

—SPECIAL EDITION—

\$50.00 per year

\$6.00 US



FROM THE WILDERNESS

*A Nonpartisan, Non-sectarian, MAP from the Here That Is,
Into the Tomorrow of Our Own Making*

Vol. V, No. 10

February 28, 2003

© Copyright 2003

What, Me Worry?

Dis-Integration

Feb. 28 2003, 1200 PST (FTW) -- So many emails. So many people worried and confused. So many people acting as if it doesn't make sense.

Yes, there's good reason to be confused. Israeli Foreign Minister Benjamin Netanyahu's nephew refuses to be drafted while his uncle all but threatens to attack Belgium for its OK to prosecute Ariel Sharon for war crimes when he leaves office. NATO is, or will soon be, dead. France, Germany and Russia are sponsoring a Security Council resolution to prevent what France has called "an illegitimate war". Turkey, with 85% of its people opposing the invasion, is extorting the U.S. blind as budget deficit projections leave orbit. Ari Fleischer is hysterically laughed out of the White House Press room by reporters after insisting with a straight face that George W. Bush would never bribe another country for a vote. Americans are renaming French fries as Liberty fries while the larger powers Germany and Russia – who make France's stance credible - stand back and let France take both the heat - *et la gloire!*

Aside from the tense laughter over words we have real threats. In Colombia, FARC guerillas shoot down a CIA contract plane; kill one occupant and hold three others hostage while President Bush uses statutory authority to send 150 more Green Berets to follow the 70 he just sent. North Korea is having the time of its life cutting business deals with China and Seoul while using its possibly one nuclear weapon to make the U.S. divert bombers and elements of the 1st Air Cavalry away from the Gulf. In the Philippines Abu Sayyaf rebels have prompted the U.S. to commit 1,700 more troops to take an active role in the fighting. And the U.S. is now sending 10,000 troops to the Dominican Republic for a training exercise that looks much more like preparation for intervention in either Venezuela or Colombia.

(continued on page 18)

— **From The Wilderness** —

Michael C. Ruppert
Publisher/Editor

Contributing Editor----- Peter Dale Scott, Ph.D.
Contributing Editor – Energy ----- Dale Allen Pfeiffer
Office of Public Affairs----- Michael Leon

From The Wilderness is published eleven times annually.
Subscriptions are \$50 (US) for 12 issues.

From The Wilderness

P.O. Box 6061- 350, Sherman Oaks, CA 91413
www.copvicia.com
editorial: editor@copvicia.com
subscriptions and customer service:
service@copvicia.com

(818) 788-8791 * (818) 981-2847 fax

TABLE of CONTENTS

Dis-Integration..... 1
Patriot II..... 2
Chapter Twenty-Three — Eating The Chosen People
(excerpt from Mike Ruppert’s forthcoming book)..... 3
The Fig Leaf Comes Off..... 15

© Copyright 2003, Michael C. Ruppert and From The Wilderness Publications, www.copvicia.com. All Rights Reserved.

REPRINT POLICY

Any story, originally published in From The Wilderness, more than thirty days old may be reprinted in its entirety, non-commercially, if, and only if, the author’s name remains attached and the following statement appears:

“Reprinted with permission, Michael C. Ruppert and From The Wilderness Publications, www.copvicia.com, P.O. Box 6061-350, Sherman Oaks, CA, 91413. 818-788-8791. *FTW* is published monthly, annual subscriptions are \$50 per year.”

THIS WAIVER DOES NOT APPLY TO PUBLICATION OF NEW BOOKS.

For reprint permission for “for profit” publication, please contact Michael Leon. For Terms and Conditions on subscriptions and the From The Wilderness website, please see our website at: www.fromthewilderness.com

**A Trial Balloon? –
“Five to Ten Times Worse
Than the Patriot Act”**

**Secret Bush Legislation Sent
to Cheney, Hastert, Deepens
Assault on Constitution**

Patriot II

by Michael C. Ruppert

Feb. 25 2003, 1800 PST (FTW) -- With more than twenty U.S. cities having passed resolutions openly opposing the multiple civil liberties violations in the 2001 Patriot Act, and as the state of New Mexico debates legislation that would encourage police agencies to avoid violations of the First Amendment, the recent leak of a secret Bush administration bill that would further erode civil liberties has provoked a bizarre tale of denials and “non responses” by the administration. Thus far the saga of the Domestic Security Enhancement Act of 2003 - commonly known as Patriot II - suggests that the leak of the proposed legislation was possibly a “trial balloon” or “tester” to gauge both public and congressional reaction to a bill that, if passed, would grant the federal government drastic new powers in a continuing erosion of the Bill of Rights.

Patriot II has not been officially introduced in either house of congress and thus has no official standing. It has, however, been officially transmitted by the Bush Justice Department to Vice President Cheney (President of the Senate) and House Speaker Denny Hastert, R-Illinois.

The bill has already been given a clandestine odor and the Bush administration has violated standard congressional protocols in its handling. In fact, the administration has been caught in outright lies about the bill’s actual status. In official comments dated February 10, ranking Senate Judiciary Committee member Patrick Leahy, D-Vermont, stated, “For months, and as recently as just last week, Justice Department officials have denied to members of the Judiciary Committee that they were drafting another anti-terrorism package. There still has not been any hint from them about their draft bill.”

John Conyers, D-Michigan, ranking member of the House Judiciary Committee, which has jurisdiction over proposed anti-terrorism legislation, in a Feb, 10th letter to Attorney General John Ashcroft -- signed also by Representatives Robert Scott, D-Virginia, and Sheila Jackson Lee, D-Texas, wrote:

(continued on page 13)

CHAPTER TWENTY-THREE — Eating The Chosen People

Fascism should more properly be called corporatism, since it is the merger of state and corporate power. — Benito Mussolini

If you understand nothing else about the map that I have been trying to draw for you, understand that the post 9-11 erosion of civil liberties and the economic devastation that is being felt here at home - in the land of The Chosen People - are opposite sides of the same coin. One begets and demands the other, whether the Empire consciously considers it or not. And the currents of behavior depicted on the map dictate, as surely as gravity pulls things down and not up, that what has already started can only get worse. This is both the good news and the bad news. For years many already aware Americans have complained about the complacency of the general population in this country, seeing it as the single biggest obstacle to meaningful change. In the metaphor I used earlier in the book about a ham and eggs breakfast, the American people were playing the role of the chicken rather than the pig. — Mike Ruppert

The role has changed and the obstacle is being removed...

HOMELAND (IN)SECURITY

...And then we have the advent of the Department of Homeland Security (DHS) which came into being in January of 2003 and became fully operational in March. The best way to understand the Homeland Security Act is to think of it as the vehicle which will be driven on the road to complete totalitarianism. When overt or covert operations are carried out, cars need to be rented, motel rooms need to get paid for, staff has to be funded. Telephone numbers and data bases need to be created. Airplanes need to be chartered or scheduled.

Homeland Security is, at least in part, the vehicle by which the Patriot Act is brought to life. It has combined 22 different components of the U.S. government into a complete unified command structure. It has given the President absolute authority to give it orders (through the Secretary). It has removed many of the labor protections of employees who are now much more closely related to members of the Armed Forces than they understand – “property of the U.S. government”. And it has made sure that no dissenting voices can arise by removing dialogue between differing cabinet departments over varying priorities.

And it has done much more than that. For within its pages and hidden behind its mission, stated in Title I, “to prevent terrorist attacks within the United States, reduce the vulnerability of the United States to terrorism and minimize the damage from...attacks that do occur” are some very insidious provisions. These provisions attack both your rights and your pocketbook with equal vigor.

Employees of the DHS will be enforcers. They will carry weapons and they will also enforce drug laws.¹ They will take control of and coordinate all communications, including radio, teletype and telephone communications at state and local levels to maximize efficiency, and they will coordinate federal grants and provide equipment to upgrade all state and local radio and closed “intranet” systems which means that they will both control and monitor all state and local emergency communications.² And they will also set up secure communications for private industry (the corporations who will be selling the equipment), the banking industry and all other corporations deemed to be “critical infrastructure.”³

The DHS will collect and share intelligence vital for its primary mission which is the protection of critical infrastructure. In the process of doing this, it will access the intelligence of state and local agencies and “coordinate” the dissemination of that information.⁴ This means that local police agencies, if they want to continue receiving federal subsidies and don't want to look as though they aren't concerned about their citizens, will effectively become intelligence gathering units for the federal government. In addition the DHS Secretary and his employees are also given total access to all information in any federal agency, whether verified or not on a level of priority equal with the President and the Director of Central Intelligence.⁵ It will also have complete access to all banking and stock transaction records and may share that information as it sees fit.⁶

In fulfilling its mandate to enhance cyber security the DHS will be given access to all state and local databases and programs and “upon request” to privately owned data bases (e.g. your HMO records) to make sure that each system's vulnerabilities have been analyzed and that the “proper technical assistance” has been rendered to upgrade each system as needed.⁷ This is where TIA and the PROMIS back door get introduced. Even if Congressional attempts to suspend funding for the Total Information Awareness (TIA) program are successful, the program will still be in place and operating “off the books”

using either funds obtained from the drug trade or stolen from the U.S. Treasury (see below). The government doesn't give up such power easily.

Kissinger PROMIS and TIA - Not long after Henry Kissinger withdrew his name as a candidate to head the independent commission investigating 9/11 – ostensibly because he didn't want to name his private clients – journalist Jim Rarey ripped the covers off an unnoticed bombshell in Kissinger's background. Henry Kissinger's partner in one of his consulting firms (Kissinger-McLarty Associates), and the Vice Chairman of Kissinger's other firm (Kissinger & Associates) is former Clinton Chief of Staff Mack McLarty. As it turns out McLarty also sits on the board of directors of a company called Acxiom.

