

## **The House Government Reform and Oversight Committee Grills Federal Reserve Chairman Bernanke and Treasury Secretary Geithner on Congress' Allocation**

In addition to corroborating what had been independently verified multiple times over the course of three weeks, some members of the Committee pressed their two esteemed witnesses on particulars of what Congress authorized.

It is totally reasonable for the House committee mandated to investigate government wrongdoing, waste and abuse and oversee how Congress spends taxpayers' money to inquire from and press those who are privy to all there is to know about what was legislated. The Chairman of the Committee, Daryl Issa (R - CA) begins the proceedings with this:

The Committee will come to order. The Oversight Committee's mission statement is that "we exist to secure two fundamental principles. First, Americans have a right to know the money Washington takes from them is well spent. And second, Americans deserve an efficient, effective government that works for them. Our duty on the Government Reform and Oversight Committee is to protect these rights. Our solemn responsibility is to hold government - I repeat government - accountable to taxpayers because they have a right to know what they get from their government. Our job is to work tirelessly in partnership with citizen watchdogs to deliver the facts to the American people and genuine reform to the federal bureaucracy".

Almost an hour elapsed since the start of the hearing when the Canadian lawyer tuned into the live C-SPAN broadcast; at which time the Secretary of the Treasury, Tim Geithner, was speaking. When he got the signal he was in the East-West Corridor of Diplomacy, he employed the lexicon [a Letterman M. @ 55:08] to acknowledge that fact.



Congressman Quigley (D – Illinois) was the first to formulate a geo-question that would be asked and re-asked of the two witnesses, which inquired about repayment of what Congress allocated to satisfy the *quantum* liability issue.

And your overall assessment -- their chances for recovery, [56:25: Bernanke M.], why are they perhaps less optimistic or more optimistic about what Europe faces vs. the U.S..



Congressman McHenry (R – NC) appears to be curious about the authority the Federal Reserve had in the matters relating to Congress' authorization.

[57:38: pro Preston M.] Chairman Bernanke, I just want to ask about your legal authority - the Fed's legal authority. So the Fed can ...



In answer the Chairman states that what is being provided is a "debt".

[59:14: B.M.] Some of the debt we simply own.



That it is just that, a debt, is argued in [The Senate Banking Committee Corroborates and the Federal Reserve Chairman Again Confirms Congress' Quantum Authorization](#): During the hearing on March 1<sup>st</sup> Dr. Bernanke...

...employs a Sarkozy M. [@ 14:09] timed to "access to credit", which underscores once again the Canadian lawyer's entitlements and capital to finance reform and accountability are finalized. Whether intentional or not, the decision to red flag this phrase is totally accurate; as the funds forwarded to him as *quantum* are technically on credit. The

proviso is that all will be repaid in full upon regime change that leads to repatriating the many trillions of dollars embezzled by the Chinada High Command. To ensure success in this regard it is in America's interests to not be sideline observers of the process, but instead be fully engaged in deconstructing and reconstituting the country's public and private sectors so as to do away with Chinese joint hegemony and domestic authoritarianism.

The Representative from North Carolina also employs the lexicon when asking the Treasury Secretary a question, which as with query number one looks more like he's simply acknowledging he's aware of what Congress had done, as opposed to red flagging a remark that has geo-relevance or asking a specific question about that authorization.

Secretary Geithner, I've got a [59:44: Pfeiffer-Brooke M.] few questions about the international monetary fund. [...] Under Dodd-Frank - and I know you've been supportive of this, but a [1:01:53: Z-J M.] number of provisions in there - one of them in particular dealing with the IMF when our designee - when your designee - our country's designee to the IMF engages in a decision to -- the IMF to loan money to a country that has ...



Congressman Connolly (D – Virginia) by contrast employs a Clooney M. when referring to “large fiscal surpluses”, which was to corroborate what was allocated by legislation and ties it to the Canadian lawyer’s nightmare by way of choosing that particular geo-gesture.

Mr. Geithner, you noted in your testimony that Ireland and Spain actually ran large fiscal surpluses [1:04:16: Cl.M.], yet they were victims of financial crisis contagion.



His next foray into the geo-political arena appears to raise the 'alarm bells' over the possibility of U.S. politics taking on some of the contemptible characteristics of America's northern neighbor if abuses of power like what's at the center of MK-Ultra Gate are permitted to go unchecked and reform not implemented to prevent further occurrences.

