

# The Reign of the U.S. Dollar is Coming to an End

## Description

by **Brian Shilhavy**  
**Editor, Health Impact News**

In an event that was barely covered in the western media last week, Russian President Vladimir Putin made a 2-day visit to China to meet with his counterpart, Chinese President Xi Jinping.

A lot of the western media coverage seemed to be infatuated with the fact that the two of them hugged each other in public, which was allegedly unprecedented, and that spawned dozens of articles of corporate media conspiracy theories about what it was that made them so happy with each other.

But details of the meeting are now beginning to emerge, especially as some sources have begun translating Russian and Chinese versions of descriptions of what happened during the meetings into English.

And if these English reports are accurate, it is no wonder as to why the two were so happy, as it appears that the U.S. Dollar's supremacy as the world's reserve currency is on the way out as the rest of the non-western world is rapidly abandoning the U.S. Dollar, which spells doom for the United States, and the ultimate end of the U.S. Empire as the world's most powerful nation.

And now add to that the news of the suspicious death of Iran's President that happened this weekend after I started to write this article, and perhaps we now can see clearer into the future to understand what is about to happen next.

It's not a pretty picture, at least not for Americans.

## **Putin's Visit to China**



[Image Source.](#)

Eric Peters, *CIO of One River Asset Management*, wrote the following today on [an article published on ZeroHedge News](#):

The Chinese/Russian joint statement reads like a playbook for how to create a fully independent political and economic zone.

- **For Industry** – develop civil aircraft construction, shipbuilding, carmakers, machine tool industry, electronics industry, metallurgy, iron ore mining, chemical industry, and forestry.
- **For Agriculture** – expand mutual access of agricultural products, increase the volume of trade in soybeans, pig breeding, water production, grain, fat and oil, fruits and vegetables, nuts, and other products.
- **For Energy** – strive for the stability and sustainability of the global energy market, strengthening value chains in the fuel and energy complex. Develop market-based cooperation in the field of oil, natural gas, LNG, coal, and electricity, ensure the stable operation of relevant cross-border infrastructure and the creation conditions for unimpeded transportation of energy resources.
- **For Nuclear Energy** – deepen partnership in peaceful nuclear energy. Including thermonuclear fusion, fast neutron reactors and the closed nuclear fuel cycle.
- **For Taiwan** – Russia reaffirms its commitment to the principle of ‘One China’, recognizes that Taiwan is an integral part of China, opposes the independence of Taiwan in any form, and firmly supports the actions of the

Chinese side to protect its own sovereignty and territorial integrity, as well as to unify the country.

- **For Ukraine** – The Russian side positively assesses China’s objective and unbiased position on the Ukrainian issue. China supports the efforts of the Russian side to ensure security and stability, national development and prosperity, sovereignty, and territorial integrity, and opposes outside interference in Russia’s internal affairs.
- **For Technology** – develop cooperation in information and communication technologies, including artificial intelligence, communications, software, Internet of things, open source, network and data security, video games, radio frequency coordination, specialized education, and industry research activity.
- **For Markets** – increase the share of national currencies in bilateral trade; encourage debt issuance in both markets; develop insurance and financial markets. This process is clearly already underway. And so is their retreat from US markets.

### Disentanglement:

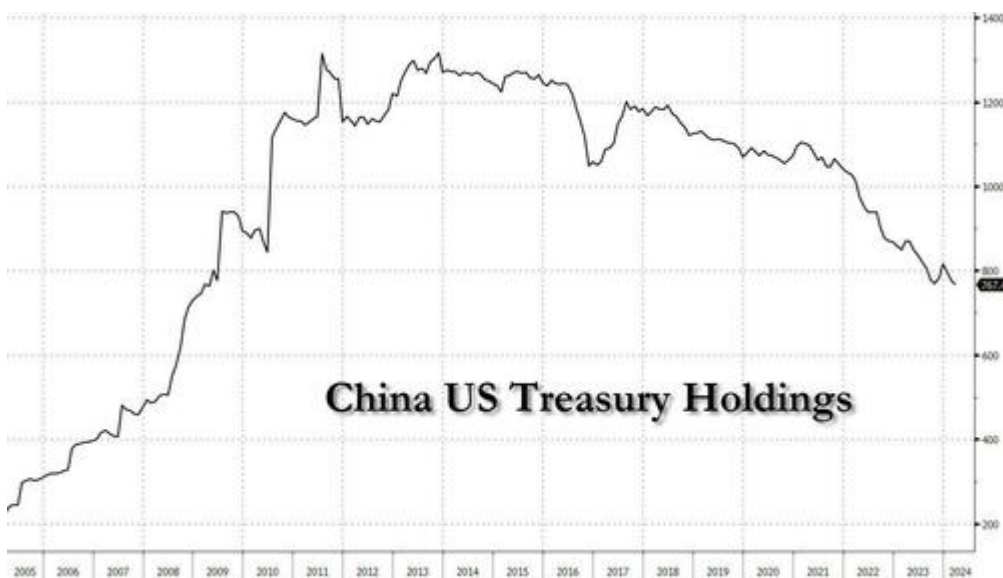
The West froze over \$300bln of Russian reserves following the Ukraine invasion.

### Moscow will not be buying our bonds again.

China has been reducing its US Treasury and agency bond holdings since 2022.

### It sold another \$53.3bln worth in Q1.

Holdings are down to \$767bln, a level last seen in 2009.



Indeed, ever since the U.S. cut Russia out of the western-backed SWIFT banking system after the war in Ukraine broke out, and then seized their U.S. dollar assets more recently, what did they think the

rest of the world would do?