That name might not ring a bell, but Acxiom is a recent name change from a company formerly called Alltel which was once known as Systematics. Systematics is the information, communications, data processing firm owned by Arkansas billionaire and kingmaker Jackson Stephens. And Systematics has been part and parcel - linked in paperwork and court records - of the PROMIS software saga almost from day one. It was Systematics that reportedly received stolen copies of the software in the 1980s. If Inslaw founder Bill Hamilton ever had any doubt about the fact that the progeny of his creation were at the heart of TIA, he can lay it to rest now. In a December 17, 2002 story Rarey revealed that Acxiom had been selected "the lead company to provide software and pull together the network to furnish the information to DARPA's "Information Awareness Office" headed by John Poindexter.⁸

DHS will also fund a massive science and technological research branch that will develop new law enforcement technologies and see that they are tested and implemented at the state and local levels.⁹ It will then certify and test the various pieces of equipment and technology, and it will follow that no local agency that does not use them can participate in DHS funding.¹⁰ This is a great guarantee of billions of dollars in income for corporations that support the administration. The DHS will even have a seal of approval! Then the DHS will train and certify state and local agencies to make sure that they know exactly what to do, especially when DHS takes over in a major emergency. The DHS will also certify training programs and be allowed to assume command and control of local agencies, including medical facilities in the event of an attack or even an "imminent" attack.¹¹

Another great giveaway to pharmaceutical companies comes at the very end of the Homeland Security Act, where DHS is charged with maintaining a Strategic National Stockpile of Smallpox Vaccine.¹²

By issuing security clearances to state and local personnel after appropriate training and screening, DHS will guarantee that only those personnel in local agencies loyal to the federal agenda will be given access to key information as DHS deems necessary.¹³ Following on that, the DHS will have the authority to go into any local agency and evaluate its methods for control of sensitive and classified information and it will have legal control of all such information in the hands of local agencies including decision-making power as to who sees it and who doesn't.¹⁴

Voila! All local law enforcement agencies are now working for the federal government.

The DHS is also empowered to engage in massive research programs on everything from DNA sequencing, to chemical and biological warfare "countermeasures", to biometric identification technology.¹⁵

The Act creating DHS has a particular obsession with biological warfare (Biowar) and, in particular, smallpox, which is the only disease specifically mentioned throughout Title 3. And in a magnanimous gift to vaccine makers it has made it a law that, in the event of a declared emergency when millions might be ordered to receive untested (for efficacy) and dangerous vaccinations, the vaccine makers and those who administer the vaccinations at government direction will be immune from lawsuits, even if you drop dead or suffer permanent disability as a result.¹⁶

And, in the event that the Secretary of DHS declares a health emergency or "a potential health emergency", certain provisions of U.S. public health laws may be activated to not only compel vaccinations, but to give the DHS the power to condemn and seize private property without advance hearings or court procedures. And during such emergencies the FBI and all other U.S. government functions will report to the DHS Secretary at all times.¹⁷

The Act also allows the DHS to go to universities under government contract to make sure that their research conforms with what the government wants and needs. The DHS will also exercise security control over material that is deemed sensitive. The DHS will have the ability to suspend funding if the universities are not complying with the government program.¹⁸

The DHS will have the authority and responsibility to monitor livestock throughout the country and to either quarantine or condemn livestock at will.¹⁹

DHS will assume control of all visa issuance for those wishing to enter the United States and will have personnel posted at U.S. embassies and consulates all over the world.²⁰

And although the Homeland Security Act conveys a sense of Congress, that the Posse Comitatus Act, which prohibits the military from being used in domestic law enforcement operations, should be honored, it ignores position papers originating from within the military that the Posse Comitatus Act has already been nullified by previous legislation, court decisions and precedent. One such position paper, written in 2000, even refers to Posse Comitatus as a "myth."²¹

YOUR MONEY AND YOUR RIGHTS!

Every American who reads this book needs to understand that the process of rendering him or her financially disabled is already well underway, just as it was for the citizens of Russia long before it hit them. The quote from Benito Mussolini at the beginning of this chapter goes to the heart of the map and why what you are about to learn is only the beginning. Of course, with the reality of Peak Oil, financial disasters are very easy to predict; fish in a barrel. But within that global reality there

will linger in the hearts and minds of many Americans the belief that somehow the Great Emperor will see to it that they are protected and have more than anyone else as the world suffers. Nonsense!

This is one of the biggest lies which this book must dispel once and for all. The truth is that the abundance enjoyed by the American people for two centuries must be utterly destroyed if the Empire is to survive. Few will be prepared for how far that destruction has already progressed and fewer still will even think of preparing before the disaster arrives.

Before looking at how badly the Chosen People have already been eaten, it is important to understand an important dynamic driving globalized capitalism. That is the fact that the current "operating system" has evolved into one which makes its profits by killing things, by removing people's liberties, and by lowering standards of living for everyone except the elites. Simple reason then dictates that whatever solutions the Empire presents to Peak Oil and a failed economic system will be destructive rather than constructive; that they will create more, rather than less suffering. To think otherwise would be to blithely assume that a rattlesnake might somehow inject vitamins rather than venom.

There are currently 6.6 million people in the United States either in jail, on probation or on parole.²² Of those, as I have documented in previous issues of *From The Wilderness*, more than two million are incarcerated, mostly in state and federal penitentiaries. And of those two million – half of which were added in the last ten years - more than sixty per cent are nonviolent drug offenders.²³ There has been a growing trend in corporate America to employ many of these prisoners as virtual slave labor for multi-national corporations. Inmate laborers now do everything from processing your credit card statements to making your airline reservations, to assembling your tennis shoes and the circuit boards for your stereo. And the Department of Justice operates something called Federal Prison Industries, better known as Unicor, as a profit-making venture to benefit American corporations. Unicor runs more than 100 factories in prisons in at least 30 states.²⁴

According to Unicor's web site:

One example was its [UNICOR's] role as a supplier to the military during the 1990-91 Persian Gulf conflict. UNICOR provided Kevlar helmets, camouflage battle uniforms, lighting systems, sandbags, blankets, and night vision eyewear for the military to use during Operation Desert Shield and Operation Desert Storm. It even manufactured cables for chemical gas detection devices and for the Patriot missile systems that played a key role in defending Allied troops during the Persian Gulf War. Brigadier General John Cusick, commanding officer of the Defense Personnel Support Center, praised UNICOR for the "superb support [it] provided to America's Fighting Forces" and for helping ensure that "we received the supplies the troops needed to win the war."²⁵

About thirty per cent of the prisons in this country are run by private corporations which trade their stock based upon how many human beings they "house". In pure economic terms, inmates have become inventory. The two largest of these corporations are Wackenhut and Corrections Corporation of America.

In recent years many law abiding Americans have lost their jobs to prison industries which are able to provide labor costs at a fraction of those in an uncorrupted marketplace. This means that the corrupt economy makes money by first selling drugs to people and then by putting them in prison for using drugs.

Consider also that when Iraq released its 12,000 page report on its Weapons of Mass Destruction (WMD) programs, the U.S. government promptly censored several thousand pages. Among the pages that it withheld from public view in the U.S. were pages showing which corporations had made billions of dollars in profits during the 1980s and '90s by selling Iraq all of the technology, equipment and weapons that it needed to become the threat that the U.S. government insists it is today.

Those corporations include: Honeywell, Spektra Physics, Semetex, TI Coating, UNISYS, Sperry Corp., Tektronix, Rockwell, Leybold Vacuum Systems, Finnigan –MAT-US, Hewlett Packard, Dupont, Eastman Kodak, American Type Culture Collection (involved in bioweapons research), Alcolac International, Consarc, International computer Systems, Bechtel, EZ Logic Data Systems, Canberra Industries. Many of these companies which operate overseas are subsidiaries of larger corporations based in the U.S. And the Iraqi government also received assistance from the Lawrence Livermore Laboratories and the Sandia National Laboratory.²⁶

We should not forget that Dick Cheney's Halliburton made extensive sales to Saddam Hussein right up until 9-11. And even on the brink of invasion, a year and a half later, the United States is still purchasing Iraqi oil on the open market.

So therefore, when examining the recent pandemic of corporate fraud in America which, according to a 2002 FOX News report, had wiped out \$600 billion in shareholder equity (mostly pension funds held in stocks), one needs to ask just a couple more questions. Looking at the list of corporations under investigation for cooking their books* it is important to look at how much money the top executives made through fraud. *The Financial Times* published an excellent series on this titled *The Barons of Bankruptcy* under a broader compendium of reports titled *Capitalism in Crisis*. That report disclosed that 61 executives made an estimated \$3.3 billion in insider stock trades before the collapse of their respective companies.²⁷

But these figures tell only a tiny part of the story because they only describe a small fraction of the share volume that was actually dumped after the prices had been fraudulently inflated by these same executives. For every CEO or CFO that sold shares, there were members of the Boards of Directors, the audit committees and the major shareholders who dumped tens and perhaps hundreds of times as many shares. Their personal profits were also that much greater.

And the big show made by the Bush administration about corporate reform was just that – a show. Just one day after the Corporate Reform Act was signed into law by President Bush in late-July of 2002, he turned around and gutted it by declaring a White House policy that whistle-blowing protection would not apply to those who exposed fraudulent practices unless and until the whistle blowers were sworn in under oath at a Congressional hearing. That means that the whistle blowers, the one

group of people essential to making the new law work, are defenseless. They will have no protection when they go to the FBI, the SEC, or even if they go to congressional staff outside of a hearing.²⁸

Few potential whistleblowers will ever come forward if they understand that they will only be protected for the last yard of a hundred yard dash under fire.

The Julia Childs of Book Cooking

And the U.S. government is the champion of book cooking in ways that make the corporate scandals appear pedestrian. By sleight of hand in changing the dates by which corporations had to pay quarterly income taxes, it conjured up \$33 billion in paper money needed to finance the Bush tax cut. One news report quoted former Minnesota congressman Bill Frenzel as saying, "If you look at the books of the corporate world, even the fraudulent ones, they are less subject to manipulation than the federal budget is."²⁹

We saw in Chapter Nine how Bush's budget director Mitch Daniels refused to comply with a congressional request to submit the government's books to the same standards that corporations are now supposed to follow.

The Ostrich Economy

Only twice in its history has *FTW* issued an urgent economic bulletin, warning our subscribers of pending economic crashes. In both cases, our warnings were followed within days by major events. Our first alert on September 9th 2001 was followed two days later by the World Trade Center attacks. Our second alert in early July of 2002 was followed only days later by a plunge in the Dow Jones Industrial Average, lasting weeks, which took the index down more than 1400 points.

