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Global-Macro Tipping Points

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Market Research & Analysis



STATISM

The Great "Huxley-Orwell" Transition

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Through the Process of Abstraction the 2013 Thesis outlines how the Global Macro is presently on a well defined path towards a global Fiat Currency Failure and the emergence of a New World Order. 2013 will be highlighted by social unrest during a period of heightened conflict and tension. As economic growth declines and chronic unemployment becomes even more broad based on the world stage, Macro Prudential Policies of Financial Repression will accelerate. Increasing centralized planning and control by sovereign government will further push advanced societies towards collectivism and statism.

Gordon T Long
1/14/2013

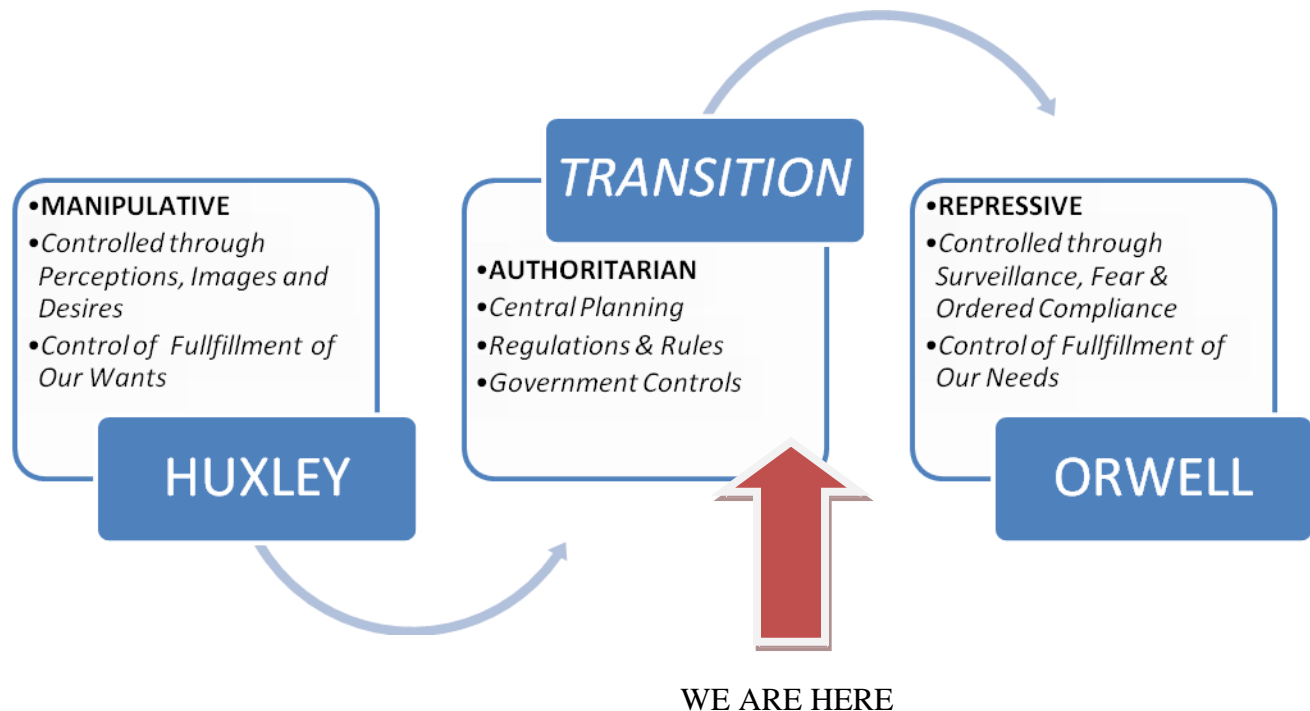
STATISM

The Great "Huxley-Orwell" Transition

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STATISM

A FRAMEWORK OF UNDERSTANDING



The "Huxley - Orwell" Transition

As a young man, I voraciously read George Orwell's "1984", Aldous Huxley's "Brave New World", and Alvin Toffler's trilogy which included "Future Shock", "The Third Wave" and "Power Shift". I wondered about the future and how it might unfold. Now being considerably older, I can reflect back on my early thinking.