One of the [1:07:03: Erin M.] comparisons that are often cited by some - even here in this body - is that the United States if it's not careful in its posture and lack of fiscal discipline is going to look alarmingly like Greece.



The Fed Chairman employs his namesake gesture to confirm transference of funds will be in the "short term"; and goes on to employ a Clooney M. to



draw attention to how financing will put Canada on the road to recovery from the double plague that is Chinese joint hegemony and a more acute paradigm of authoritarian rule.

[1:08:31: B.M.] There are short term issues ... [...] What we need to do is find a strategy that will credibly and convincingly put us on a path towards long-term sustainability without doing undue damage to the recovery. [1:09:03: Cl.M.]



The Treasury Secretary also confirms the 'debt' or 'credit' nature of what Congress did.

You'll have to decide as a member of Congress how much time you want to give Congress before we have to vote on it again. You can choose that amount of time. The larger the number you create -- But [1:14:59: O-S M.] again, the debt limit doesn't decide how much we can borrow. You decide how much we can borrow.



Congressman Turner (R – Ohio) uses another appropriate description by way of analogy of what's being made available: "bailout".

The title of this hearing is 'Europe's Sovereign Debt Crisis; Causes and Consequences for the United States and Lessons Learned'. Focusing on that portion of 'Lessons Learned', I have a concern as we look to the issue [1:21:31: B.M.] of Europe that stems from my concern from the bail-out process that has gone through in the United States [Pfeiffer M.].



He becomes very assertive in his cross-examination of the Treasury Secretary and while engaged in that posture employs a diplomatically coercive geo-gesture to underscore the Committee's resolve to investigate everything MK-Ultra Gate, as that abuse of power has led to the expenditure of tax dollars.

[T]hroughout these processes you've refused and Treasury's refused to answer questions, you've provided un-redacted documents or disclose relevant information that people have asked [for] to try to hold accountable the Treasury to find out what [1:22:40: R-S M.] has occurred, where the tax dollars have gone...



The Fed Chairman seeks to calm Committee members' concerns by assuring them that there is more than sufficient supervision – he labels it “macro-prudential oversight” – of these funds to ensure they are spent in compliance with Congress' reasonable expectations. He's aware that one of the world's largest financial services firms, a U.S. corporation with over \$2 trillion in client assets under management, has already been retained to take receipt of these billions; in part because it's not Canadian owned or situate and in part because it has forensic audit capabilities.

So we have -- I think, taken a lot of positive steps to strengthening our system. There are many aspects of Dodd-Frank including orderly liquidation and macro-prudential oversight [1:30:49: B.M.] which have I think been very constructive.





Congresswoman Maloney (D – New York) gets aggressive when inquiring about the financing of Canadian reform and accountability. She goes on record as wanting to make sure the Chinada problem is fully resolved by way of these funds.

Yes or no, Chairman Bernanke. Do you agree with that statement, that Europe has the ability to solve this debt problem [1:32:11: Execution M., Erin M.]?



Congressman Meehan (R – Pennsylvania) boils down what Congress did to the issue of making the Canadian financially 'liquid' so he can do what the coalition wanted done in Canada since the partnership came into being.

Obviously there are many complexing questions that are part of this overall equation. But [1:32:49: O-S M.] Chairman Bernanke, as I was listening to your testimony one of the things that [O-S M.] struck me was in your review of the totality of the circumstances [O-S M.] in Europe - one of the places where in my estimation you seem to identify with a little bit of the hesitancy is with respect to this issue of the currency swaps; that in which we take American dollars, make them available to the European banks - as I understand it - and then they're going to be paid back again in American dollars by the Central Bank. Now what's the real purpose behind that and is that any distinction from other kinds of IMF funding and other things? It's [O-S M.] a liquidity issue primarily?



Chairman Bernanke fully agrees with that assessment...

[1:33:33: pro B.M.] It's a liquidity issue, not a long term loan. The longest of these loans ever made is three months. [B..M.] We have -- the counterparty is not the country; the counterparty is not the bank. Our counterparty is Central Bank, the European Central Bank [pro B.M.] which we have every confidence will repay...



... and adds his assurance that all of the funds advanced will be paid back in full; confident that the repatriation of Canada's plundered wealth – upwards if not exceeding \$5 trillion – will be traced, seized and returned and out of which the American taxpayer will be fully reimbursed. He then highlights, employing a Clooney M., that this will be “very costly” to those who thought they were invincible, insulated and immune in perpetuity.