Anyone who thinks that the market fundamentals aren't just as bad as they were a year ago is delusional. In fact, there are many signs showing that they are much worse. One of the most cogent and penetrating columnists of our day, Arianna Huffington, in May of 2002 warned of a coming economic devastation and stated that the signs of collapse were multiplying at an alarming rate:

"Here are a few of them: in the last two years, 433 public companies – including Enron, Global Crossing, and Kmart have declared bankruptcy. Two million Americans have lost their jobs. Four trillion dollars in market value has been lost on Wall Street. And each day brings a fresh, stomach-turning revelation of the rampant corruption infecting corporate America..."³⁰

Huffington was warning about the dismal failure of legislation that would have banned a non-transparent form of accounting called "pro forma." The big money in Congress had seen to it that the bill, sponsored by Senator Paul Sarbanes (D – MD) died in committee. To put it simply, what pro-forma accounting does, as opposed to much stricter Generally Accepted Accounting Principles (GAAP), is that it allows you to cheat, to hide money, to hide debt and to cook the books. A recent article in *CFO Magazine* revealed that 54% of 181 U.S. publicly traded corporations responding to their survey used pro forma accounting and that most CFO's felt some pressure to hide data and that many felt pressure to resist change.³¹

It is a relatively safe assumption to say that where there's pro forma accounting, there is a choice of profit over truth-telling. A look at some of the major corporations opting to use pro forma and the media outlets they own says quite a bit about the myth of a free press.

GENERAL ELECTRIC (NBC)
AOL/TIME-WARNER (CNN, *Headline News*, *TIME Magazine*, *PEOPLE*, HBO)
MICROSOFT (MS-NBC, MSN)
VIACOM (CBS)
DISNEY (ABC)
IBM
INTEL
CISCO SYSTEMS
SUN MICRO
TRIBUNE Co. (*The Los Angeles Times*, *The Chicago Tribune*)
THE WASHINGTON POST (*The Washington Post*, *NEWSWEEK*)
THE NEW YORK TIMES...

Thus, almost all of the major media outlets in the United States are vested in a system which makes profits and competes by destroying things and hiding the truth. A notable exception in this case is *FOX News*. But *FOX News* is owned by the Australian company NEWSCORP and it does conform, at least in the most recent filing I could find, to Australian GAAP. But they're not quite off the hook. With Saudi Prince Alwaleed bin Talal as its second largest shareholder, and with former Reagan political strategist and Republican Party operative Roger Ailes as the CEO of its news operations, FOX has plenty of other questions to answer.

What's Already Been Stolen

In March of 2000 Department of Housing and Urban Development (HUD) Inspector General Susan Gaffney testified before the House Committee on government reform. She answered questions about the fact that HUD had lost \$17 billion in 1998

and \$59 billion in 1999. She could not explain what had happened to the money and when she was asked what HUD had done about the missing funds, her basic explanation, made simple, was that HUD had made an adjustment to its checkbook.³² In September of 1999, it was disclosed that the U.S. Navy had lost \$3 billion in equipment.³³ Most of the equipment had probably been channeled to illegal covert operations. Other losses that turned up soon after that are more difficult to explain.

In August of 2001, *INSIGHT Magazine's* Kelly O'Meara disclosed that the Department of Defense could not account for \$1.1 trillion for Fiscal Year 2000. It had been stolen, or it was lost and nobody knew where to find it – same thing.³⁴

And then came the bombshell. On January 29, 2002 *CBS News* reported that the Pentagon could not account for 25% of its funds or more than \$2.3 trillion. That amount, reported *CBS*, equaled \$8,000 for every man, woman and child in America. In dissecting the case of one missing batch of money, *CBS* came up with an explanation that was to fit all the rest of the money. "We know they spent it but we don't know what they spent it on."³⁵

A skeptic will say, "How can the Pentagon lose trillions of dollars? Its annual budget is only \$400 billion (larger than the next six nations combined)." The answer is simple. The Pentagon manages the pension funds for more than two million service people and about another million civilian employees. It also manages their medical insurance plans. It owns real estate, collects rents, and operates concessions and businesses on military bases. And when a multi-year weapons program is approved by Congress all of the earmarked funds go into Pentagon accounts but are only "dispersed" by year.

The great irony here is that most of the financial data processing for U.S. government accounting systems is done by DynCorp and by Lockheed-Martin. DynCorp was the brainchild of Harvard's Herbert "Pug" Winokur, who chaired Enron's finance committee. Former Assistant Secretary of Housing Catherine Austin Fitts has done extensive research on these and other thefts and come to the conclusion that HUD, which probably handles your mortgage, is "a candy store for covert operations and rigged financial markets", and that the U.S. Treasury is being systematically looted.³⁶ When you take the damage to individual taxpayers and workers from this, financial fraud, and the draining of entitlement programs like Social Security and federal pension funds together, the picture gets worse than ugly.

The Plunge Protection Team and Rigged Markets (From *FTW's* July 2002 economic bulletin)

The *Washington Post* acknowledged the existence of a select group of four who could and would intervene in markets to prevent massive capital flight and a run on shares that would cause an economic collapse if there weren't enough cash to pay out during a massive sell off. In his Feb. 23, 1997 story titled "Plunge Protection Team," *Post* reporter Brett Fromson identified the Federal Reserve chairman, the Securities and Exchange Commission chairman, the chairman of the Commodities Futures Trading Commission, and the secretary of the Treasury as the team's key players. The intervention of the team in the 1998 crash of Long Term Capital Management, after it became wildly overexposed in the gold market (see below), revealed that private institutions such as Goldman Sachs, J.P. Morgan, Merrill Lynch and other major banks could be involved as well.

Fromson quoted a former team member as saying, "In a crisis, a lot of deference is paid to the Fed. They are the only ones with any money." Or, I might add, the ability to print it. The Treasury has lots of money too.

Pointing to the 1987 stock market crash, the single largest crash in history, Fromson observed, "The Fed kept the markets going by flooding the banking system with reserves and stating publicly that it was ready to extend loans to important financial institutions, if needed."

On April 5, 2000 *New York Post* reporter John Crudele reported that the stock market had turned back from the abyss. After a 500-point drop that looked like it was leading to a meltdown, "...someone started buying large amounts of stock index futures contracts through two major brokerage firms -- Goldman Sachs and Merrill Lynch...Unless the brokers tell, there is no way of knowing which of their clients were making the purchases...Then the market rebounded."

Calling it the PPT, Crudele both referred to the 1997 *Washington Post* story and suggested that private banks were acting as team captains.

Gold activist David Guyatt, relying on information obtained from Gold Anti-Trust Action Committee (GATA) Chairman Bill Murphy, pointed to the PPT in October 2000. "The hand of the Plunge Protection Team (PPT) is clearly visible for the first time. The entire short gold play over the last few years is a technique that has been used to 'prop up key stocks' and 'fund futures' operations. In the simplest form it works like this. Borrow (at negligible interest rates) someone's [America's, Germany's, Britain's, Goldman Sachs'] gold and sell it in the market. This gives a handsome pool of near-interest-free dollar cash. Whenever the stock market looks shaky, or key stocks come under pressure, dive in and buy, buy, buy..."

"But it is not only necessary to manipulate the stock market to succeed. It is also necessary to manipulate the gold price and keep the price of gold below the price PPT sold the leased gold for...This is a game of double jeopardy...The problem the PPT now have is that there is virtually no more official gold left to borrow."

The causes of this intervention were a pending NASDAQ crash and the imminent downgrading of IBM and Intel stocks.

And the PPT's hand has been noted recently from as far away as Australia. Progressive Review Editor Sam Smith recently quoted a story by Richard Bromby of the *Australian Financial Review*:

"At 2:32 Wednesday [June 26], New York time, something extraordinary happened at the corner of Wall and Broad streets. The New York Stock Exchange's Dow Jones industrial index -- struggling since the opening bell after the WorldCom fraud revelations -- threw off its problems. From an intraday low of 8,926.6, the Dow shot skywards to its high of 9,160 at 3:29 p.m...Could it be the work of the much talked about, but never seen, Plunge Protection Team? There is a belief that this team represents a powerful and secretive hand that is ready to act at any time the Dow looks ready to tank big-time..."

"...London's Observer newspaper last October reported it had information the plunge team was preparing to spend 'billions of dollars' to avert a repeat of 1929 and 1987."

The problem is clear: With a strong dollar the PPT has demonstrated that it has enough cash to suppress gold prices or to save the stock market. It may not have enough cash to do both -- especially if the dollar were to suddenly lose its value. Then, all of the chickens that have been locked out will come home to roost with a vengeance.

As The International Forecaster reported on April 26, "The American consumer has run out of credit and buying power...All bets are off if the housing and credit bubbles break and that's a distinct possibility...Debtor's prison is drawing nearer. House and Senate conferences are deciding on a new set of rules for Chapter 7 bankruptcy...If the Plunge Protection Team weren't manipulating the market with all these scandals, the Dow would already be at 4,500."

Adding Up The Losses

Let's take a look at the financial raiding that can be documented and add it up. The Bush administration has taken some of it just to pay the bills but I have no doubt that vast quantities of this stolen money are being used to manipulate financial markets, stimulate investor confidence and encourage small investors to keep putting their money into a failed Ponzi scheme. Bear in mind that the following "thefts" are just what I can document.

Taken From (source)	Amount
Social Security (2001) – (USA Today/Washington Post)	\$34 Billion
Social Security (2002) – (White House Office of Management and Budget)	\$ 455 Billion
Fed. Employee Retirement System to meet '02 budget deficits (Wall Street Journal, June 13, 2002)	\$42 Billion
Civil Service Retirement and Disability Fund in '02 (WS Journal, above)	\$2 Billion
Stolen from the Department of Defense 1999	\$1,100 Billion
Stolen from the Department of Defense 2000	\$2,300 Billion
Stolen from HUD 1998	\$17 Billion
Stolen from HUD 1999	\$59 Billion
U.S. government funds paid to companies and individuals not entitled to receive it (Reuters)	\$20 Billion
Shareholder Equity Lost to Financial Fraud (FOX)	\$600 Billion
TOTAL	\$4.629 Trillion Dollars

Estimated pending withdrawals from Social Security to cover deficits by 2010, (Washington Post citing the Congressional Budget Office)	\$845 Billion
--	---------------

This is taxpayer money. This is retirement money. This is money for Medical care. This is the wealth of America and it is being stolen.

The Fundamentals

... With the Plunge Protection Team on the field, it is neither wise nor prudent to predict exact numerical events and dates. There are many sober experts who have been predicting a major crash for some time and the important thing is to recognize the pressures and forces making a major crash inevitable. My experience tells me that the markets will be rigged and manipulated to eke every possible bit of wealth out of them before the plug is pulled. Most of that wealth is now coming from the Chosen People.