I recently read a paper by Chris Hedges that would have made any English Professor envious, powerfully philosophical but not something an Economics department would pay much attention to. I found it intriguing.

I have borrowed so heavily from it, I am unsure where the lines diverge. Therefore, below I give full credit to Chris Hedges and take full credit for all the bad ideas.

Chris Hedges of TruthDig.com wrote [2011: A Brave New Dystopia](#) from which the following evolved.

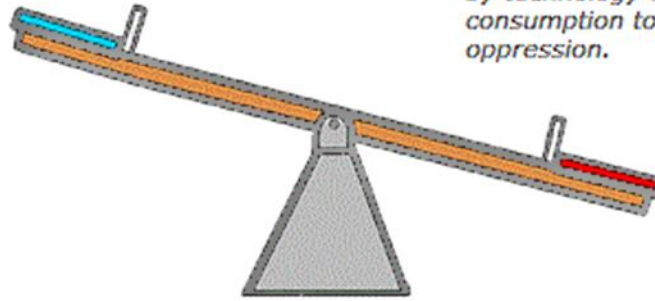
The two greatest visions of a future dystopia were George Orwell's "1984" and Aldous Huxley's "Brave New World." The debate, between those who watched our descent towards corporate totalitarianism, was who was right. Would we be, as Orwell wrote, dominated by a repressive surveillance and security state that used crude and violent forms of control? Or would we be, as Huxley envisioned, entranced by entertainment and spectacle, captivated by technology and seduced by profligate consumption to embrace our own oppression? It turns out Orwell and Huxley were both right. Huxley saw the first stage of our enslavement. Orwell saw the second.

ORWELL - 1984

A future dominated by a repressive surveillance and security state that used crude and violent forms of control.

HUXLEY - Brave New World

A future where we are entranced by entertainment and spectacle, captivated by technology and seduced by profligate consumption to embrace our own oppression.



We have been gradually disempowered by a corporate state that, as Huxley foresaw, seduced and manipulated us through:

- sensual gratification,
- cheap mass-produced goods,
- boundless credit,
- political theater and
- amusement.

While we were entertained,

- the regulations that once kept predatory corporate power in check were dismantled,
- the laws that once protected us were rewritten and
- we were impoverished.

Now that:

- credit is drying up,
- good jobs for the working class are gone forever and
- mass-produced goods are unaffordable,

we find ourselves transported from "Brave New World" to "1984."

The state, crippled by massive deficits, endless war and corporate malfeasance, is sliding toward bankruptcy.

It is time for Big Brother to take over from Huxley's feelies, the orgy-porgy and the centrifugal bumble-puppy.

We are moving from a society where we are skillfully manipulated by lies and illusions to one where we are overtly controlled.

Huxley	Orwell
- warned of a world where no one wanted to read books.	- warned of a world where books were banned.
- warned of a culture diverted by mindless pleasure.	- warned of a state of permanent war and fear.
- warned of a state where a population, preoccupied by trivia and gossip, no longer cared about truth or information.	- warned of a state where every conversation and thought was monitored and dissent was brutally punished.
- saw us seduced into submission.	- saw us frightened into submission.
Huxley understood the process by which we would be complicit in our own enslavement.	Orwell understood the enslavement.

Huxley, we are discovering, was merely the prelude to Orwell.

Now that the corporate coup is over, we stand naked and defenseless. We are beginning to understand, as Karl Marx knew:

Unfettered and unregulated capitalism is a brutal and revolutionary force that exploits human beings and the natural world until exhaustion or collapse.

POWER

"The Party seeks power entirely for its own sake," Orwell wrote in "1984." "We are not interested in the good of others; we are interested solely in power. Not wealth or luxury or long life or happiness: only power, pure power. What pure power means you will understand presently. We are different from all the oligarchies of the past, in that we know what we are doing. All the others, even those who resembled ourselves, were cowards and hypocrites. The German Nazis and the Russian Communists came very close to us in their methods, but they never had the courage to recognize their own motives. They pretended, perhaps they even believed, that they had seized power unwillingly and for a limited time, and that just round the corner there lay a paradise where human beings would be free and equal. We are not like that. We know that no one ever seizes power with the intention of relinquishing it. Power is not a means; it is an end. One does not establish a dictatorship in order to safeguard a revolution; one makes the revolution in order to establish the dictatorship. The object of persecution is persecution. The object of torture is torture. The object of power is power."

