

Hello Everyone,

Every breath you take

Every move you make

Every bond you break

Every step you take

I'll be watching you. Song by The Police 1983

Yes, that song was kind of creepy. And the series that I am about to undertake is kind of creepy as well.

There is a move afoot to watch all of us via our money.

If today's missive spurs your curiosity...and you don't want to wait for four or five shows to get the whole picture...please go to <https://www.georgegammon.com/government-digital-currency-should-you-be-terrified/>. Or to <https://goldsilver.com/blog/digital-dollars-coming-to-your-phone-alarming-plan-revealed/>.

Then if you want to verify the information you receive, go to gov.info.gov. Then, in the search bar type "digital wallet". If you dig into the two Senate bills referenced, (S.2563 & S.3571), I believe you will be surprised how the "structure" of a new currency is being built.

Signed, Your As-We-Fight-Amongst-Ourselves-Something-Else-Behind-The-Scenes-Is-Usually-Unfolding Financial Advisor,

Greg

KKOB 2020.10.19 FedCoin Part 1

Bob: So, Greg, my understanding is you want to start another series. And this one is about digital currencies. But not Bitcoin. You want to talk about the government's version of Bitcoin. Right?

Greg: I do. And I believe it is coming at us much faster than I had anticipated. Let me read off some recent headlines.

- ***In Unprecedented Monetary Overhaul, The Fed Is Preparing To Deposit "Digital Dollars" Directly To "Each American."***

Next...

- ***Fed's "Direct Money Transfers" Are Coming: Brainard Says...***

Bob, what is prompting this is the Fed has been frustrated with its inability to ramp up inflation. The previous plan of pushing money to the banks and urging the banks to lend to us has backfired.

Instead, the banks socked a lot of money away for themselves. And if they did lend it, it went disproportionately to the big guys whom the banks believed were less likely to default.

Thus, the complaint that Fed policy has only helped Wall Street and not Main Street.

Bob: I get that. So, you're saying the plan now is to push money directly down to the little guys. Right?

I mean if the Federal Reserve plans on direct deposits to us---- that means bypassing banks. I would think money-direct to the little guy would be extremely popular.

Greg: Politically? Sure. So, the question is... how? Well, they could do direct bank deposits -- or send checks-- like they did last summer. But they want more than that. They want us to spend it. And spend it fast. That's the inflation part.

So, here is where things take an interesting turn. They wouldn't deposit dollars as you and I know them. They would deposit a digital currency. For the sake of this explanation, let's call it FedCoin. And a FedCoin will be markedly different from a dollar.

Let me explain.

Bob, when you get paid each month, I'm guessing your paycheck is probably deposited directly to your bank in the form of digits. I call those electronic dollars, or e-dollars. But they are still dollars.

Now, let's pretend you withdraw \$500 cash. Those are obviously dollars, too. And then let's say you and Carol spend them on food, gas, maybe a glass of wine and some appetizers. Bob, the government can't really track that.

Thus, with cash dollars (or even e-dollars) all the government really knows is how much money you have at any given time in your accounts.

A FedCoin is different. And your phone is the key. FedCoin will go directly to your phone. **Each coin will have its own unique electronic signature.** So, when you go to a restaurant, or buy gas, or pay your mortgage, they'll know it.

In short, every transaction will be traceable so long as that electronic FedCoin is in the system.

Bob: This is kind of scary. So, they will be able to track everything I do based on my money. I'll have no privacy.

So, what if I just refuse it? I mean, I don't have to take FedCoin if I don't want to, do I?

Greg: No. But the temptation will be huge. Imagine the Federal Reserve saying, *"Just download this app and we will deposit 1200 FedCoin into your phone every month. You can use it to pay your mortgage. Pay your taxes. Go shopping."*

Bob, how fast do you think Millennials and Gen Xers would download that app? And could you resist?

Bob: Eventually, I think almost all of us would download it. After all, it's free money. It's also the implementation of Universal Basic Income....and the way the Fed gets the inflation it wants.

But I just can't see this happening. The push back would be huge. American's aren't ready for this.

Greg: I thought that, too. But I believe this FedCoin concept is coming at us far faster than I had anticipated. So, on Friday, I want to go over two Senate Bills.... **The Banking for All Act** and **The Illicit Cash Act.**

Once explained, I believe you will see the direction some of our leaders wish to take us--- and why I am concerned.

Bob: OK. Illicit seems like a good word for the politicians! This is completely new information to me. I'm looking forward to this series. I think. How do people reach you?

Greg: My number is 250-3754. Or go to my website at zanettifinancial.com.

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