Non-western countries in the rest of the world are rushing as fast as they can to reduce and eliminate their dependency on the U.S. dollar.

And this has not happened in a reactionary way that has surprised the Globalists in the U.S., of whom some foreign powers are now referring to as "[America's Oligarchs](#)", as at least one American economist who has worked for Joe Biden since his days as vice-President under Obama has been predicting this flight from the dollar for years, and trying to spin it in a positive direction.

### Putting More Pressure On The Dollar



Over the weekend, the U.S. State Department posted about seizing Russia's sovereign assets in the U.S. and encouraging other G-7 members to do the same.

The downsides of the United States doing this when it has persistently large fiscal and trade deficits would seem obvious, but apparently they're not.

Other countries that aren't allied/subservient to the U.S. will be less comfortable holding U.S. dollar assets, out of fear that their assets might be summarily seized as well at some point.

In fact, that already seems to be happening, as China just sold a record amount of U.S. Treasury bonds.

### **Vladimir Putin Envisions De-Dollarization**

Near the end of President Putin's state visit to China, he fielded questions from Russian media in Harbin.

In response to one question about an issue with the settlement of payments between Russia and China, Putin spoke about the extraordinary benefits America has gained from issuing the world's reserve currency, and how recent American policy had undermined confidence in the dollar.

He concluded that the process of countries moving away from dollar settlements had begun and could not be stopped (text via [the Kremlin](#), translated by Google):

All countries of the world trust the American economy, its power and its stability and take these pieces of paper.

But this gives a huge, seemingly inexplicable advantage to the American economy and financial system. They can also be assessed directly, in certain numbers.

**According to our experts, this is over 10 trillion dollars, simply unearned money that fell from the sky due to the use of the dollar as a reserve world currency.**

**In general, the obligations of the American monetary system to the rest of the world are approximately \$53.4 trillion.**

But as, for political reasons, the United States authorities undermine confidence in the dollar, they weaken their main, main, most important instrument of their power – the dollar itself.

They cause irreparable damage to themselves. That is, to put it trivially in our well-known sayings, **they are simply sawing off the branch on which they themselves are sitting.**

This is terrible stupidity. But they can't stop.

There are disadvantages for us in that we are forced to look for other opportunities.

But there are also advantages, because a situation in which one side dictates its will to the rest of the world, including in the political sphere, using financial and economic instruments, is unacceptable.

And all the countries of the world, I assure you, you only need to look at the volume of reserves and how they decrease in dollars.

The whole world is reacting to this. I think this process is inevitable.

We are, of course, transitioning, and this is the right process.

It is associated with certain costs and difficulties, but on the whole it is correct when we talk about switching to national currencies in settlements or creating some other settlement instruments with other countries.

**This process is underway, it has begun, it can no longer be stopped.**

### **Maybe The Biden Administration Wants This To Happen**

On Sunday, Balaji Srinivasan, the Stanford PhD engineer-turned-entrepreneur (in genetics and crypto) shared a post on X that included a GIF of screen captures of Jared Bernstein's op/eds over the last ten years calling for dethroning King Dollar.

Jared Bernstein was then-Vice President Biden's chief economist and is currently the head of President Biden's Council of Economic Advisors. Here's the full text of Srinivasan's post:

#### **DEDOLLARIZATION ? REINDUSTRIALIZATION?**

In theory, dedollarization enables reindustrialization. Because if you can export dollars, why build anything else? You make 99.99+ cents on the dollar for a new dollar. It's a very high margin good, made with zero effort and zero pollution. Why make screws or bolts or planes or trains if you can literally print money? Let someone do that overseas.

That was the logic of the ~1971-2021 era. But the problem arises when people at home and abroad start realizing they're getting diluted to prop up the dollar. Or when you're in a military standoff with China, and fiat currencies are suddenly less valuable than actual factories.

In that case, if you want to build things in America, you need to stop printing things in America. And that's why everyone from sober financial analysts like Luke Gromen to Biden advisors like Jared Bernstein have talked about dethroning the dollar, as per the gif below.

The problem is that it's much easier to launch currencies than to build factories.

China spent the last 45 years shaping their economy into an industrial powerhouse, while the US spent those decades de-industrializing, regulating, and offshoring.

Like the US, China does have a high-tech culture, but they also have a low-tech and medium-tech culture — a culture of skilled laborers and factory workers.

It is very nontrivial to bring that back to the US. The best case outcome might actually be to leapfrog with robotics. So you better pray for [@elonmusk](#) and [@adcock\\_brett](#) and [@kvogt](#) to get humanoid robots working. Of course, Washington DC has fought AI and self-driving every step of the way, so they'll probably fight robots too.

And if that doesn't happen — if the robotic leapfrog hits a roadblock, such as the fact that many pieces of the robotics supply chain are still made in China — we're headed for a tough situation.



It's one where DC loses first its physical power and then its financial might, maybe overnight. **Because you don't just instantly get back the factories when the world dethrones the reserve currency.**

[Source.](#)

As I have written numerous times since the 4th quarter of 2022, the technology in the U.S. is CRASHING and is still bleeding jobs, while they continue to invest \$billions in technology that PRODUCES NOTHING, like AI, which just allows access to data at a faster speed, **but produces nothing new.**

ALL of the investments into the current technology are based on hype and mis-guided faith, like the myth that robots can replace humans.

The U.S. economy will crash, and it will not be a "soft landing."

Once the U.S. dollar is dethroned as the world's economic currency, life in the United States will never be the same.

Look around you at the people and things you cherish, and be prepared to lose them, because the U.S. is living on borrowed time right now.