INVERTED TOTALITARIANISM

The political philosopher Sheldon Wolin uses the term "inverted totalitarianism" in his book "Democracy Incorporated" to describe our political system. It is a term that would make sense to Huxley. In inverted totalitarianism, the sophisticated technologies of corporate control, intimidation and mass manipulation, which far surpass those employed by previous totalitarian states, are effectively masked by the glitter, noise and abundance of a consumer society. Political participation and civil liberties are gradually surrendered. The corporation state, hiding behind the smokescreen of the public relations industry, the entertainment industry and the tawdry materialism of a consumer society, devours us



from the inside out. It owes no allegiance to us or the nation. It feasts upon our carcass.

MEDIA & SPIN

The corporate state does not find its expression in a demagogue or charismatic leader. It is defined by the anonymity and facelessness of the corporation. Corporations, who hire attractive spokespeople like Barack Obama, control the uses of science, technology, education and mass communication. They control the messages in movies and television. And, as in "Brave New World," they use these tools of communication to bolster tyranny. Our systems of mass communication, as Wolin writes, "block out, eliminate whatever might introduce qualification, ambiguity, or dialogue, anything that might weaken or complicate the holistic force of their creation, to its total impression."

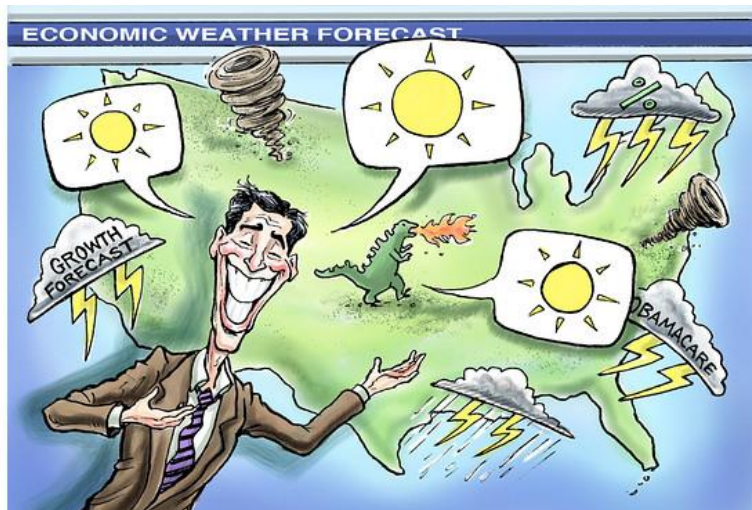
The result is a monochromatic system of information. Celebrity courtiers, masquerading as journalists, experts and specialists, identify our problems and patiently explain the parameters. All those who argue outside the imposed parameters are dismissed as irrelevant cranks, extremists or members of a radical left. Prescient social critics, from Ralph Nader to Noam Chomsky, are banished. Acceptable opinions have a range of A to B. The culture, under the tutelage of these corporate courtiers, becomes, as Huxley noted, a world of cheerful conformity, as well as an endless and finally fatal optimism. We busy ourselves buying products that promise to change our lives, make us more beautiful, confident or successful as we are steadily stripped of rights, money and influence. All messages we receive through these systems of communication, whether on the nightly news or talk shows like "Oprah," promise a brighter and happier tomorrow. This, as Wolin points out, is "the same ideology that invites corporate executives to exaggerate profits and conceal losses, but always with a sunny face." We have been entranced, as Wolin writes, by "continuous technological advances" that "encourage elaborate fantasies of individual prowess, eternal youthfulness, beauty through surgery, actions measured in nanoseconds: a dream-laden culture of ever-expanding control and possibility, whose denizens are prone to fantasies because the vast majority have imagination but little scientific knowledge."

