



Retirement *Lifestyle*  
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**RADIO PROGRAM**

Expert Interview Series

Guest Expert: John Rubino  
Dollar-Collapse.com

Date Aired: November 6, 2022

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**Dennis Tubbergen:**

Welcome back to RLA Radio. I'm your host Dennis Tubbergen. I'm very pleased to have with me once again today a returning guest, Mr. John Rubino. If you're a longtime listener to RLA Radio, you'll recognize John as the founder of DollarCollapse.com. He is a prolific author, a very bright guy, and John, welcome back to the program. Thanks for joining us today.

**John Rubino:**

Hey Dennis, good to talk to you again.

**Dennis Tubbergen:**

So, John, let's just jump in. I think the big story has been and remains to be inflation, and we were chatting a bit before we actually officially started the interview, and the inflation news worldwide is not getting better.

**John Rubino:**

No, it's really not. And you'd think it would have gotten a little bit better by now because so many things are going down in price. Used cars and industrial commodities and agricultural commodities and houses are all falling in price, so I've been expecting inflation to start moderating. And maybe even turn into deflation at some point, but not yet. The eurozone just announced that their inflation rate is now annualized at 10%. So, they're in double digits for inflation in Europe right now, which is a crisis. There's no functioning economy that can survive sustained double-digit inflation. And they're seeing a lot of the strains that normally go with that, political and financial. So, we'll see where it goes, but inflation is definitely not moderating at the headline number level.

**Dennis Tubbergen:**

So, John, what is it going to take, in your view, just on that topic, there's a lot to talk about today, but on that topic, is the Fed on the right track to get inflation under control here, is the European Central Bank on the right track, and, in your view, what has to happen here?

**John Rubino:**

Well, this is one of those... If you make huge mistakes for long enough, there turns out to be no real solution to your problems because you've screwed things up so badly. You know that... You can picture lots of different aspects of your life where that could be true, and it's also true in finance. And the central banks of the world have made such egregious mistakes, for so many decades now, that they really don't have any kind of a fix here. Basically, the system is broken. The whole fiat currency, fractional reserve

banking thing that has allowed us to create the illusion of rising wealth for... Well, for what, five decades since 1970 give or take, is breaking down. So now the only question is what is the form of the collapse? And that's kind of unknowable. We have lots of different options, depending on what choices the world's central banks make. But there's no way to come out of this pain-free, and back to quote-unquote "normal."

So, these guys... Yeah, they don't have any way to fix their problems. They're searching for some kind of a middle ground where they bring down inflation a little bit, but not at the cost of collapsing growth, but there's no way to do that. So, the next, really the decade, is just going to be the process of one bad thing after another happening until people figure out that the entire system is fatally flawed and we have to go to a new system. So that's really the play that is... Or the script that we're following right now where there is no fix, yet they will do stuff which will tend to make things actually worse than otherwise, until people just give up on the whole process. So, the question is when do we give up? That's really the thing, and it could be next year, or it could be years and years from now. Just, it depends on how closely people are paying attention, I think.

**Dennis Tubbergen:**

Well John, while we're chatting about inflation, we're recording this on... We're talking about some scary stuff, ironically, we're recording this on Halloween to air in about five days, but by the time this airs the Fed will have met. Seems that the Fed will probably be increasing interest rates again, maybe 75 basis points or so. What do you think?

**John Rubino:**

Well, Fed weeks are always really chaotic for the markets. You see all kinds of volatility, both up and down. And then most of it is reversed out, in the week after. So, it... First and foremost, expect extreme volatility. And then look for language in the Fed speeches, and the report that they put out and everything, that imply that this might be pretty close to the end of the interest rate increases. They will definitely raise the Fed fund's interest rate by half a point, or three quarters of a point or something. But the important thing is what they say about the near-term future. In other words, is this it? Will they stop pretty soon, or are they going to continue to aggressively try to cut inflation back to the 2% target? And this eurozone 10% inflation number? Makes it hard for them to just stop raising interest rates after this week.

So, they're probably going to imply that there will be more rate increases going forward. But if they say, "Okay, well we'll make them lower, we'll do a half a point or a quarter point from now on." If they say something like that, then the markets will respond favorably, because we'll think the Fed pivot is imminent, and we're going to go back to easing at some point. But it's not clear that they can ever just go back to say pre-COVID normal. 2019 monetary policy. So, the only thing that you can conclude from this as far as a prediction is that things are going to be extremely volatile as people get their hopes up, and then have their hopes dashed, and then come to some kind of out-of-left-field conclusion about what's going to happen and find that's not working either. Things like that will go on and on until the system breaks.