And still I have seen no expert even mention Peak Oil issues and the implications they carry for the markets. Leaving peak oil aside, let's examine the American economy from some standard measurements.

Employment – We have already seen that two million Americans have lost their jobs in the last two years. Globally, the trend is as bad or worse. In January of 2003 the International Labor Organization in Geneva released a report showing that, worldwide, 20 million people have lost their jobs in the last two years, bringing the total number of unemployed to 180 million. The report went on to state that millions of people who do have jobs make so little money that they are just existing.³⁸

In light of this President Bush has taken a "prudent" action to reduce government spending in an effort to stimulate the economy. He has cut off the funding for a Labor Department program that tracks mass layoffs by U.S. companies. The mass-layoffs statistic was widely used by analysts to measure the health of the economy. But a story in the *San Francisco Chronicle* reported that the Bush Administration told the Bureau of Labor Statistics to "look elsewhere for its funding."³⁹ I guess if you don't see it, it's not there.

Pension Funds – In January of 2003 the US Pension Benefit Guaranty Corporation (PBGC) – the entity which serves a role to guarantee pensions as the FDIC does for bank deposits – announced that it was broke. In 2001 the PBGC had

\$22 billion in assets, but recent major bankruptcies like U.S. Airways, Bethlehem Steel, National Steel and LTV steel have prompted bailouts which have wiped out the fund's ability to provide even a measure of protection to employees whose pension funds have been looted by corporate fraud.

The PBGC does not receive any federal money, but has been supported by federally authorized payroll deductions. What this means is that employees of major companies facing bankruptcy, like K-Mart, might have no place to turn for retirement income.⁴⁰ This is a classic example of the way in which major corporate bankruptcies are used as weapons to transfer wealth from the poor to the rich. First the books are cooked. Then the pension funds are looted. Then the companies go bankrupt and the assets, which should have belonged to the stockholders and employees, are sold off to other powerful financial interests for pennies on the dollar.

Bankruptcies – U.S. personal bankruptcy filings are at an all-time high and setting a new record each month. In the 12 month period ending September 30, 2002, 1.55 million Americans filed for bankruptcy as opposed to 1.44 million for the previous year. This was an increase of 7.7 percent. In just the three months from July-September of 2002, bankruptcy filings had gone up 11.6 per cent.⁴¹

The Dollar – With the Federal Reserve having reduced interest rates about as low as they can, and with the economy still failing, the dollar has started a precipitous slide against other currencies. This is a frightening development because most of the world's trade is priced in dollars and most nations hold dollars as their reserve currencies. OPEC also prices its oil in dollars. At this writing the Euro is at an all-time high of valuation against the dollar at \$1.10.

The Empire depends upon several things to retain its power. One of the most important is the strength of the dollar. But now a wide range of experts are predicting a deflationary recession (depression) in which prices and wages could actually fall. This has disastrous implications, not least of which is that the U.S. is the world's largest debtor nation and its economic survival is predicated upon a heavy influx of foreign investment capital (cash flow) to remain solvent, especially since the Empire's financial markets are burdened with hundreds of trillions of dollars in derivatives (see below).

If the dollar loses too much value then, of necessity, other nations will switch to other safer and more stable currencies. That would send a torrent of valueless dollars back home in a double whammy that might pour massive inflation on top of a depression. And the Empire knows that while the world might not be able to resist militarily, it has been doing a skillful job of resisting economically. Saddam Hussein has already priced Iraqi oil in Euros and other nations are examining the possibility. And currency agreements between Russia and China suggest a bright future for the Chinese "golden Yuan".

Gold – Gold really deserves a much greater discussion than I can give it here. Over the years incredible work has been done by Bill Murphy and the Gold Anti-Trust Action Committee (GATA) documenting in painstaking detail how gold prices have been artificially suppressed to "protect" financial markets and ensure a ready supply for market manipulations and quick profits. This ties in closely with the activities of the Plunge Protection Team (PPT) above.

Not only is the price of gold a sign to investors of the relative stability of other markets, if gold prices rise too high too quickly the derivative paper based on borrowed gold becomes a time bomb for major banks like J.P. Morgan, Chase, and Citigroup. Gold has risen in price more than 30% in the last two years while the DOW has dropped 20% or more. And there is five times more paper gold than there is actual gold out of the ground.

Recently China allowed its citizens to begin purchasing physical gold on bullion markets and this was followed by near-panic buying in Japan and Australia.⁴²

The Housing Market and Home Foreclosures – Few things have been as over-promoted as the "hot" housing market in America. The truth is that it's not that hot and it's about to pop like all the other bubbles. In September of 2002, USA Today reported that a record percentage of U.S. homeowners were facing foreclosure at a rate of 1.23%, which was the highest rate in 30 years.⁴³ Completed foreclosures in the third quarter of 2002 set a record at 1.15 per cent of mortgages according to the Mortgage Bankers Association.⁴⁴ These numbers imply two things. First, that the homeowners couldn't pay their mortgages and, secondly, that they couldn't sell the house to get out from under the mortgage. That means there's pressure on prices.

But there are more ominous signs than that. Before the major crashes of 2001 and 2002, which - according to the *Associated Press* - saw a cumulative total of \$7.5 trillion in stockholder equity wiped out, the telltale warning signal was massive insider selling by executives in the "dot com" businesses and the energy sector off their own stock. They had cooked the books, pumped the share prices and then sold out, leaving small investors and pension funds holding the bag.

In August of 2002 *The Financial Times* reported that corporate officers and board members of publicly traded U.S. building companies had started dumping their personally owned shares. According to the *Times* it was the largest sell-off by industry insiders since records of such sales were started in 1996.⁴⁵ This was followed by an earnings warning issued by Home Depot for the entire year of 2003 rather than just one or two quarters.⁴⁶ And sales of homes worth more than \$1 million fell by ten per cent in the third quarter of 2002, with signs of prices softening in many regions of the country.⁴⁷

The Budget Deficit – What was a budget surplus when George W. Bush took office is now a budget deficit that is estimated to top \$300 billion in 2003.⁴⁸ But, as we already know, different accounting procedures come up with different numbers. *New York Post* reporter John Crudele, citing a letter from then Secretary Paul O'Neil he found on the Treasury Department's web site, discovered that the actual deficit for 2001 was \$515 billion dollars. O'Neil's letter said, "Accrual based financial reporting is critical to gaining comprehensive understanding of the U.S. government's operations. For fiscal 2001, our results were an accrual-based deficit of \$515 billion in contrast to a \$127 billion budget surplus reported last fall." ⁴⁹

And all the Bush administration wants to do is to cut taxes. That philosophy has been an abject failure since the first

Reagan administration. It has only enriched the wealthiest one per cent, and has created inevitably painful recessions as a result.

Derivatives – A derivative is any financial instrument that is not based on something with intrinsic value. Its value is “derived” from something else which does. When leveraged and traded they can serve as hedges against risk or as insanely speculative instruments. Examples of derivatives are futures, options, forwards, swaps and various combinations of these instruments. They can be based on energy, on gold, on stocks, on just about anything and they can also be created out of thin air. The problem is that they can be incredible risky, especially when used as leverage. Under the right (or wrong) circumstances they could destroy an institution heavily invested in them because if everything goes south then enormous quantities of cash are required to “service the paper”.

When I attended the economic conference in Moscow in March of 2001, I heard a very sharp Russian economist state that the United States as a whole was sitting atop a \$300 trillion derivatives bubble.⁵⁰ This may be a bit high but not by much. It is certain that banks like J.P. Morgan and Citigroup are sitting on derivatives easily within the \$20-30 trillion range.⁵¹ If the stock market falls too far, or if the price of gold rises too high, this would likely create a liquidity crisis that could wipe out these and many other banks as well.

Debt – Just about everybody and everything in this country is in deep debt. British economist Chris Sanders (<http://www.sandersresearch.com/>) recently wrote:

At 280% of GDP and rising America’s total debt burden relative to GDP has far outrun the ability of the economy to finance it out of retained earnings. With net foreign investment income negative, financing the debt requires ever-greater investment from foreigners. Although this later point is so obvious that you may well gloss over it, consider: the implication is that the maintenance of American economic growth requires an accelerating rate of net foreign investment. America already pre-empts more than 70% of net world savings.”⁵²

When things go south, as they certainly will with Peak Oil, and as nations scramble for dwindling resources, debts will get called in to provide the one financial ingredient that can mitigate a serious crisis, liquidity. And the house of cards we have been describing will collapse.

State and Local Government Funding – As this book goes to press some twenty-eight states are facing the most serious budget crises they have ever known. Many local governments are in the same or worse condition. Discussions are being held about the interruption or scaling back of vital services such as police, fire, sanitation and health care. As the economy fails and as energy becomes increasingly expensive this can only get much worse. A global conflict, Peak Oil and economic warfare against the United States may well combine to render our major cities derelict and unprotected. The Emperor’s solution to this is the tax cut which will further reduce the federal government’s assistance to the states.

Terrifying Insurance and a Bias for Autism – In late November of 2002, Congress also passed a Terrorism Insurance Bill.⁵³ It became a law that, in the event of a major terrorist attack, insurance companies will not have to bear the burden. The U.S. taxpayer will. And these megalithic giants like AIG will have to sustain only five million dollars in losses before the Treasury steps in to carry up to 90% of the remaining burden up to \$100 billion. Five million dollars is a drop in the bucket for a company like AIG (the world’s largest insurance company), which had more than \$5 billion in profits on 2001.⁵⁴ From what we have seen above, that money will have to come out of Social Security, Medicare, Medicaid, your pension or the money that should have gone to pave the roads in your neighborhood.

Adding insult to injury, after asking a federal court to seal records that would show that common childhood vaccines may be a direct cause of autism in children ⁵⁵ – to protect the vaccine makers from liability – President Bush declared in his 2003 State of the Union address that he was starting the \$6 billion Project Bio Shield so that the government could stockpile vaccines for anthrax, ebola, plague and botulism. As we will see in the next chapter, it will not even be required that these vaccines be tested to see if they work before the government buys them...

A MESSAGE FROM 35 YEARS AGO

Robert F. Kennedy evolved through obvious stages in his short life. When he was a young lawyer he served as the counsel for the House Un-American Activities committee and participated in a shameless witch hunt that destroyed the lives of many innocent people. As Attorney General serving under his brother John, he turned on organized crime alliances which had done business with his father Joseph during prohibition and ambitiously prosecuted civil rights cases and Teamsters President Jimmy Hoffa, while furthering his brother’s career and protecting the Kennedy political franchise.