Our manufacturing base has been dismantled. Speculators and swindlers have looted the U.S. Treasury and stolen billions from small shareholders who had set aside money for retirement or college. Civil liberties, including habeas corpus and protection from warrantless wiretapping, have been taken away. Basic services, including public education and health care, have been handed over to the corporations to exploit for profit. The few who raise voices of dissent, who refuse to engage in the corporate happy talk, are derided by the corporate establishment as freaks.

Attitudes and temperament have been cleverly engineered by the corporate state.

The façade is crumbling. As more and more people realize that they have been used and robbed, we will move swiftly from Huxley's "Brave New World" to Orwell's "1984." The public, at some point, will have to face some very unpleasant truths.

- The good-paying jobs are not coming back.
- The largest deficits in human history mean that we are trapped in a debt peonage system that will be used by the corporate state to eradicate the last vestiges of social protection for citizens, including Social Security.
- The state has devolved from a capitalist democracy to neo-feudalism. And when these truths become apparent, anger will replace the corporate-imposed cheerful conformity.
- The bleakness of our post-industrial pockets, where some 40 million



Americans live in a state of poverty and tens of millions in a category called "near poverty," coupled with the lack of credit to save families from foreclosures, bank repossessions and bankruptcy from medical bills, means that inverted totalitarianism will no longer work.

We increasingly live in Orwell's Oceania, not Huxley's The World State. Osama bin Laden plays the role assumed by Emmanuel Goldstein in "1984." Goldstein, in the novel, is the public face of terror. His evil machinations and clandestine acts of violence dominate the nightly news. Goldstein's image appears each day on Oceania's television screens as part of the nation's "Two Minutes of Hate" daily ritual. Without the intervention of the state, Goldstein, like bin Laden, will kill you. All excesses are justified in the titanic fight against evil personified.

The psychological torture of Pvt. Bradley Manning—who has now been imprisoned for seven months without being convicted of any crime—mirrors the breaking of the dissident Winston Smith at the end of "1984." Manning is being held as a "maximum custody detainee" in the brig at Marine Corps Base Quantico, Virginia. He spends 23 of every 24 hours alone. He is denied exercise. He cannot have a pillow or sheets for his bed. Army doctors have been plying him with antidepressants. The cruder forms of Gestapo torture have been replaced with refined Orwellian techniques, largely developed by government psychologists, to turn dissidents like Manning into vegetables. We break souls as well as bodies. It is more effective. Now we can all be taken to Orwell's dreaded Room 101 to become compliant and harmless. These "special administrative measures" are regularly imposed on our dissidents, including Syed Fahad Hashmi, who was imprisoned under similar conditions for three years before going to trial. The techniques have psychologically maimed thousands of detainees in our black sites around the globe. They are the staple form of control in our maximum security prisons, where the corporate state makes war on our most politically astute underclass—African-Americans. It all presages the shift from Huxley to Orwell.

"Never again will you be capable of ordinary human feeling," Winston Smith's torturer tells him in "1984." "Everything will be dead inside you. Never again will you be capable of love, or friendship, or joy of living, or laughter, or curiosity, or courage, or integrity. You will be hollow. We shall squeeze you empty and then we shall fill you with ourselves."

The noose is tightening. The era of amusement is being replaced by the era of repression.

- Tens of millions of citizens have had their e-mails and phone records turned over to the government.
- We are the most monitored and spied-on citizenry in human history.
- Many of us have our daily routine caught on dozens of security cameras.
- Our proclivities and habits are recorded on the Internet.
- Our profiles are electronically generated.
- Our bodies are patted down at airports and filmed by scanners.
- Public service announcements, car inspection stickers, and public transportation posters constantly urge us to report suspicious activity. The enemy is everywhere.

Those who do not comply with the dictates of the war on terror, a war which, as Orwell noted, is endless, are brutally silenced.