So, the Fed is right in the middle of this. Where they're struggling for some kind of a solution that includes actions and speech that keeps the markets calm and keeps asset prices high and keeps the economy growing, and it's not going to be easy to do that, if it's possible at all. So, if the last year seems messy, in retrospect, the next one should be orders of magnitude worse, I think.

### **Dennis Tubbergen:**

Well, if you're just joining me, I'm chatting today with Mr. John Rubino. He is the founder of DollarCollapse.com, a prolific author and writer. And John this past week as we chatted a bit before we started recording our interview today, Mary Daly, who's the president of the San Francisco Federal Reserve Bank, came out this past week and very delicately stated that the Fed has to be careful not to go too far too fast. So, it seems like she might be greasing the proverbial skids to reverse course here.

### **John Rubino:**

Yeah, they're releasing these trial balloon statements. To see what the markets do. And they would like to stop raising interest rates. But they don't want to do it prematurely because then that might convince everybody that we're willing to accept 5 or 6 or 7% inflation. And then the markets start front-running that and you get kind of a death spiral in all the big fiat currencies. So, they want to be able to stop raising interest rates at some point, and they're intimating that that might be soon to see how the financial markets react to them. Again, the problems are so serious that none of what they're doing is going to work. But that's the process that we're seeing unfold now where they're raising interest rates, but they're trying to soften the markets up for an end to that process. And we'll see.

It's important to understand that the people running the Fed, and the rest of the government, don't have the faintest idea of what they're doing. They've

been operating with flawed models for decades and getting results that you would expect with flawed models. Flawed models with bigger and bigger booms and busts. With more and more new currency having to be created, and more credit having to be created out there in the markets, which creates an even bigger bust imminently in the future. And there's no way to get off that treadmill, without some kind of a horrendous crash.

So, what they're doing is trying to avoid that crash without the tools or the models that allow them to know what they're doing and to actually affect the market. So, it's a mess, we've screwed up on a scale that historians are going to have a field day with. And we right now are living through the consequences of those screwups. So, all we can do is protect ourselves now. There's very little politically that can be done, although let's vote, and let's have... Let our voices be heard, but let's not have any kind of illusions about whether a new set of people coming in can actually fix these problems, because the problems themselves are mathematically unsolvable. So, I think it comes down to your own preparations for yourself and your family at this point, not anything that's happening at the macro level.

**Dennis Tubbergen:**

Well, John, in the time we have left in this segment, let's just explore that because, as I see it, and correct me if I'm wrong or if you have a different perspective, but it seems that the Fed has two choices here. We're going to have this hyperinflationary outcome, or we're going to have a severe deflationary outcome not unlike the 1930s. And it seems like it's at this point, it's one or the other. Am I being an extremist or is that reality?

**John Rubino:**

No, that's kind of the two choices that we have because we've got an immense amount of debt, that we can't manage. And the only way you can get rid of debt, or the only two ways you can get rid of debt, are one, inflate it away, in other words, make the currency less and less valuable over time so the original debt can be paid off more easily in cheaper currency, that's the inflationary strategy. And the other is to have everybody go bankrupt, and default on their debt, so the debt disappears because you claim bankruptcy, and wipe your debt out that way. That's the 1930s-style solution.

And neither of those are pain-free. They're traumatic for anybody who has to go through them. And they're virtually politically impossible to survive. If you're in charge when something like that happens, you get voted out of office. Immediately. And so, the guys in charge know that, and they get, I

think now. To the extent that they understand anything, they understand that they don't have an easy fix here, and that they're going to have to choose some kind of a horrendous crisis and engineer that crisis, and then hope the system as it currently exists survives the transition through that crisis.

In other words, we're creating a generation of people who are scarred by what they're going to have to go through; either a depression generation, so the people of the 1950s. Or a kind of Weimar Germany generation. Germany destroyed its currency in the 1920s and wiped out the savings of an entire generation. And they were scarred in a lot of ways, which played out politically in a lot of ways. And it took them decades to get over it.