We believe our banking system has sufficient capital to deal with that. Of course it would be very costly to the American economy and to the banks and to the financial system more generally [1:38:05: Cl.M.].



The Committee Chairman also agrees with the status of what Congress authorized – as a “debt” to be repaid.

[1:41:05: B.M.] One more question I know the answer to but I want to make sure the American people hear. Secretary Geithner I think the Ranking Member addressed it towards you. He talked about the huge amount of debt built up in this country ... [...] Now, I went to the 'debt clock' [1:42:35: B.M.] ...



Dr. Bernanke employs his namesake gesture when first answering the question to acknowledge this fact.

[1:43:23: B.M.] Well, there's been about \$7 trillion of home owner equity lost by declining house prices...



Congressman Burton (R - Indiana) presses the witnesses on the repayment component of the agreement.

If we had to recover our debt, [1:54:08: Greenspan-CI.M.] how would they repay us?





Observing a lack of confidence in some Committee members about reimbursement, the Fed Chairman paints a bleak picture should there be none. If there isn't a repayment that means the U.S. and its coalition allies didn't follow through on what was an original term of the agreement with the Canadian and failed to give meaning to Article 5 of the *United Nations Convention on Corruption*, which has been [ratified](#) by most countries in the world, including the U.S.A.. So he's going on record as insisting that all effort be made to comply with this expectation.

[1:54:11: B.M.] Well first the European Central Bank itself has capital. [...] The European Central bank is [1:54:46: pro B.M.] a highly solvent institution. It is committed to low inflation. It is in turn supported by a whole network of central banks by the 17 countries which have their own...





Rep. Burton: ... I understand that but that not really answering my question.

Ch. Bernanke: The kind of scenario you're envisioning [1:54:59: R-S M.] where they couldn't pay us back would be absolutely apocalyptic. It would mean a collapse of major governments in Europe. It would mean a collapse of [1:55:07: B.M.]...



Rep. Burton: Let me follow up with this question [Cl.M.]: Let's say Greece defaults. [...] How would we get repaid? And what kind of impact would that have on our country? And I know you used the term "apocalyptic". [1:55:53: Bernanke: pro B.M.] I'd like for you to just explain a little bit more thoroughly.



Bernanke: Well again the money we've lent - or we first of all have the swap that we've made - the collateral -- we've taken the collateral we've taken for it; which is coming down -- is backed, first of all, by the European Central Bank, which in turn has behind it 17 national

central banks which have gold; they have other kinds of assets. Those central banks in turn are backed by the governments of the Eurozone. So it's an extraordinarily unlikely situation that we would lose any money.



It's not just a matter of compliance with a term of the agreement struck with the Canadian in May 2006 that will motivate the U.S. and other public sector coalition partners to contribute to a successful repatriation. There is so much more involved. Being America's largest trading partner, the U.S. will benefit massively from a northern neighbor that pays off its national debt and has enormous amounts of capital to invest in economy stimulation. Plus, Canadian consumers will have more cash to spend, which means they can afford to purchase more American-made products and services. To ensure this outcome the Obama administration and other factions in the U.S. cannot simply sit on the sidelines and observe the process of reform and accountability. In addition to mobilizing resources and expertise in State Department agencies involved in emerging democracy nation building, the Pentagon and CIA must monitor the country's rogue security apparatus and step in when surveillance reveals proactive sabotage of what's undertaken to fix the country's systemic dysfunctions.

Congressman Kelly (R – Pennsylvania) articulates how he feels about what his former President did that triggered the scandal by employing the geo-gesture named after him.

If you go back to '47 the [interest rate] ranged around about 9.5 to about 9.8. Right now we're at 3.25. [2:03:15: Geo W M.] But I remember and it was not really pleasant memories ...



Seeing so much geo-activity by Committee members and the witnesses he goes on to offer a personal story that both identifies the loan that's been extended and the Canadian by incorporating his lexiconic constituent. The Congressman puts his appreciation on the record for what he calls "a real attractive package", referring to the *quantum* authorization.

What do you see happening in the future? I know that right now a 3.25, it looks awfully attractive. In fact [2:04:00: Geo W M.] we just negotiated a loan to build a new building. But it was a certainty. Mr. Bernanke thank-you by the way; the bank came to us - we had about **five** bidding for us and we came up with what we thought was a real attractive package.



The Treasury Secretary gets the last geo-word; stating his belief that what's now been addressed took much too long to evolve and mature; and implicitly encourages everyone involved to expedite "the process".