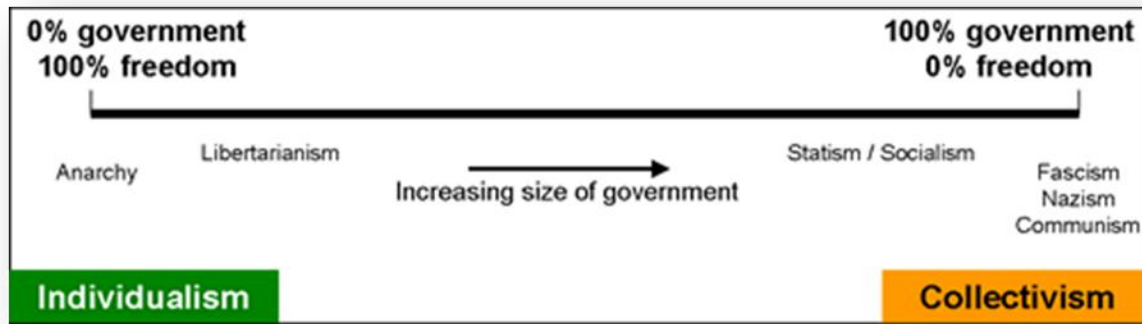
The draconian security measures used to cripple protests at the G-20 gatherings in Pittsburgh and Toronto were wildly disproportionate for the level of street activity. But they sent a clear message—DO NOT TRY THIS. The FBI's targeting of antiwar and Palestinian activists, which in late September saw agents raid homes in Minneapolis and Chicago, is a harbinger of what is to come for all who dare defy the state's official Newspeak. The agents—our Thought Police—seized phones, computers, documents and other personal belongings. Subpoenas to appear before a grand jury have since been served on 26 people. The subpoenas cite federal law prohibiting "providing material support or resources to designated foreign terrorist organizations." Terror, even for those who have nothing to do with terror, becomes the blunt instrument used by Big Brother to protect us from ourselves.

"Do you begin to see, then, what kind of world we are creating?" Orwell wrote. "It is the exact opposite of the stupid hedonistic Utopias that the old reformers imagined. A world of fear and treachery and torment, a world of trampling and being trampled upon, a world which will grow not less but more merciless as it refines itself."



Collectivism

In *The Road to Serfdom*, F.A. Hayek showed how governments, supported by a collectivist mindset, always tend towards totalitarianism. Even the most libertarian government thus far created, the government of the United States, has slipped incrementally towards totalitarianism over the past two centuries. This is because it is an inherent trait of a government.



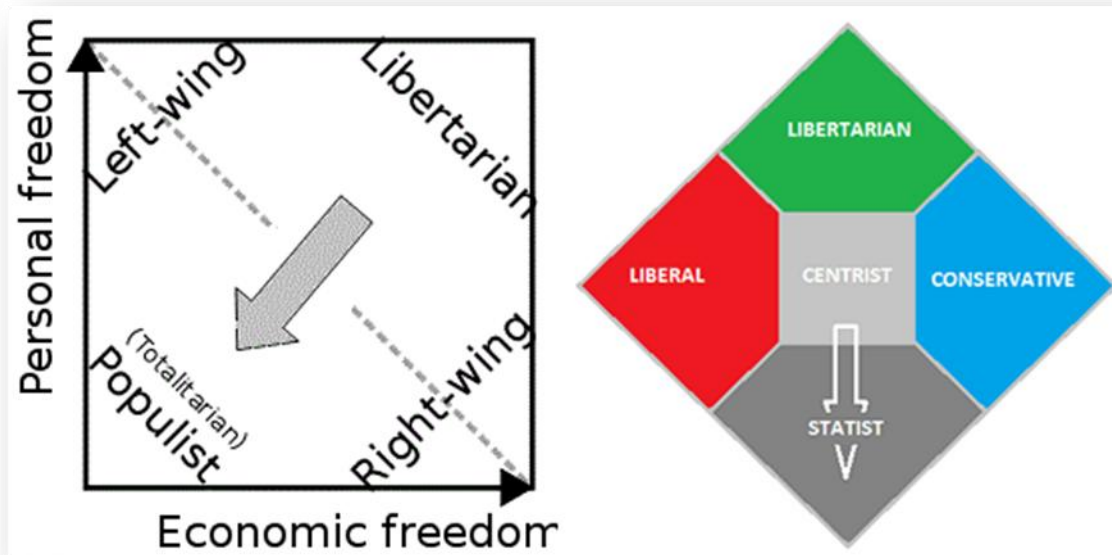
The degree of socialism in the United States increased substantially after the establishment of the Federal Reserve System (1913) and the measures taken during the Great Depression (1929-46) which it created. Ever since the early 1900's the United States has had a two-party system dominated by 'socialists'. The Republican Party has always advocated conservative socialism. The Democratic Party, which in the 19th century favored libertarianism, advocates social-democratic socialism. So long as people are divided by Left and Right, Democratic and Republican, the US is prone to being influenced by factions who transcend party politics and from behind the scenes could possibly exert strong control over the United States. They could do this by maintaining power over public opinion and hence over the course of government. Steadily, the United States has been travelling down the road to totalitarianism, and many people have not noticed, possibly because they are only looking at the position on the Left-Right paradigm.