RFK was young, bright, charismatic and powerful. But it was not until after his brother was assassinated in 1963 that he became a visionary. After spending what he and his family described as “some years in the wilderness”, wrestling with the deeper questions that life had literally cornered him with, Bobby Kennedy returned in 1966 to run for and win a U.S. Senate race in New York. And that victory placed him squarely in the running for the White House in the 1968 general election.

Although I was just a sophomore in high school when Bobby was assassinated on the night of June 5, 1968, his life was to touch mine in some very personal ways as a result of my relationship with key LAPD command and intelligence figures who began grooming me as a promising young college intern in 1969. The story of that relationship is not important here, but I have left it on my web site for those who crawl the dark catacombs of history.

What is important is that in 1968, perhaps the most pivotal year in American history over the last century, RFK the visionary and the prophet delivered a speech at the University of Kansas at Lawrence. On March 18, less than three months before his

death, he said:

Too much and for too long we seem to have surrendered personal excellence and community values in the mere accumulation of material things. Our gross national product now is over \$800 billion a year.

But that gross national product, if we judge the United States of America by that, counts air pollution, and cigarette advertising, and ambulances to clear our highways of carnage. It counts special locks for our doors, and the jails for people who break them. It counts the destruction of redwoods and the loss of our natural wonder in chaotic sprawl. It counts napalm and it counts nuclear warheads, and armored cars for the police to fight the riots in our cities. It counts Whitman's rifle and Speck's knife, and the television programs which glorify violence in order to sell toys to our children.

Yet the gross national product does not allow for the health of our children, the quality of their education, or their joy of their play. It does not include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our passion nor our devotion to our country.

It measures everything, in short, except that which makes life worthwhile. And it can tell us everything about America – except why we are proud that we are Americans.

NOTES TO CHAPTER 23

1. Homeland Security Act of 2002, hereinafter referred to as "the Act", Title I, Department of Homeland Security, Section 101. Executive Department; mission. <http://www.whitehouse.gov/deptofhomeland/bill/title1.html#101>; <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
2. The Act, Title 1 Section 102. Secretary; Functions. <http://www.whitehouse.gov/deptofhomeland/bill/title1.html#102>; <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
3. Ibid.
4. The Act, Title 2, Section 201. I- Information Analysis and Infrastructure Protection. Sec. 201. Under Secretary for Information Analysis and Infrastructure Protection. <http://www.whitehouse.gov/deptofhomeland/bill/title2.html#201>; <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
5. The Act, Title 2, Section 202. Functions Transferred. <http://www.whitehouse.gov/deptofhomeland/bill/title2.html#202>; <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
6. The Act, Title 2, Section 212. Definitions, pp. 36-40. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
7. The Act, Title 2, Section 223. Enhancement of Non-Federal Cybersecurity, pp. 49-50. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
8. Jim Rarey, "Why Quit Henry? -- Is it Acxiom?" Strike the Root, December 18, 2002. <http://www.strike-the-root.com/columns/rarey/rarey5.html>
9. The Act, Title 2, Subtitle D. Office of Science and Technology, pp. 58-68. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
10. Ibid; The Act, Title 4 [Directorate of Border and Transportation Security], Section 430 [Office for Domestic Preparedness], pp. 142-145. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
11. The Act, Title 5 [Emergency Preparedness and Response], pp. 195-203. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
12. The Act, Title 17 [Conforming and Technical Amendments], section 1705 [Strategic National Stockpile and Smallpox Vaccine Development], pp. 460-461. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
13. The Act, Title 8 [Co-ordination with Non-Federal Entities; Inspector General; United States Secret Service; Coast Guard; General Provisions], Subtitle I [Information Sharing], section 891[Short Title; Findings; and Sense of Congress], 892[Facilitating Homeland Security Information Sharing Procedures], pp.296-306. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
14. Ibid, Section 892 [Facilitating Homeland Security Information Sharing Procedures], pp. 299-306. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
15. The Act, Title 2 [Information Analysis and Infrastructure Protection], Title 3 [Science and Technology in Support of Homeland Security], throughout, pp. 21-106. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
16. The Act, Title 3 [Science and Technology in Support of Homeland Security], section 304 [Conduct of Certain Public Health-Related Activities], pp. 73-82. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
17. Ibid; The Act, Title 8 [Co-ordination with Non-Federal Entities; Inspector General; United States Secret Service; Coast Guard; General Provisions], section 887 [Coordination with the Department of Health and Human Services under the Public Health Service Act], pp.287-288. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
18. The Act, Title 3 [Science and Technology in Support of Homeland Security], Section 308 [Conduct of Research, Development, Demonstration, Testing and Evaluation], pp. 87-91. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
19. The Act, Title 4 [Directorate of Border and Transportation Security], Subtitle C [Miscellaneous Provisions], section 421 [Transfer of Certain Agricultural Inspection Functions of the Department of Agriculture], pp. 118-123. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
20. The Act, Title 4 [Directorate of Border and Transportation Security], Section 428 [Visa Issuance], pp.132-141. <http://news.findlaw.com/wp/docs/terrorism/hsa2002.pdf>
21. Major Craig T. Trebilcock, "The Myth of Posse Comitatus," Hooah 4 Health, October 2000. <http://www.hooah4health.com/environment/homelanddefense/posse.htm>
22. "More Than 6 Million People Behind Bars or on Probation or Parole," *Boston Globe* (Associated Press), August 26, 2002. http://www.truthout.org/docs_02/08.27F.6M.in.jail.htm
23. Jesse Katz, "A Nation of Too Many Prisoners?" *The Los Angeles Times*, February 15, 2000. <http://www.mapinc.org/drugnews/v00/n211/a08.html>
24. "Of the more than 150,000 men and women currently incarcerated in the federal prison system, 22,000 are employed by Federal Prison Industries, which uses the trade name UNICOR. The wholly owned government corporation was established by Congress in 1934 to provide job skills, training, and employment for prisoners, and now has more than 100 factories operating inside federal prisons nationwide," Silja J.A. Talvi, "Business from behind bars: profitable, or not?" *Christian Science Monitor*, May 14, 2001. <http://csmweb2.emcweb.com/durable/2001/05/14/fp16s1-csm.shtml> According to Unicolor's own literature, "...it should be noted that the average Federal inmate has an 8th grade education, is 37 years old, is serving a 10-year sentence for a drug related offense..." <http://www.unicor.gov/history/foreword.htm>
25. http://www.unicor.gov/history/unicor_1980.htm
26. Tony Paterson, "Baghdad's uncensored weapons report to UN names Western companies alleged to have developed its weapons of mass

