TURMEL: Bank of Canada Big Lie says more interest rate hikes

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JCT: Shades of the early 1980s when interest rates reached 22% at the Bank of Canada and 40% out in the streets. No thanks to Pierre Trudeau who raised the ceiling on interest rates from 6% to 60%. Thats why they got to 22% under Pierre. That's why he was kicked out. That's where he failed.

The reason I'm publishing this is that I'm used to hearing the Big Lie of Economics that interest rates fight inflation one, two, three, maybe even four times in an article, but this number is unheard of.

Remember that Turmel's Miracle Equation J = I/P+I says that inflation J equals Interest over Debt (Principal+Interest). If Interest = 0, Inflation must be 0. Inflation is not an indirect function of the interest rate, it is a direct function. Interest does not fight inflation, it causes it. If Interest = 0, Inflation must be 0.

So every time they say that the medicine for inflation is interest rates, they are repeating the Big Lie. Hypnotically, methodically, enchantingly, chantingly, never−endingly, repeated. So now let's count how many times the mantra that interest fights inflation is repeated here.

Bank of Canada predicts more rate hikes
Canadian Press / Calgary
by James Stevenson

Canada's central bank plans to continue raising interest rates despite an unexpected drop in the inflation rate last month, Bank of Canada governor David Dodge said Monday.

(1) Means: "It's surprising to do raise interest which fights inflation when inflation is going down.

Dodge said the pace of rate increases will depend on the speed of economic growth in the United States, China and India, as well as on domestic factors.

(2) Means: Economic growth is measured in money and increased speed of economic growth means increased money which means Shift A inflation which means that the interest rate increases will depend on needing to fight inflation.

"Looking forward, we will need to continue to reduce monetary stimulus to avoid a build−up of inflationary pressures and to contribute to sustainable growth," Dodge said in a speech to the annual meeting of the Canadian Chamber of Commerce in Calgary.

(3) To avoid inflation pressure, we need to reduce monetary stimulus and you reduce monetary stimulus by raising the interest rates and deterring the monetary stimulus.

"However, the pace of our actions will depend on our continuing assessment of the evolving prospects for pressures on capacity and inflation.

(4) Means: The pace of our actions on interest rates will depend on inflation.

Last Friday, Statistics Canada reported a surprisingly low reading on price increases, showing an annual rate of inflation receding to a mere 1.9 percent in August. The slowing in the inflation rate last month − from 2.3% in July − surprised financial markets and raised suggestions that the Bank of Canada might slow down or even call off its expected tightening of monetary policy.

(5) Means: It won't raise interest rates to fight inflation because inflation went down.

Excluding volatile food and energy items, last month's core rate of inflation − the price statistic most closely watched by the central bank − fell last month to 1.5%, well below the two percent favoured by the Bank of Canada. Still, Dodge said risks of inflation "were probably exactly the same" as before the lower−than−expected numbers came out. "We get measures by the month − they are estimates − and those estimates bounce around," Dodge said following his speech. "Where we are at the moment is very, very close to where we expected to be when we put out our July report."

The bank raised short−term interest rates by a quarter of a point on Sep 8, citing rising core inflation,

(6) Means: They raised interest rates citing rising
inflation.

and hinted that it would continue to raise rates at its
next two opportunities − Oct 19 and Dec 7 − to keep a lid
on price pressures.

(7) Means: raising rates keeps a lid on price pressures.
JCT: (raising banking costs?)

In the United States, the Federal Reserve Board is widely
expected to boost its short−term interest rates by a quarter
point on Tuesday, making it the third such rise this year.
Although inflation isn't currently threatening the economy,

(8) Means: Third interest rate rise to fight inflation that
isn't currently threatening.

the U.S. central bank wants to make sure it doesn't become a
problem, explaining why the Fed is expected to increase the
federal funds rate to 1.75% from 1.5%.

(9) Means: stop inflation from becoming a problem by
increasing interest rates.

JCT: Nine times, the presumption or the overly stated
premise is that inflation shift A is fought by raising
interest rates. Everyone reading this has to be inculcated
with that presumption, conditioned by that Big Lie.

Still, having the Big Lie of Economics repeated nine times
in one article has to be a record.
http://www.cyberclass.net/turmel/biglie.htm

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Abolitionist Slave Leader John C."The Banking Systems Engineer" Turmel
for UNILETS interest−free time−based currency in U.N. resolution C6
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