So, one of those two things is probably going to have to happen, in order to get rid of this debt. And the fact that some kind of a gigantic crisis is coming, and we can't stop it politically because there are no tools at the macro level to stop this, means that it's really important that we set our lives up, in a way that gives us the best chance of surviving and maybe even thriving during something like this. Some people made fortunes during the Great Depression. Other people also made fortunes during the Weimar Germany hyperinflation. It's possible to set yourself up so you do very well, personally, in that kind of a situation. And then you're able to protect your family, and that should be our goal now, is to invest successfully for the crises that the world is going to throw at us.

### **Dennis Tubbergen:**

Well, and we'll talk about that more in the next segment, I'm chatting today with Mr. John Rubino, the founder of DollarCollapse.com. I'll continue my conversation with John when RLA Radio returns, stay with us.

I'm Dennis Tubbergen, you are listening to RLA Radio, my guest today is the founder of DollarCollapse.com, Mr. John Rubino. And John is a prolific writer, a multi-time author of both articles and books. I always appreciate his perspective. And John, I'm just going to jump in kind of where we left off in the last segment. And before we get to the end of this segment, I want to have you provide some advice to our listeners as to how maybe they can protect themselves from what lies ahead. But first, there's a few things going on I think that we should maybe pay attention to and talk about. One is it seems that this winter it's going to cost a little bit more to heat your home.

**John Rubino:**

Yeah, natural gas is up 10% today, as we're speaking. Which is a very big deal for people who use natural gas to heat their homes, which is to say a lot of people in the eastern half of the US. And the northern part. So that's going to increase a lot of people's cost of living, which translates into less money for other stuff. In other words, you can't buy as much food, or you certainly can't go out and buy another house or something like that if just heating the house you have is eating up all your disposable income.

So that means lower consumer spending, and a slower economy, other things being equal. In other words, it brings us closer to the kind of recession that you normally get when you have this burst of inflation like we're having right now. So, that's one thing. One data point out of many data points that are pointing towards a pretty tough 2023. It's worse in Europe actually because their energy costs are higher than they are in the US, but it's bad enough here.

Gas is not cheap; gasoline is not cheap. Natural gas is spiking today. So, a lot of people, who are just getting by right now, if this continues, will be put in a position of having to choose between heating their house, paying their rent, and feeding their kids. And that's not the kind of situation that anybody wants to be in, and yet our policy mistakes are putting millions of people in that position. So, you get economic turmoil from that, but you also get political turmoil.

So, these midterm elections in the US are going to be very messy. And it's completely possible that the party in power will get blamed for a lot of this and thrown out of office on a pretty bad scale. And we'll end up with kind of a divided government that can't do much, which is probably the best we can hope for, in today's world. A government that does nothing, at least doesn't make any overt policy mistakes. But it's just very messy in general, for the US. We don't have any solutions for a lot of these things, and we're just going to have to take the pain. And I know that's not really consolation for somebody who's heating bills are going to be 50% higher than they were last year or whatever, but that's just the way it is right now. And winter is coming.

**Dennis Tubbergen:**

Well, and John, you have cost of living that's... It's going through the roof. At the same time, you have people that own financial assets like stocks, and now I believe real estate, that we're seeing a lot of wealth disappear from

the economy in that way also, and certainly the stock market dynamics look a lot different than they once did.

**John Rubino:**

Oh yeah, remember those big tech stocks that would always go up, and you could just put your money in the five or six stocks that were in the kind of FANGs category? Facebook, Apple, Google, companies like that. And, well suddenly, money is pouring out of those stocks. A lot of them are down by 30, 40, 50%. Already this year. And the real trouble hasn't really started yet, if the Fed is going to continue to raise interest rates. So, it's completely possible that these giant winners, that have elevated the stock market for all these years, will turn out to be the anchors that pull the stock market down going forward. So, we'll see, we're kind of seeing a changing of the guard. Where tech stocks are falling out of favor and energy stocks are starting to come back into favor.

Exxon, which they kicked out of the Dow 30 index, a year or two ago, it is suddenly a really hot stock. And so are a lot of the other energy stocks. And uranium stocks are very interesting right now because they're not crazy expensive yet, but it looks like everybody's going to have to go back to nuclear power. And that's going to create immense demand for uranium, vastly more than there is now coming out of uranium mines. So, the guys with uranium in the ground, who can mine it, economically, are going to be a lot more valuable going forward. That's one of the investment theses, that flow from a lot of the past policy mistakes that we've made. And that's a fairly straightforward, easy way to invest and be on the right side of history right now. Just buy some of the really high-quality uranium stocks. And just ride them up as the price goes up of uranium.