- destruction," *The Independent*, December 18, 2002. <http://archives.econ.utah.edu/archives/marxism/2002w52/msg00008.htm>
27. Ian Cheng, "Executives in top U.S. collapses made \$3.3 bn," *The Financial Times*, July 30, 2002. <http://pub97.ezboard.com/fthefinfactsdiscussionforumfrm1.showMessage?topicID=65.topic>; "FT Investigation: The Barons of Bankruptcy," *The Financial Times*, August 1, 2002. <http://news.ft.com/servlet/ContentServer?pagename=FT.com/StoryFT/FullStory&c=StoryFT&cid=1028185341976&p=1027953298906>
 28. Kelly Wallace, "Senators: Bush could undercut whistleblowers," (CNN), The Freedom of Information Center, July 31, 2002. <http://foi.missouri.edu/whistleblowing/senatorsbush.html>; Audrey Hudson, "Security Bill bars blowing whistle," *The Washington Times*, June 22, 2002. <http://www.washtimes.com/national/20020622-42082444.htm>
 29. Martin Crutsinger, "U.S. government is unrivaled champion at cooking the books," *Nation and World*, July 15, 2002. <http://www.nwaonline.com/pdfarchive/2002/July/15/7-15-02%20D1.pdf>
 30. Arianna Huffington, "Why Is Washington Ignoring The Warning Signs of economic Devastation?" May 30, 2002. http://senrs.com/why_is_washington_ignoring_the_warning_signs_of_economic_devastation.htm
 31. Ronald Fink, "The Fear of All Sums," *CFO Magazine*, August 1, 2002. <http://www.elaonline.com/news/MembersOnly/indnewswkly/081302.htm#story14>
 32. Testimony of The Honorable Susan Gaffney Inspector General, Department of Housing and Urban Development before a hearing of the Subcommittee on Government Management, Information, and Technology, March 22, 2000, "1999 Audit Results for the Department of Housing and Urban Development" <http://www.house.gov/reform/gmit/hearings/2000hearings/000322.hud/000321sg.htm>; Kelly Patricia O'Meara, "Why Is \$59 Billion Missing From HUD?" *Insight Magazine*, November 6, 2000. <http://www.insightmag.com/main.cfm?include=detail&storyid=208636>
 33. "According to the General Accounting Office, between 1996 and 1998 the United States Navy 'lost' more than \$3 billion worth of goods—tasty items like guided missile launchers and night vision equipment. One reason the diversion of these goodies went unnoticed, says William J. Lynn III, the Defense Department's comptroller, is that the department has been using more than 330 separate accounting systems to keep track of its possessions. In April, Lynn told a Senate subcommittee that he is working hard to reduce that number to 32," *Bulletin of the Atomic Scientists*, Vol. 55, No. 5, September/October 1999, pp. 9-10. <http://www.thebulletin.org/issues/1999/so99/so99briefs.html>
 34. Kelly Patricia O'Meara, "Rumsfeld Inherits Financial Mess," *Insight Magazine*, September 3, 2001. <http://www.insightmag.com/main.cfm?include=detail&storyid=139530>
 35. "The War on Waste," *CBS Evening News*, January 29, 2002. <http://www.cbsnews.com/stories/2002/01/29/eveningnews/main325985.shtml>
 36. Cf. "The Myth of the Rule of Law, Or How the Money Works: The Destruction of Hamilton Securities Group." <http://www.solari.com/gideon/articles/q301.pdf>; Catherine Austin Fitts, "The Missing Money: Why the Citizens of Tennessee Are Working Harder & Getting Less." <http://www.scoop.co.nz/mason/stories/HL0207/S00031.htm#a>
 37. Thom Calandra, "As Stocks Rally, Dow 4,000 is imminent," *CBS MarketWatch*, October 17, 2002. <http://www.selectsectors.com/wclan101702.htm>
 38. David Turner, "World unemployment increases to 180m," *Financial Times*, January 24, 2002. <http://news.ft.com/servlet/ContentServer?pagename=FT.com/StoryFT/FullStory&c=StoryFT&cid=1042491155790>
 39. David Lazarus, "Killing the Messenger: Layoff-Poll Funds Cut," *San Francisco Chronicle*, January 2, 2003. <http://www.siliconinvestor.com/stocktalk/msg.gsp?msgid=18395554>
 40. Patrick Martin, "Corporate bankruptcies exhaust US pension guaranty fund," World Socialist Web Site, January 29, 2003. <http://www.wsws.org/articles/2003/jan2003/pens-j29.shtml> Why is it that only a socialist web site reports such devastating news? The millions of people who worked their entire lives expecting a pension won't care about the political affiliation of who either revealed or hid this official government announcement!
 41. "US Bankruptcy Filings Hit Another Record," *Reuters*, November 26, 2002. <http://www.xtramsn.co.nz/business/0..5086-1952222.00.html>
 42. Michael C. Ruppert, "Moving on Gold," *From the Wilderness*, December 31, 2002. http://www.fromthewilderness.com/cgi-bin/cop/7/auth/123102_gold.html
 43. Thomas A. Fogarty, "Home foreclosures at 30-year high," *USA Today*, September 10, 2002. http://www.usatoday.com/money/perfi/housing/2002-09-09-foreclosure_x.htm
 44. Mark Felsenthal, "Home foreclosures at record high," *Reuters*, January 7, 2003. <http://www.twincities.com/mld/twincities/business/4892198.htm>
 45. Peronet Despeignes, "US housing executives offload stock," *The Financial Times*, August 28, 2002. http://news.ft.com/servlet/ContentServer?pagename=FT.com/StoryFT/FullStory&c=StoryFT&cid=1028186102016&p=1012571727088&ft_acl=
 46. William Spain, "Home Depot warns on fiscal year," *CBS MarketWatch*, January 2, 2003. <http://www.marketwatch.com/news/newsfinder/pulseone.asp?dateid=37623.7205092593-801702807&doctype=806&siteid=yhoo&selCount=20&value=Home+Depot&property=word&siteid=yhoo&dist=yhoo&guid=%7B3A6632AF%2D1D40%2D4E4E%2DA6BA%2D663320AFCF50%7D>; William Spain, "Home Depot plummets on warning," *CBS MarketWatch*, January 3, 2003. <http://www.marketwatch.com/news/yhoo/story.asp?source=blq/yhoo&siteid=yhoo&dist=yhoo&guid=%7B3A6632AF%2D1D40%2D4E4E%2DA6BA%2D663320AFCF50%7D>
 47. M.A. Nystrom, "Pop Goes the Bubble – Part II, Sell Your House Now!" http://www.gold-eagle.com/editorials_02/nystrom122702.html
 47. Alan Fram, "GOP Plays Down Massive Federal Deficits," *Associated Press, YahooNews.com*, February 10, 2003. http://story.news.yahoo.com/news?tmpl=story&u=/ap/20030210/ap_on_go_co/deficits_redux_2
 49. John Crudele, "U.S. Treasury Web Site reveals \$1/2 Trillion Deficit for Fiscal 2001," *The New York Post*, May 14, 2002. <http://www.moneyfiles.org/banking10.html#anchor1248949>
 50. "Moscow Economic Conference Draws 200 From Russia, Germany, Mid East and Asia," *From The Wilderness*, March 31, 2001. http://fromthewilderness.com/free/economy/us_econ_threat.html
 51. Greg Morcroft, "U.S. banks derivatives top \$50 trillion," *CBS MarketWatch*, September 6, 2002. <http://cbs.marketwatch.com/news/story.asp?guid={858881D6-47E0-42B2-88B7-022F2D352775}&siteid=mktw&dist=&archive=true>
 52. Chris Sanders, "The Unsustainable Nation," October 18, 2001. <http://www.scoop.co.nz/stories/HL0203/S00059.htm>
 53. H.R. 3210, (PL 107-297) – The Terrorism Risk Insurance Act. [http://216.239.33.100/search?q=cache:2Z8QNRZVIRoC:www.ustreas.gov/offices/enforcement/ofac/legal/statutes/statute201.pdf+H.R.+3210+\(PL+107-297\)+The+Terrorism+Risk+Insurance+Act&hl=en&ie=UTF-8;http://www.ustreas.gov/offices/enforcement/ofac/legal/statutes/statute201.pdf](http://216.239.33.100/search?q=cache:2Z8QNRZVIRoC:www.ustreas.gov/offices/enforcement/ofac/legal/statutes/statute201.pdf+H.R.+3210+(PL+107-297)+The+Terrorism+Risk+Insurance+Act&hl=en&ie=UTF-8;http://www.ustreas.gov/offices/enforcement/ofac/legal/statutes/statute201.pdf)
 54. Lucy Komisar, "Congress Rips Off Consumers Over Terror Insurance," *Pacific News Service*, November 20, 2002. http://news.pacificnews.org/news/view_article.html?article_id=ea793db419eb4285f06c16c2da956edd
 55. Todd Zwillich, "Bush Asks Court to Seal MMR Vaccine Records," *Reuters Health*, November 26, 2002. <http://www.rense.com/general32/mmr.htm>
 56. Mike Verdin, "Soros warns Globalization at risk," *BBC News*, January 26, 2003. <http://news.bbc.co.uk/2/hi/business/2696627.stm>

(continued from page 2, Patriot II)

"We write to express my profound disappointment about your Department's handling of anti-terrorism policy. Recent reports irrefutably indicate that the Department of Justice has been working on a successor bill to the "USA Patriot Act" for some time. Notwithstanding the Judiciary Committee's jurisdiction in this matter and outstanding record of dealing with this legislation, the Committee reported a bipartisan version of the Patriot Act by a unanimous vote, according to the Chairman's spokesman there have been no consultations with the Committee on this bill.

Your Spokesperson, Barbara Comstock, claimed in a February 7, statement (attached) that the new draft bill was still in "internal deliberations" within the Department and still being discussed at "staff levels" and has not been "presented... to the White House." This is blatantly false in several respects, yet the Department of Justice "Control Sheet" (attached) plainly indicates that the bill was forwarded to the Speaker of the House and Vice President on January 10...

Conyers specifically requested that the Attorney General reply to his letter no later than February 15, 2003. A Conyers' spokesperson told **FTW** today that not only has the Justice Department not replied to Conyers' letter but that they have "not even acknowledged receiving it."

The Department of Justice did not respond to a call from **FTW** asking for a response to Conyers' letter or an explanation as to why they had not responded.

The bill's draft and the fact that it had been officially transmitted to Cheney and Hastert nearly a month a month before its existence was disclosed was revealed in major scoop released on Feb. 7, 2003 by Washington, D.C.'s non-partisan Center for Public Integrity (CPI). **FTW** has relied extensively on comprehensive reports by the CPI for past major stories including our 2000 story, The Bush Cheney Drug Empire.

The original CPI story including links to the "Confidential" draft of the bill and the official letter of transmittal is located at: <http://www.publicintegrity.org/dtaweb/report.asp?ReportID=502&L1=10&L2=10&L3=0&L4=0&L5=0>

In a follow-up story on PBS' Frontline, anchor Bill Moyers interviewed CPI's Executive Director Chuck Lewis who disclosed that the CPI had obtained a copy of the bill as a result of a leak from within the Justice Department by someone who was exposing themselves to great risk in the post-9/11 climate of secrecy in Washington. The fact that the story was leaked raises the possibility that the Bush administration was attempting to gauge both public and congressional reaction prior to introducing the bill for legislative action.

WHAT'S IN PATRIOT II?

CPI's Lewis was not jesting when he told Moyers that Patriot II was five or ten times worse than the first Patriot Act.

Its provisions allow for secret arrests of persons in certain terrorist-related cases until indictments have been handed down and there is no time limitation for this process. America has never permitted secret arrests for indefinite time periods. In addition, Patriot II provides that these terrorist arrests may be under "no bail" conditions and that any federal employee who discloses the identity of someone who has been secretly detained may be imprisoned for up to five years.

The bill mandates that government authorities are entitled to have ex parte (one- on-one, without defense counsel or a public record) and in camera (private) – meetings with judges without opposing counsel or defendants even being notified to secure rulings on search warrants, admissibility of evidence and investigative procedures. In certain cases where naturalized American citizens are found to be working with foreign governments, or making donations to foreign based charities later found to be supporting terrorist causes, the Attorney General will have the right to revoke U.S. citizenship and extradite those charged to any country in the world, whether there is an extradition treaty in place or not.

There has been some debate, encouraged by inaccurate and extremely irresponsible reporting by some "alternative" journalists and radio talk show hosts indicating that the bill provides the government with the ability to strip native-born U.S. citizens of their citizenship for seemingly trivial offenses. This is patently untrue. The actual truth is bad enough.

Section 501 of Patriot II amends section 349 of the Immigration and Nationality Act (8 U.S.C. 1481) pertaining to the citizenship status of those who have acquired U.S. citizenship. It states that those who have entered into the armed forces of a foreign government (when such forces are engaged in hostilities against the US), or have joined or provided material support "to a terrorist organization... if the organization is engaged in hostilities against the United States, its people, or its national security interests" will be deemed to have made a prima facie (apparent on its face) statement that they intend to relinquish their citizenship.

Lewis and Moyers were correct in their interpretation of this section in that a naturalized American who makes a donation to an Islamic charity later alleged to have been giving money to a terrorist organization could be stripped of their citizenship and deported anywhere without it ever having been established that he or she even knew how the charity was distributing its money.

The act broadens the scope of activities that qualify for the loose-to-non-existent guidelines for eavesdropping and surveillance under Patriot I and allows law enforcement personnel to obtain "national" search warrants for domestic and foreign terrorism investigations. As discussed in previous **FTW** stories, under Patriot I the definition of "domestic terrorism" is extremely vague and non-specific. Throwing away decades of progress obtained as a result of litigation in the 1970s and 80s the new bill specifically overturns dozens of consent decrees prohibiting law enforcement agencies from infiltrating non-violent religious and civic groups exercising protected first amendment rights.

Section 126 of the act allows the U.S. government to obtain consumer credit reports and to impose criminal penalties on

credit reporting agencies if they disclose to individuals that the government has obtained copies of their records.

