

Robert Prechter, *At The Crest Of The Tidal Wave*, compares the crash and the next downturn with the crash of the South Sea Bubble, "The assessment under the Wave Principle that a Grand Supercycle is ending places the next bear market in the class of the **1722-1784** experience, which involved *two* Kondratieff cycle lows. The expected duration of the impending bear market ... could mean that as many as *three* Kondratieff cycle lows will occur within it" (pg. 449).

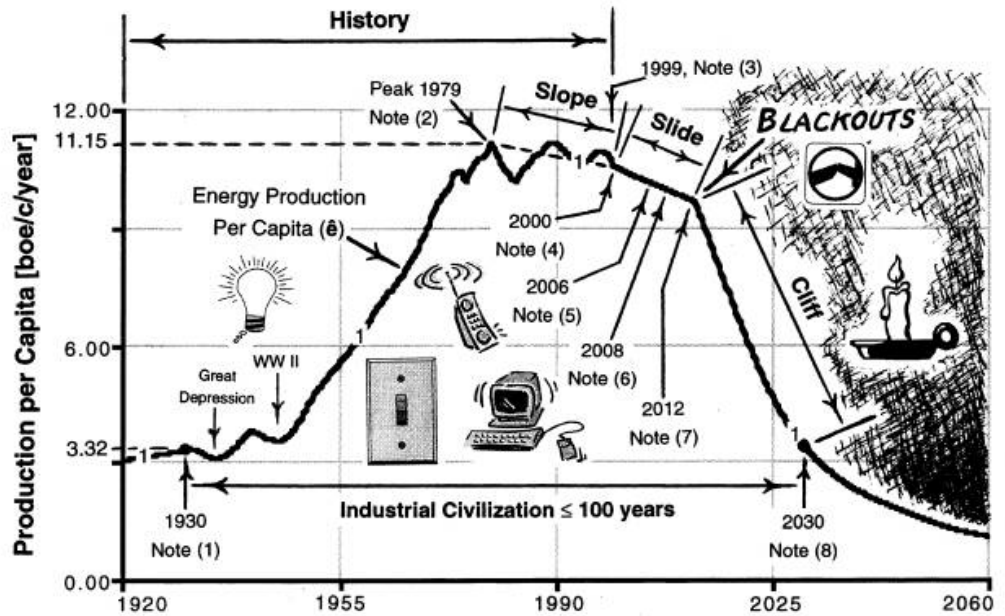
A Kondratieff wave is called a Supercycle. What does Prechter mean by two lows? Each cycle is five waves long. The market rises on I, falls to II, rises yet more to III, falls to IV, and rises to its top at V. Within the bull market I-V cycle are mini bear markets, tagged A, B, C. The market falls to A, rises back to B, and falls again yet lower to C, and then the overall bull market resumes. These patterns were discovered by Nicolai Kondratieff and R.N. Elliot.

We count the Kondratieff Supercycles beginning in **1784** as the Grand Supercycle. "As we read Elliot, the current bull market in stocks is the fifth wave from **1932** of the fifth wave from **1784** of *possibly* the fifth wave from the Dark Ages." (pg. 64). That is pretty scary and scarier yet is that my own research confirms it. Prechter labels this Supercycle of Supercycles *Millennium*. "Three Kondratieff cycle lows" means is that after the projected crash (**2003-2011**) which I think is going to be in **2007**, that the bottoms of the next three Kondratieff cycles will be progressively lower. Prechter places these in **2003**, **2057**, and **2111**. I think that they are going to be **2007**, **2034**, and **2084**. This is assuming that the Jubilee cycle is re-established in **2035**, which will subdue the Kondratieff wave and constrain it to the biblical cycle.

In the next crash, mankind is going to learn the folly of trusting in a usurious banking system that issues *fiat paper* promises that it fails to keep. Every man's asset is the other man's liability. The crash will be the Devil's Jubilee, and hell will laugh all the way to the bank at how they duped the world with *fractional-reserve banking*. The reserve part will prove to be zero. The only hope left will be to appeal to God in heaven as the world starves and perishes in the chaos of war as it tries to recover the devil's dream economy.

This crash will be exacerbated by a slide in *per capita* energy production. Richard Duncan's chart shows that we can expect a decline in energy use per person to reach a level equivalent to **1930** in **2030**. This means that one farmer will no longer be able to feed **40** people. Twenty percent of the population, at minimum, will have to return to farming. Comparing Duncan's graph with the last Kondratieff Wave shows why the last cycle has been prolonged, and why its amplitude is extreme. The oil curve has a multiplier effect and the *long wave* cycle.

It used to be that the sabbatical cycle of debt forgiveness had a place in western law, whereby if you declared bankruptcy, you ended up with bad credit for "seven years."



Richard Duncan's Peak Oil Chart predicting that per capita energy consumption will drop steeply as the gradual decline of oil intersects with a rapid rise in world population and third world industrialization. One can certainly see room for the Apocalypse after 2030.

The west has all but eliminated this trace of biblical connection by revising the bankruptcy laws in favor of credit card companies. What does God say about this?

"Behold the LORD maketh the earth empty, and maketh it waste, and turneth it upside down, and scattereth abroad the inhabitants thereof.

And it shall be, as with the people, so with the priest; as with the servant, so with his master; as with maid, so with her mistress; as with buyer, so with seller; as with the lender so with the borrower; as with the taker of usury⁴¹⁰, so with the giver of usury to him" (Isaiah 24:1-2).

Perhaps after that, some will be willing to reconsider some biblical institutions — like the sabbatical and Jubilee years. Any nation that patterns its economic theory this way will surely prosper, because the principles are divinely inspired. Such a nation will not be a victim of the boom and bust cycle. Will any nation listen? Will the nation that seeks the LORD hear? The Almighty says he will give people a new heart. Perhaps then, they will listen.

As this last cycle has been unusually long, I believe for prophetic reasons (and apparently good historical reasons too) that the next cycle will compensate the Kondratieff wave by being unusually short or long, just as the wave corrected itself to the Jubilee period after the South Sea Bubble in **1724**. The next crash after **2007** will be **2034** when the LORD ruins the economy of Babylon in one day.

⁴¹⁰ Usury is charging interest on money lent. Biblical law forbids the practice, and any entity that is allowed to constrain people to pay interest will soon control the entire world economic system. Banks have conquered more land, countries, and peoples than all the worlds armies combined. The bible prophesies that God will settle accounts with them.