

# Scrooge Accepts Nobel Peace Prize

Brussels, Christmas Eve, 2012. (From our Special Correspondent). Reactions were sharply divided here in Euroland to Stockholm's award of the 2012 Nobel Peace Prize to the European Union (EU) in recognition of its efforts to promote the moral values of fiscal discipline and responsibility through the Euro.

Receiving the award on behalf of the Euro was Dr. Ebenezer von Scrooge of the Bundesbank, whose acceptance speech stressed the importance of prompt and complete payment of debts as the central moral value on which European society is based. Dr. von Scrooge delivered a timely admonition to those Spaniards and Greeks who reportedly were still planning to exchange holiday gifts this season: "What's Christmas time to you but a time for paying bills without money; a time for finding yourself a year older, but not an hour richer?"

Informed that "many thousands are in want of common necessities; hundreds of thousands are in want of common comforts," as the result of the EU's austerity policies, Dr. von Scrooge replied: "Are there no prisons, no workhouses, no deportation centers? I help to support the establishments I have mentioned—they cost enough; and those who are badly off must go there."—"Many can't go there; and many would rather die," critics objected. "If they would rather die," replied Dr. von Scrooge, "they had better do it, and decrease the surplus population."

Although financial markets reacted positively to the Nobel Committee's quasi-religious sanctification of the European common currency as a universal moral standard, housewives in Thessalanika, Greece, reportedly rent their garments and poured ashes on their heads in stunned disbelief.

On the other hand, the news of the EU Peace Prize drove European armament and aero-space stocks sharply upward on the Paris Bourse (the EU is the largest arms exporter after the US and Russia) despite some indignant grumbling about Nobel's original intentions by the usual boring pacifists. Some Euroland analysts speculated that increased arms production might raise employment figures and help reduce what Dr. Scrooge infelicitously termed 'the surplus population.'

One thing is clear, however: the Nobel's sanctification of the Euro cemented the essential moral pillar of the European political class: THE DEBT MUST BE PAID or the world will come to an end, as predicted by the Mayan calendar. This is an article of faith as sacred in Euroland as is the U.S. Fiscal Cliff, at the foot of which Americans must dutifully bow down and relinquish their Social Security checks to a High Power. But what if these millennial fears had no firmer basis than those of the ancient Mayans?

### **What is Debt?**

What exactly IS this holy 'Debt' for which we must sacrifice? And why is such a fetish being made of it at this time? The answer is simple. The debt consists of accumulated interest. That is to say accumulated bank profits. And if the bankers, the media and their political accomplices in Stockholm didn't make a fetish of it, reasonable people would at some point be tempted to renegotiate it or even walk away from it in times of economic hardship.

The 'national debt' (which Marx quipped was the only part of the nation the common people actually owned) consists mostly of accumulated interest to be paid to banks from which the government has at one time borrowed money. Often (as in the case of Greece) the taxpayer is paying interest on outstanding interest of previously unpaid loans, that is to say quite simply bankers' profits piled on top of bankers' profits far exceeding the original face value of the loan. (In

Canada, for example, accumulated interest represents 90% of the total debt.)

In any case, there is no reason on earth for the government, which 'prints' money by lending it to banks at near-zero interest, should ever need to borrow money at interest from these same banks. In other words, the real purpose of the Debt is to keep re-inflating the 'too-big-to-fail' banks. This is the message 12-year-old Victoria Grant delivered to the Public Banking in America Conference, and her video went viral. Her 10-minute presentation demonstrates that the Debt is a conspiracy between government and the banking industry to defraud the public. No adult economists have succeeded in answering her.