**Dennis Tubbergen:**

Well, my guest today is Mr. John Rubino, he is the founder of DollarCollapse.com. And John, as you were talking, and talked about the political tensions. It seems when you study history that every time there is an economic downturn, or we see economic turmoil, or I should maybe say a society sees economic turmoil, it adds to geopolitical tensions, and you have the Russia-Ukraine situation going on, and there certainly is the potential for an uprising somewhere around the world at this point, given that poor economies tend to be a catalyst for that type of thing.

**John Rubino:**

Well yeah, we haven't even really talked about geopolitics yet. And that might be the worst part of this whole story because... At the risk of seeming unpatriotic, the US is just stomping around the world picking fights with



everybody in sight right now, and you can make the argument that we started the whole Ukraine thing, and that we're leading China to think that it better take over Taiwan now if it's ever going to.

But yeah, we're moving nuclear weapons into Australia, and into the NATO countries that are closest to Russia. And Russia's responding, as it has in Ukraine, and it's not taking nuclear weapons off the table either, so we're kind of gearing up for World War III completely unnecessarily. We don't have to pick these fights. But frequently when governments screw up their domestic policy, in other words when it looks like they're going to lose elections because of mistakes that they've made, they tend to pick fights with external enemies.

And that looks like what the US is doing right now, and we are actively out there trying to create enemies where enemies didn't really exist. We have a lot of rivals in the world, but we don't have bitter existential enemies. Unless we create them. And that's kind of what we're doing right now, and it could just be that simple, that the guys in charge want to distract voters from the mess that they've made of the economy and the energy system and the banking system, and the healthcare system, by picking fights overseas, creating enemies for us to all focus on and maybe pull together. And that's incredibly dangerous, in a world where multiple countries have weapons of mass destruction. You only need one stressed-out policy maker to make some kind of a decision that's irrevocable. The captain of an aircraft carrier decides that he sees a threat out there and he tries to eliminate it, and that snowballs, and these things can happen very easily when you've got all your assets right out there on disputed borders bumping into each other and everything. We're running that risk.

And if it escalates from here, then all this financial stuff we've talked about is irrelevant. Because we're going to have much bigger problems than inflation, or stocks going down, or something like that. So that just adds to the need to prep. We should be actively trying to be as self-sufficient as possible right now, as we just don't know. If we're going to be in a situation where the power grid gets taken out in the middle of winter, or a nuclear weapon goes off somewhere in the... Not too far away, and all of a sudden, we've got all the crises that flow from something like that. Or there's martial law declared because of civil unrest.

Because we are seeing a lot of civil unrest as people protest this kind of thing. There are anti-NATO protests across Europe right now. And in the US more and more people are listing war as their biggest issue, or their second

biggest issue after inflation. So, it's becoming a very important thing. It's becoming a thing that could easily lead people to go out to hit the streets, and lead governments to declare martial law, so we could see stuff like that. Where some of the would-be dictators out there decide that this is the kind of crisis that they can take advantage of, to increase their power. And a lot of the people in charge right now have that kind of a personality type. So, we could see all kinds of civil unrest leading to all kinds of crackdowns, and martial law, and capital controls, and other kinds of authoritarian governments going forward.

Which just adds to the need for... You have some gold and silver on hand and maybe a garden, so you're partially self-sufficient in food, and make yourself as connected as possible to your community. Get to know your neighbors. Make it clear that you've got their back in a crisis if they have your back and become part of a community that can help itself out, help each other out. Because that's the kind of thing that gets you through stuff like this. And don't have too much money in the bank, because we can't trust banks in this kind of a situation. So even though cash is a losing value, fairly dramatically, it's good to have a lot of cash on hand too. So, cash, gold, silver, oil stocks, uranium stocks, the garden, lots of friends who live nearby, all of these things are becoming more and more crucial. And it used to be that we had plenty of time to put this plan in place, but I'm not sure we have that much time anymore. This should be a front burner issue for most people.

**Dennis Tubbergen:**

Well, the clock says we're out of time, so we're going to have to leave it there, my guest today has been Mr. John Rubino. He is the founder of DollarCollapse.com. John, I know I always appreciate your perspective from the feedback I get after you've been on the program, I know the listeners do as well. Thanks for taking time out to join us today and we'd love to have you back down the road.

**John Rubino:**

Thanks Dennis, appreciate it. Talk to you soon.

**Dennis Tubbergen:**

We will return, after these words.