Section 127 of Patriot II allows the Federal government to supercede all local statutes governing autopsies in terrorism investigations which means literally that if a person died at the hands of an illegal federal investigation, the autopsy results could show a suicide or some other finding favorable to the government. This would also apply in cases of accidental death due to fatalities resulting from mass compulsory vaccinations. In such cases, instead of finding dangerous vaccines as the cause of death the federal government could instead blame terrorists.

Opening the door for the Total Information Awareness program run by convicted Iran-Contra felon John Poindexter, section 128 provides for the issuance of federal administrative subpoenas in cases “involving domestic or international terrorism” to any company that maintains records on any individual in the United States. This would apply to everything from medical records, to credit card and utility bills, to the reading habits of the targeted individual. This section also provides stiff criminal penalties of up to five years imprisonment for any employee of a private company who reveals that the records have been sought.

Once compiled, these records can be shared with any foreign government the government wishes to share them with. It also allows federal agents to serve search warrants issued by foreign governments inside this country.

Also in the list of list of noxious provisions, chemical and utility companies would be absolved under the act from requirements that they publicly disclose the kinds of dangerous chemicals in use at their facilities or “worst case scenario” information about what might happen if there were malfunctions or breakdowns at their facilities. This equates to an environmental “carte blanche” for polluters.

At the same time, Supreme Court Justices and other federal VIPs are no longer required to declare as income the cost of federally provided bodyguard and security services. This amounts to a back door raise in pay of up to several hundred thousand dollars a year for federal judges and executives who will be much more likely to remain friendly to the administration.

And in a particularly chilling passage, section 404 of Patriot II would impose a penalty of up to five years of imprisonment for anyone who used any form of computer encryption to commit anything defined as domestic or foreign terrorism. Under the liberal definition of domestic terrorism contained in Patriot I, a possible interpretation of this section could be that a reporter who uses PGP or other encryption program to correspond with a foreign confidential source could be imprisoned for five years – just for using the software. It also suggests that no commercial entity which uses encryption to protect its proprietary data would be permitted to use any encryption program which the government did not already possess a key to.

WHAT TO DO?

Since the bill has not been introduced, any pre-emptive attempts to influence members of Congress would have questionable effects. A member’s response would correctly be, “I have no power to do anything until the bill is introduced.” However, the actions of the Attorney General and, by implication, the President, the Vice President and the Speaker of the House are unethical and dishonest, if not illegal. It couldn’t hurt to let them know that you are watching for this bill’s introduction and how they will respond when it comes time.

Anyone wishing to make their voices heard on Patriot II should direct their comments to the Department of Justice, the White House and the Speaker. Their statements should be bold and demand that these institutions follow the law and maintain good faith with the American people.

When the bill is introduced, most likely after the commencement of hostilities in Iraq or another convenient terror attack, the moment - perhaps the last one possible - when Congress can step up to the plate and do its job the way it is obliged to, will have presented itself. If it passes as it is written Patriot II will signal a final breach of contract between the government and the people.

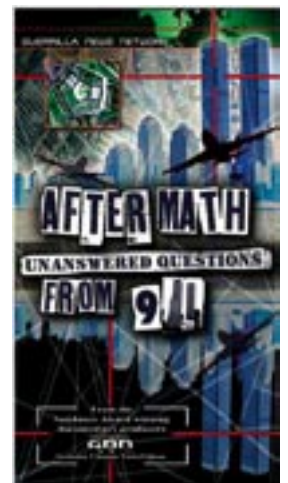
NEW Video! “AfterMath: Unanswered Questions from 9-11”

by Guerrilla News Network (GNN)

In this investigative documentary, Former Inspector General of the Dept. of Transportation and attorney Mary Schiavo, UC Professor Emeritus Peter Dale Scott, author and professor Michel Chossudovsky, From the Wilderness’ Mike Ruppert, and author Nafeez Ahmed, among others, raise critical, unresolved questions surrounding the tragedy of September 11.

AfterMath investigates the troubling span of issues that have arisen since the attacks, including: the negligence of military officials in immediately reacting to the hijackings, proven links between the hijackers, Pakistani intelligence (ISI) and the CIA, the role of oil in the Eurasian conflict and, finally, the impact of post-911 legislation on American civil liberties.

35 minute documentary (plus 2 bonus GNN NewsVideos)



- **Belgian Court Ruling Saying Sharon Can Be Tried as War Criminal is the Biggest Blow Ever to the “New World Order” - Israeli Gov’t Reaction Reveals Global Power Play Over Iraq**
- **Global Coalition Shatters, Resistance Mounts**
- **Fangs, Rage and Fury of Administration Signal Deepening Danger**

The Fig Leaf Comes Off

Feb. 13, 2003, 2330 PST, (FTW) - The clearest signal, among many, of a major fragmentation of the global economic power bloc that had until recently supported the Bush Administration came today when a Belgian court ruled that, after he leaves office, Israeli Prime Minister Ariel Sharon may be prosecuted for war crimes. The charges stem from his role as Israeli Defense Minister in facilitating a bloody 1982 massacre of hundreds of Palestinian refugees by the Lebanese Christian Phalange militia at the Sabra and Shatilla camps in Israeli-occupied territory. Other recent signals of a massive global break up include efforts by three NATO members to block NATO support for Turkey once the invasion of Iraq begins, a lawsuit filed today by members of the U.S. Congress seeking an injunction to prevent military action against Iraq, a resolution introduced in the House of Representatives seeking to revoke the war powers given to President Bush after 9-11, the refusal of some British military reservists to be called up for deployment to the Middle East, growing international refusals by first responders and military personnel to receive controversial vaccinations, and even open opposition from British and American intelligence agencies.

In response, the administration has bared its fangs, revealed its rage and - as described in some press stories - expressed its “fury” at former allies. All of these signs taken together are ominous because they reveal an administration that is out of control, groping, and fundamentally lacking in the operational skills to behave as a world manager. Each new sign of resistance produces only more muscle flexing as the world inches closer to a replay of 1914, but with a different cast. The bottom line is that Europe is quietly demonstrating power with increasing success every time the Bush Empire screws up. In response, the Empire inches closer to simultaneous overt military aggression on two or more fronts. This is the only skill which it really possesses.

ARIEL SHARON

A flurry of stories released today by the *Associated Press*, *The New York Times*, in Europe and in Israel disclosed that a Belgian court had ruled that Israeli Prime Minister Ariel Sharon, previously exempted from prosecution under Belgian law for war crimes, could be tried as a war criminal after he left office. The ruling came after a court decision last year dropped a lawsuit against Sharon by Palestinian survivors on the grounds that he was a sitting head of state and not in Belgium at the time.

The instant response from Israeli Foreign Minister Benjamin Netanyahu was explosive. Quoted in stories by the *Times* Netanyahu described the Belgian decision as, “an affront to truth, justice, and the right of the state of Israel to defend itself against terrorism.”

“We in Israel and the Jewish people as a whole have had enough of blood libels on the soil of Europe, and we are going to fight this one with everything we have.”

He also directly linked the ruling to resistance by several European nations, including Belgium, to the U.S. plans for an invasion of Iraq. He called the decision deeply immoral and deeply distorted.

Netanyahu seems to have forgotten that Israeli Defense Forces (IDF) under Sharon’s command launched illumination flares from a distance so that the Phalangist militia could see to commit the massacres and that - as reported by *Reuters* today - two groups of Israelis have used the same Belgian law to file suits against Yasser Arafat. Sharon was disciplined and forced to resign after the incident. America is not the only country that likes to put acknowledged criminals back in power.

But Netanyahu was absolutely correct about the fact that the ruling, coming when it did, signaled that a major realignment was forming to counter the Empire’s military strategy and heavy-handed conduct of foreign policy.

NATO

Three members of the 19-nation North Atlantic Treaty Organization (NATO) moved on February 10th to exercise veto

power to prevent NATO resources from being used to defend NATO member Turkey when the Iraqi invasion begins. France, Germany and Belgium were joined by Russia, which is not a member of the alliance, in endorsing the veto and supporting more time for inspections. NATO headquarters is located in Brussels.

One key impact of the veto would be to prevent the U.S. from sending key equipment like Patriot anti-missile systems, AWACS surveillance aircraft and biological and chemical units into Turkey.

U.S. Defense Secretary Donald Rumsfeld responded by stating that France is not an American ally and throughout the administration a number of undiplomatically harsh criticisms were leveled at France. An *AP* story published on February 12th quoted Republican Congressman Peter King of New York as calling France, "A second rate country" that should be left out of any future defense coalitions. King's statements gave breath to the deeper sentiments that administration officials had been suggesting since the veto was announced. "We may have to restructure the alliance, form a new alliance which the French will not be a part of. We cannot allow a second rate country to have a veto power or obstructionist power over American foreign policy."

Criticism of German Chancellor Gerhard Schroeder was significantly more muted than that directed at France. Since the end of World War II Germany has been the rock upon which every aspect of U.S.-European policy has been based. Since taking office Schroeder has steadfastly opposed U.S. invasion plans for Iraq, reflecting the opinion of an overwhelming majority of the German people. The German economy is too powerful for the administration to ignore.

And in all this, Russian President Vladimir Putin remains the consummate chess player and judo master who recognizes that the U.S. cannot effectively function without Russian acquiescence or Russian oil. Additional signs of strain have been suggested by an indictment in Britain and the U.S. of Russia's Alfa Group for tax evasion just three days after British Petroleum (BP) and Alfa agreed to a \$6.7 billion merger. BP's future has been as fragile as exploitable oil reserves are few and dwindling oil supplies remain the dominant theme music to all of the current instability.

It seems clear that NATO's future is uncertain and that a possibly epochal realignment of global alliances is in the making.

RESISTANCE FROM THE GROUND UP

Britain's *The Independent* reported this Monday that one in five British reservists being called up for service in the Middle East was either requesting a deferral or actually ignoring their orders to report for duty.

All over the world, many who are being asked to receive highly controversial and dangerous anthrax and smallpox vaccinations are refusing. As reported in *The Sydney Morning Herald* today, 11 Australian navy personnel, already en route to the Persian Gulf have flatly refused to receive their injections. They are now facing disciplinary actions and being transported back to Australia. *FTW* has previously reported on widespread vaccination refusals by Israeli first responders and throughout the U.S. Journalist Jon Rappoport has also documented vaccination refusals by members of the U.S. Army stationed at Fort Hood, Texas.

