



Dear Judeo-Christian Leader,

February 21, 2010

Welcome to the Third Monday Evening Tele-Training, hosted by Public Awareness Ministries / PreserveLiberty.com. The outline for tonight's teaching by **James Rose**, President of the **American Christian History Institute** (achipa.com) and his son **Matthew**, begins on page two, and biographical information for James Rose and Matthew Rose is below on page seven.

Tea Parties, Town Halls, meetings, rallies, and conferences are vitally important, but when the rally is over the important question is: what effective things will we each do in our own home, church, and community that really make a difference?



While Glenn Beck, Sean Hannity, and Rush Limbaugh do an excellent job "sounding the alarm," telling us what's wrong in America and how it affects us, they do not **provide a local plan** to reclaim our nation through consistent united city-by-city prayer and work. This is the goal of PreserveLiberty.com...

Restoring America's Biblical and Constitutional foundation will require prayer and focused work of individual citizens like you and me. By God's grace, if Christians who have a Biblical worldview¹ will GIVE one hour a month in consistent united local **prayer** and one morning a month to **work** to advance Biblical values and God-honoring leaders, then we'll GET America back.

GIVE six hours a month – GET America back!

Share the vision of thousands of local groups across America, each of which has several churches or organizations tied-in, that consistently pray and work together city-by-city to advance Biblical values and God-fearing leaders. Will you join us in this ministry effort? **Thank you** for your time, prayers, and consideration.

--Equipping conservative thinkers to pray and work together, city-by-city, to protect life, marriage, and America's Biblical foundation,

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"God grants liberty **only** to those who love and are willing to defend it." -- *Daniel Webster*

¹ Barna.org estimates that approximately 9-10% of all Christians have a Biblical worldview.



AN ACCOUNT OF THE PRIMARY POLITICAL CAUSES FOR AMERICA'S FINANCIAL CRISIS

WHY AND HOW CIVIL GOVERNMENT CAUSED THE FINANCIAL CRISIS

President Clinton promoted and approved a bill in 1996 to allow Freddie Mac and Fannie Mae (private shareholder owned **government controlled corporations** established and underwritten by Congress) to **accept mortgages from poorer, low-income home buyers who had *no down payment* and *no verification of their ability to repay the mortgages***. In 1999, requirements for approval of a mortgage by Freddie Mac and Fannie Mae were reduced **to allow home buyers to obtain adjustable rate mortgages (ARMs)** based on the Federal Reserve Fund interest rate. Alan Greenspan, then Chairman of the Federal Reserve Bank, ***reduced the Federal Funds interest rates in February 2002 to only 1% by April 2003 causing the housing bubble***. He began raising interest rates in July 2004. **When Ben Bernanke took over the Federal Reserve Bank, he continued to raise interest rates until they peaked to 5.25%**. The number of sub-prime borrowers had increased by the millions between 1999 and 2005. Those who had purchased a house a few years earlier saw the value of their home dramatically increase. **They pulled most of the accumulated equity out of their homes by re-financing again and again. The home owners used their equity to buy things** but the huge surge in interest rates popped the housing bubble, especially affecting those who held the sub-prime ARM's. Millions of homeowners saw the value of their houses decline below the amount of the mortgage they owed. They defaulted on their loans and began to walk away from their houses. Home prices fell as mortgage companies foreclosed and drove home prices down more. Responsible homeowners saw the value of their homes plunge. ***Managers from Freddie Mac and Fannie Mae testified before Congress on December 9, 2008 that pressure from HUD (U.S. Department of Housing and Urban Development) which governed Freddie Mae and Freddie Mac had forced them to accept the high-risk, sub-prime, zero-down payment mortgages. Hence, our nations legislative and executive branches of government, with support of the Federal Reserve Bank, primarily caused the financial crisis.*** (This information was compiled from internet research).

The State of Maryland published another summary account of the crisis in 2008 which, though helpful, did not acknowledge the responsibility of the FED or other governmental agencies:

"We are in the midst of a global financial crisis the full magnitude of which is as yet unknown. Nevertheless, the source of this fiscal contagion is coming to be understood. Homeowners purchased properties that they could not afford. Loan originators offered real estate loans (Sub-prime Mortgages) that could not be repaid.