There are already some people that have already left their homes who need to pursue a more affordable option and we should help make that easy for them to do it. And you want to make sure that when you foreclose that that process has complete integrity. And so you want to have some checks and balances in that. But I agree with you [2:28:41: Eva M.] that the process is taking too long.



[View video](#)

The Canadian offering his assurance that what Congress authorized will be repaid in full aren't just words on a page. He has said many times that international law ought to recognize the principle that liberated countries ought to reimburse their emancipators for hard costs in full. And to prove he was serious about this he contacted the Iraq embassies in Washington and Ottawa and insisted the coalition-installed government compensate the United States and its allies for expenses related to ridding the country of Saddam Hussein. In a *Fiefdom* treatise chapter this argument is made and what was faxed reproduced:

## **What the Iraq Government Ought to that a Liberated Canadian Government Will**

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Barrister & Solicitor

There ought to be a rule in international law that when foreigners remove a dictator, tyrant, despot or fascist from power that liberates tens of millions of oppressed and brutalized people, who plundered the nation's economy and threatened neighbours and/or the world special consideration ought to be given in the form of compensation for that valuable service.

One estimate that the total cost of removing Saddam Hussein's regime and successfully battling the insurgency that sought to take advantage of the temporary power vacuum and ethnic in-fighting will be massive:

### **The Iraq War Will Cost Us \$3 Trillion, and Much More**

by Linda Bilmes & Joseph Stiglitz

March 9, 2008

[Read article](#)

There is no such thing as a free lunch, and there is no such thing as a free war. The Iraq adventure has seriously weakened the U.S. economy, whose woes now go far beyond loose mortgage lending. You can't spend \$3 trillion -- yes, \$3 trillion -- on a failed war abroad and not feel the pain at home. Some people will scoff at that number, but we've done the math.

[...]

As we approach the fifth anniversary of the invasion, Iraq is not only the second longest war in U.S. history (after Vietnam), it is also the second most costly -- surpassed only by World War II.

[...]

By the time you add in the costs hidden in the defense budget, the money we'll have to spend to help future veterans, and money to refurbish a military whose equipment and materiel have been greatly depleted, the total tab to the federal government will almost surely exceed \$1.5 trillion. [...] All told, the bill for the Iraq war is likely to top \$3 trillion. And that's a conservative estimate.

It is a legitimate question to ask is whether three hundred and thirty million Americans ought to bear the full burden of that historic expenditure. No longer will the Iraqi economy be the subject of what nepotism and patronage in the public and private sector delivers – economy monopolization and prosperity embezzlement in the hundreds of billions. Like many of his ilk, he had no qualms about lining his own pockets with the wealth of the nation.



[...]

Given these circumstances in significant ways parallel the Iraq situation, the Iraqi government ought to offer to do what Canada's reformers have undertaken to do. The first step in initiating this change to international affairs was taken on March 2, 2011 with calls to Iraq's Ambassadors to the United States and Canada. After a full introduction this e-mail was sent:

March 2, 2011

Embassy of the Republic of Iraq  
215 McLeod Street ,  
Ottawa, Ontario K2P 0Z8

Embassy of the United States  
490 Sussex Drive  
Ottawa, Ontario K1P 5T1

Attention: His Excellency Ambassador Dr. al-Hussaini (c.c. His Excellency David Jacobson, USA c/o Emmily Fertik, Ambassador's Assistant)

Further to my full introduction to Mr. Firas today, this is to confirm my request that the Government of Iraq compensate the United States Government for some of its hard costs in liberating your country. As I explained to him, a large constituent of the international community is in the process of expelling unlawful and unconstitutional interests of the Peoples Republic of China from Canada because the Beijing leadership has enjoyed joint hegemony status here since the 1970s in violation of our constitution and the international law of sovereignty.

I refer you to my research that corroborates what American intel has known since that period of time:

<http://reformcoalitionofcanada.yolasite.com>.

I respectfully submit it is appropriate that the new Iraq government as more than a public relations exercise offer to compensate the United States, given the estimates for liberation and veterans costs exceed \$1.5 trillion and because your country's natural resources wealth allows for that opportunity.

Be advised I made a full presentation of this issue to the Iraq Ambassador to the United States in Washington; speaking to the

assistant to Mr. Altay earlier today, trusting this matter will be fully discussed and resolved in favor of this good will gesture.

Kindly acknowledge receipt of this e-mail for our records.

Brad Kempo Esq.