Rappoport's revelations come even as this writer is investigating widespread illnesses being caused by anthrax and smallpox vaccines recently given to member of the 1st Air Cavalry and 4th Infantry Divisions. In an unconfirmed report received today I was advised of massive absences of elementary school children from schools servicing that base who may have been infected by their recently vaccinated parents. A number of press stories and medical reports have confirmed that those receiving the vaccinations might be contagious for as long as three weeks afterward. *FTW*'s investigation of this incident is continuing and we expect to produce a report within a week.

What will happen if Bush sends sick soldiers into battle who know that they have left sick children at home who they themselves have infected?

A CRUMBLING HOME FRONT

A spreading contagion of domestic opposition on a number of fronts is also backing the administration into a corner.

On February 10th Representatives Pete De Fazio D-Oregon and Ron Paul R-Texas introduced a bill (HJ Res 20) that would repeal the war powers given to President Bush immediately after 9-11. This was the measure passed days after the attacks with only one opposing vote, that of California Representative Barbara Lee of Oakland.

On February 11th, New York City Comptroller William C. Thompson called for a review of General Electric, Conoco and Halliburton for their financial dealings with "terrorist-linked" companies doing business in Iran and Syria. The move was made on behalf of New York City Police and Fire pension funds which also lost billions as a result of their investments in Enron.

On February 12th a coalition of members of the House of Representatives and military personnel headed by Michigan Democrat John Conyers filed suit in U.S. District Court in Massachusetts seeking an immediate injunction preventing the administration from going to war in Iraq. Quoted by the AP Conyers referred to the U.S. Constitution which says, "Congress shall have power... to declare war."

"Get it? Only Congress," said Conyers at a Washington news conference.

The other members of the Congress joining in that suit were Dennis Kucinich, D-Ohio; Jesse Jackson Jr., D-Ill.; Jim McDermott, D-Wash.; Jose Serrano, D-N.Y.; and Sheila Jackson Lee, D-Texas. The military members, on active duty and facing service in the invasion, were not identified to protect their identities.

THE CIA, THE FBI AND MI6??!!

Recent stories in *The New York Times* and *The New Zealand Herald* have revealed that even intelligence professionals in the U.S. and Great Britain are both privately and publicly expressing anger and concern at the politicization and falsification of their findings. Just days after a hugely embarrassing scandal in which it was disclosed that the Blair government had plagiarized a graduate student's research paper to formulate its "intelligence dossier" on Saddam Hussein, it was disclosed that members of the British Defense Intelligence Staff had leaked a classified intelligence document to the *BBC* showing that there were no ties between al Qaeda and the Hussein government in Iraq.

This followed on the heels of a highly suspicious tape recording of Osama bin Laden in which U.S. Secretary of State Colin Powell and American major press organizations conveniently overlooked the fact that bin Laden had called for Saddam Hussein's removal from power.

Powell's troubles don't end there.

On February 1st, James Risen and David Johnston of *The New York Times* disclosed that members of the CIA and the FBI were complaining that "senior administration officials have exaggerated the significance of some intelligence reports about Iraq, particularly about its possible links to terrorism, in order to strengthen their political argument for war."

It is becoming increasingly difficult to hide the growing fragmentation inside the government and Powell should perhaps take a look at two of his own schizophrenic statements. When he testified before the Senate Foreign Relations Committee in October 2001 he said, "We cannot let Usama bin Laden pretend that he is doing it in the name of helping the Iraqi people or the Palestinian people. He doesn't care one whit about them. He has not given a dollar toward them. He has never spoken out for them." Yet on February 11, 2003 Powell testified before the Senate Budget Committee and said, "...Once again he [bin Laden] speaks to the people of Iraq and talks about their struggle and how he is in partnership with Iraq. This nexus between terrorists and states that are developing weapons of mass destruction can no longer be looked away from and ignored."

NOW COMES THE REAL DANGER

FTW has been warning of developments like this since the Bush administration took office. They are not trivial.

This administration has presented itself to the globalized world economy as a business manager that was capable of putting together an acquisition and merger of all of the world's major assets. While the Bush administration has acted as CEO it has still reported to a globalized board of directors which includes the major economic corporations and financial interests of Europe, Russia, China, Israel, Japan and possibly Saudi Arabia. These should be distinguished from the governments or peoples of these nations. What it has demonstrated is that it is incapable of transferring the assets of a significant portion of Europe into the portfolio. It is operationally incompetent to manage its way out of a wet paper bag. The corporate histories of George W. Bush, Dick Cheney and Donald Rumsfeld demonstrate only the ability to acquire other companies, pump the shares prices, commit fraud and reap billions in profits.

The administration's management of world affairs since 9-11 has been laughable and unbelievable on the world stage and increasingly at home. It is losing credibility by the moment. The two most recent developments which indicate a global power realignment are the major shot taken at Israel today by Belgium and North Korea's increasing belligerence which is making a mockery of the U.S.'s hypocritical rhetoric. Netanyahu's statement that there was a link between the Belgian court's ruling and the pending Iraqi invasion was an incredibly revealing admission.

The Sunday edition of *The Los Angeles Times* on February 9th carried a huge story on how a two-front war in Iraq and Korea was winnable while trying to hide the fact that U.S. casualties would be enormous. This after it was disclosed by Britain's *Mirror* that the United States had just ordered 100,000 body bags and 6,000 coffins.

Those who would naively look on these developments should remember the lessons of history. When Adolf Hitler's Third Reich began to realize that it would lose the Second World War - after its defeat at Stalingrad in 1943 - it commenced its "Final Solution," the extermination of 6 million Jews and two million other victims. When its management skills and economic power were revealed to be inadequate, Germany's allies fell away and with each new defeat the Reich became more vicious, more vindictive.

Now is the time, especially if dissent further weakens the U.S. position, when people like me, people like you, anyone who is known to be an "Enemy of the State" can be expected to disappear. Now is the time when people in potential combat theaters should begin to feel like cannon fodder and pieces of meat. Now is the time when an administration which stole an election, which encouraged and helped the attacks of 9-11, and which has turned the world inside out is revealing itself for what is. The fig leaf has come off and, naked to the world, fangs exposed, saliva dripping from its lips, the regime of George W. Bush will reveal what energy beats its heart and what its only true ability is.

What happens from here on out is anybody's guess.

Special thanks to: Theo Marcus and Kurt Kosted

(continued from page 1, Dis-Integration)

THE LILLIPUTIANS KNOW HOW TO DEAL WITH GULLIVER AND GULLIVER IS HAVING A REAL HARD TIME.

What of Bush himself? The *Washington Post* tells us that U.S. embassies around the globe are inundating Washington with cables saying that the world both hates and mistrusts this “dry drunk”, megalomaniac who would be laughable except for the fact that he represents a power structure as demented as he is. As if to go Tony Blair – who recently plagiarized a graduate research paper to compile his sensitive intelligence dossier on Iraq – “one better”, George W. recently cited figures to support his tax cut from a report that doesn’t exist. He was caught in that lie by *NewsDay*’s James Toedtman. And retired Air Force Chief of Staff Tony McPeak is publicly saying on a Portland, Oregon TV station that Bush should admit he’s made a mistake and that, as far as Iraq is concerned, “I regard the nuclear threat as zero. I regard the connection between Saddam and al-Qaida as less than zero.”

As *The Sydney Herald* tells us that 114 countries are urging the United States to back down from the invasion Capitol Hill Blue is reporting that senior Bush advisors are quietly trying to find a way out of war with Iraq now that they have realized that it is a no-win situation.

“WHAT’S HAPPENING? WE DON’T GET IT!”

You would if you had been listening to what we have been saying for eighteen months. Peak Oil is here. The world is starting to run out. There is no more oil to find and what’s left can’t be put into your gas tank or our power generating stations quickly. Global production capacity is stretched like a rubber band about to break and the slightest hiccup in world oil production will crash the global economy like a Styrofoam cup under an elephant’s foot at a Rave party. Don’t believe me? Well then perhaps recent warnings by Goldman Sachs and James Baker might. Those warnings, and an incredibly precise economic analysis by Marshall Auerback, were recently published by *The Prudent Bear* at:

http://www.prudentbear.com/archive_comm_article.asp?category=International+Perspective&content_idx=20368.

To make it simple, the problem is this: In spite of microscopic fig leaves stating that OPEC will ramp up production to meet oil needs, the fact is that OPEC just can’t do it. Goldman Sachs knows it. James Baker knows it. Bush knows it. Venezuela’s Hugo Chavez, having survived U.S. coup attempts, now holds a “whip hand” as Venezuelan production still lags behind. Saudi Arabia is unstable. Nigeria, the world’s sixth largest producer – just had an oil strike. Its production is down and every other producing facility is on overtime. In the latest issue of *FTW* we poke yet another hole in the grand illusion about an Iraqi windfall. It may take two to five years and as much as \$50 billion in new investment to increase Iraqi production from two to five million barrels a day as the rest of the world’s reserves dry up.

The planet is currently consuming a billion barrels of oil every 12 days. Peak Oil is here now. What difference does it make if Saudi Arabia and OPEC might be able to add five million barrels a day? It’s who gets it that matters.

Worse, countries like India and Pakistan have announced a version of panic buying to build up their reserves before the war. This places a further strain on production capacity. With the invasion, if the Iraqi supply is interrupted for just a month then the markets will see the light and there will be a capitulation sell-off on Wall Street that might take the Dow down to 4000. Ten million could be unemployed inside of six months. U.S. reserves are at 27 year lows and the administration is prepared to open up our Strategic Petroleum Reserves (SPR) which can sustain the US for about 75 days. Tap into the SPR and what do you think prices will do? And if prices double or triple what do you think will happen to your job? Your checkbook?

Gas prices have not yet begun to rise. This is what *FTW* has been saying since October of 2001. There may soon come a day when we will all look back on \$2 gas the way I look back on the 28 cent premium gas I bought in 1969.

Now think for a moment what happens if the U.S. backs down, as I think it should. 36% of all the proven recoverable reserves in the world are in Iraq and Saudi Arabia. Not all oil reserves are recoverable. Only lunatics believe that wells, pipelines and refineries are already in place and paid for in the smaller fields that have not been developed. A perceived American power vacuum would unleash a polite, at first, but ultimately frantic, scramble for Saudi and Iraqi oil in the full knowledge that whoever loses out will be the first civilization to collapse; the first of many.

Yes, it all makes perfect sense.



Michael C. Ruppert
Editor / Publisher
From The Wilderness Publications