion???? Government deficit of \$2 Trillion???? Banks need another trillion??? If you added up the savings of every single American.....we only have about \$6 trillion.

The math just doesn't add up.....this is where Alstrynomics kicks in.....there is simply not enough money in the banks to pay off debt.....even if you took every single dime of American's savings and applied it to paying down debt.

We are broke.....it took us a few hundred years to get here.....but that is the fact jack.....and it has finally arrived no matter how deep you want to bury your head in the sand. Economists will throw you a bunch of BS.....not Alstrynomics. None of the mainstream economists were telling you there would be a banking meltdown when Alstrynomics was.....none of them told you cities and states were going bankrupt when Alstrynomics was.....none of them told you Pension funds would run out of money when Alstrynomics was.....

If you have money in the bank.....your government needs it. If you have money in a retirement account.....your government needs it. Where ever you have money, and it doesn't matter how much.....your government needs it. Every government around the world needs all the money of its citizens in order to pay down debt.

Get ready, 30% unemployment may be just the beginning. Not the end of the world, just the end of a system as we know it. Maybe one day, Alstrynomics will be taught in school. The premise is simple, you can't borrow your way to prosperity for perpetuity..... when the debt collector comes knocking and you don't have the money to pay.....you are broke. At this point.....the world is pretty much broke....Businesses, Cities, States, Countries, Pension funds, Individuals, Families, Schools, Charitable Organizations, Churches,the list goes on and on.

It is not something to fret about.....just a really big problem we must deal with.