Investment bankers bundled these home loans into securities (Residential Mortgage Backed Securities - RMBS) that were spread throughout the world bearing credit risk ratings that underestimated the risk. These securities (called Collateralized Debt Obligations - CDO's) were repackaged and resold among financial institutions which relied on short term credit to maximize their returns. At the same time, these firms also offered a form of *insurance* (called Credit Default Swaps - CDS's) against the risk of default to purchasers of these contracts and to speculators. The result so far has been a radical restructuring of the financial landscape and is a considerable loss of confidence / trust (the basis of CREDIT) in the economy and the financial system which supports it." [Understanding the Global Financial Crisis And Its Impact on Maryland, Department of Legislative Services, October 2008.

(<http://mlis.state.md.us/2009rs/misc/FinancialCrisis>)]

CONCLUSION submitted by Miss Katherine Dang:

"Congress acted unconstitutionally when, in 1913, it transferred its monetary powers to a private corporation, a consortium of commercial banks: The Federal Reserve Bank. ... Government interventions, regulations, in the market place are *not* divine interventions; they make matters worse, either bringing on or prolonging an economic depression... In 100 years we went from capitalism and free enterprise to nationalization and socialism - the most remarkable period of government intervention into the financial system since the Great Depression.

'The Bush bailout ["TARP" and now the Obama 'recovery' programs], as well as Federal Reserve Bank cuts in interest rates [and a host of other programs to increase the supply of money], is a wealth transfer from creditworthy people and taxpayers to those who made ill-advised credit decisions, and that includes banks as well as borrowers.' (*Walter Williams, Economist, George Mason University*)

“ The character of the American people in general seem disposed to invite nationalization, centralization and dependency upon the all-powerful government into the economy of their lives: the character of being weak against the pressures of expediency; impatient in suffering; resistant to correction in consequences; self disregard for posterity. BUT, erroneous ideas and actions serve always to advance the right ideas and hurry it along to the fore, where before they were neither acknowledged nor welcomed. The pressures of adversity and pain of corrections causes headlong motion and stirs deep reflection for relief and resolution."

[Katherine Dang, *Experiencing De' Ja Vu- Economic Depression: 1907 and 2007*; see www.PhilomathFoundation.com, under “Wednesday Night Solon”]

EXERCISING INDIVIDUAL SELF GOVERNMENT IN PREPARATION FOR ANY ECONOMIC ADVERSITY

(Prepared by Matthew Rose)

I) Make a budget

A) List all your reliable sources of income and determine your monthly take home pay/usable income.

B) List ALL your expenses. Don't forget expenses like property taxes, DMV fees, insurance, home and auto maintenance. Consult your bank and credit card statements to help put together an accurate list.

C) Determine your income/expense ratio by dividing your expense by your income. Hopefully, your debt is less than 90% of your income.

II) Cut unnecessary expenses

A) Reassess all your expenses and find expenses you can cut or eliminate.

B) Make sure that during this cost cutting process you are not spending LOTS of money to save a little money

III) Build up a 2 - 3 month consumable and cash reserve (at your home).

A) 1/3 of your saving should be set aside in cash (small bills and accessible savings) until you have 2-3 months in expenses saved up. If you lose your job it could take months to find a new one. Don't count on unemployment benefits from the state.

B) 1/3 of your savings should go to building up food (and a water filter). When you go shopping buy extra canned and dried foods of the things you NORMALLY eat.

C) 1/3 of your savings could be used to buy physical silver or gold to diversify and protect yourself from inflation. Consult your local coin and jewelry stores for prices.

D) Don't stop saving cash, food/water, and precious metals till you have at least 2-3 months reserve of each category build up.

IV) Pay down debts

A) After you have built up your consumable and cash reserves start paying down debt.

B) Pay off your credit cards and auto loans first since these debts typically have the highest interest rates and biggest payment to debt ratios.

C) If you have an adjustable mortgage loan that has a flexible interest rate

consider locking in your rate or converting your mortgage to a fixed rate/loan. Interest rates will go up dramatically (During the 70's rates were in the high teens). You may want to consider buying foreign dividend paying stocks (stocks that are NOT tied to the declining value of the dollar) with your extra money instead of paying down your fixed mortgage.

D) Dave Ramsey has offered a very useful idea on eliminating debt. "**Pay Off All Debt Using The Debt Snowball:** List your debts smallest to largest, pay minimum payments on everything but the little one, and attack the little one with a vengeance. 'I mean, sell so much stuff, the kids are afraid they're next,' he jokes. When your smallest debt is gone, you take the payments you used to pay there, and you put it on the next one. When those two are gone, you take those two payments, the snowball rolls over again, and you attack number three."

Practical Ways to Save Money

(Researched and compiled by Matthew Rose)

Property Taxes:

If you own your home AND have purchased it in the last 4 years try contesting your property tax IF you feel your home has dropped in value; then it may be worth contacting your county tax collector and have them reassess your property's assessed value.

http://www.ehow.com/how_2071702_contest-property-taxes.html?ref=fuel&utm_source=yahoo&utm_medium=ssp&utm_campaign=yssp_art

Insurance:

Every 6 months you should shop around for better home and auto insurance rates. Most people will be surprised on how much money they can save. Even if you can't find better rates with other companies ask your current insurer if there are any new discounts you qualify for. If you have paid off your car and it is worth under 10k consider removing full coverage. Also if you're traveling few miles be sure to let your insurer know since this will lower your risk and thus your insurance rates.

TV and Cable:

If you have high speed internet consider dropping your cable or satellite provider. Many shows can be watched legally over the internet and most news services have streaming live news on their web pages.

Car Payments:

Consider dropping down to one car or selling your more expensive car and replacing it with a reliable used car. Because the auto dealers have to offer large incentives on new cars the price of used cars has fallen dramatically. A few thousand dollars can now buy you a reliable used car. This will save you money on insurance, DMV fees (Which are going up!) and interest payments.

Credit Cards:

If you can trust yourself to not overspend and pay off your balances each month on your credit card then consider finding a card that gives you cash back on all your purchases. Forget those cards that offer reward points or store discounts; find a card that gives CASH BACK. Then start using that card to pay everything you would have normally paid with cash or check. Getting 1% - 1.5% cash back can really add up to hundreds of dollars each year for a family of 6.

Gardening:

Start a small vegetable garden. Grow only vegetables you already eat. Grow vegetables that are expensive to buy like tomatoes and bell peppers. Don't spend a lot of money making your garden or you will spend your savings. Don't grow those things that are inexpensive to buy.

Utility Bill:

Try turning down your thermostat in the winter or installing a whole house fan for the summer. Just tell the children they have to wear a sweater and socks if they are cold!

Shop for Good Deals:

Last Christmas our family decided to shop the local thrift stores. We were amazed at what we found. There were great deals on replacement items like pens and pencils, clothes, books, board games, and kitchen supplies. Remember it's important to only buy things that need to be replaced or that are necessities. I have also been taking advantage of Craigslist (<http://geo.craigslist.org/iso/us/ca>) to find items needed to complete projects.

Slim Down:

Everyone can jump-start their savings by a few hundred or even thousand dollars if they just take a moment to rummage through all their stuff and find things they can garage sale or Craigslist/Ebay. Got an old boat, golf clubs, redundant tools, electronics or exercise equipment? Then Craigslist them or post them on Ebay. I prefer Craig's list because it's FREE, easy to use, and buyers are local, saving you the hassle of shipping.

James B. Rose is **President of the American Christian History Institute**. He has experience as a classroom teacher, headmaster, Bible college professor, home-schooling principal, licensed minister of the Gospel, conference speaker and author during his 40 years of experience in American Christian Education.

He is also Superintendent of the American Christian Academy Extension Campus (home school) program ministering to about 300 families and nearly 1000 youth in 14 counties in Northern California.

Mr. Rose is author and compiler of “the classic curriculum guide to The Principle Approach” - A Guide to American Christian Education for the Home and School: The Principle Approach (1987).

He served as an officer in the United States Navy after graduating from Menlo School of Business Administration in 1960. Mr. Rose resides in Redding, California with Barbara, his wife of 44 years, and has four children and 15 grandchildren.

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Matthew Rose and his wife, Karen, founded OakTea International, an on-line provider of Mylar storage bags and complimentary items. He has been a student of economics and a practical entrepreneur and investor for over a decade. He and Karen have four children, all home schooled.

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