Upon further analysis, it is clear that Left, Right and Centre, are all forms of socialism.(1) In particular, we may call them "social-democratic socialism" (the Left) and "conservative socialism" (the Right). They are both socialism because they both share the principle that the government should "run" and "mold" society, by using legal force and intervention to transfer property and personal wealth as part of the political scientists' process of 'redistribution of wealth'.

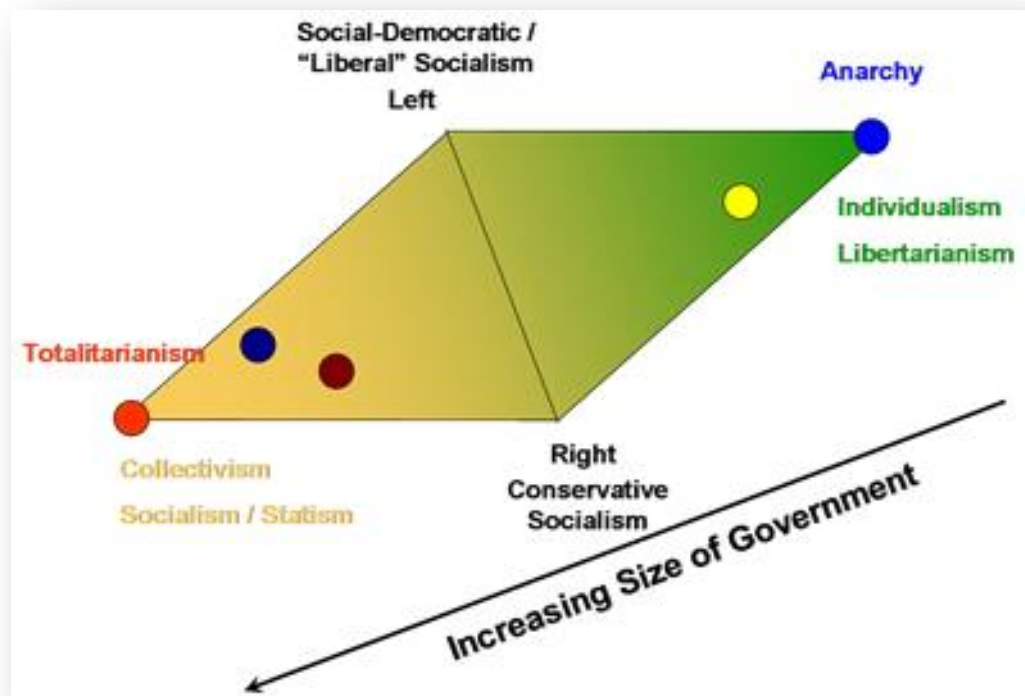
The differences are only in the particular ways the government should run society - the methods it should use, and who, exactly, should be the recipients of government wealth transfers and who should pay. In particular:

- Social democrats tend to prefer heavy taxation, large wealth transfers to the poor, and nationalized industries, and oppose price controls, regulations and behavioral controls.
- Conservatives tend to prefer lower taxation, a smaller welfare state, regulated (cartelized) industries, price controls, product and behavioral controls.

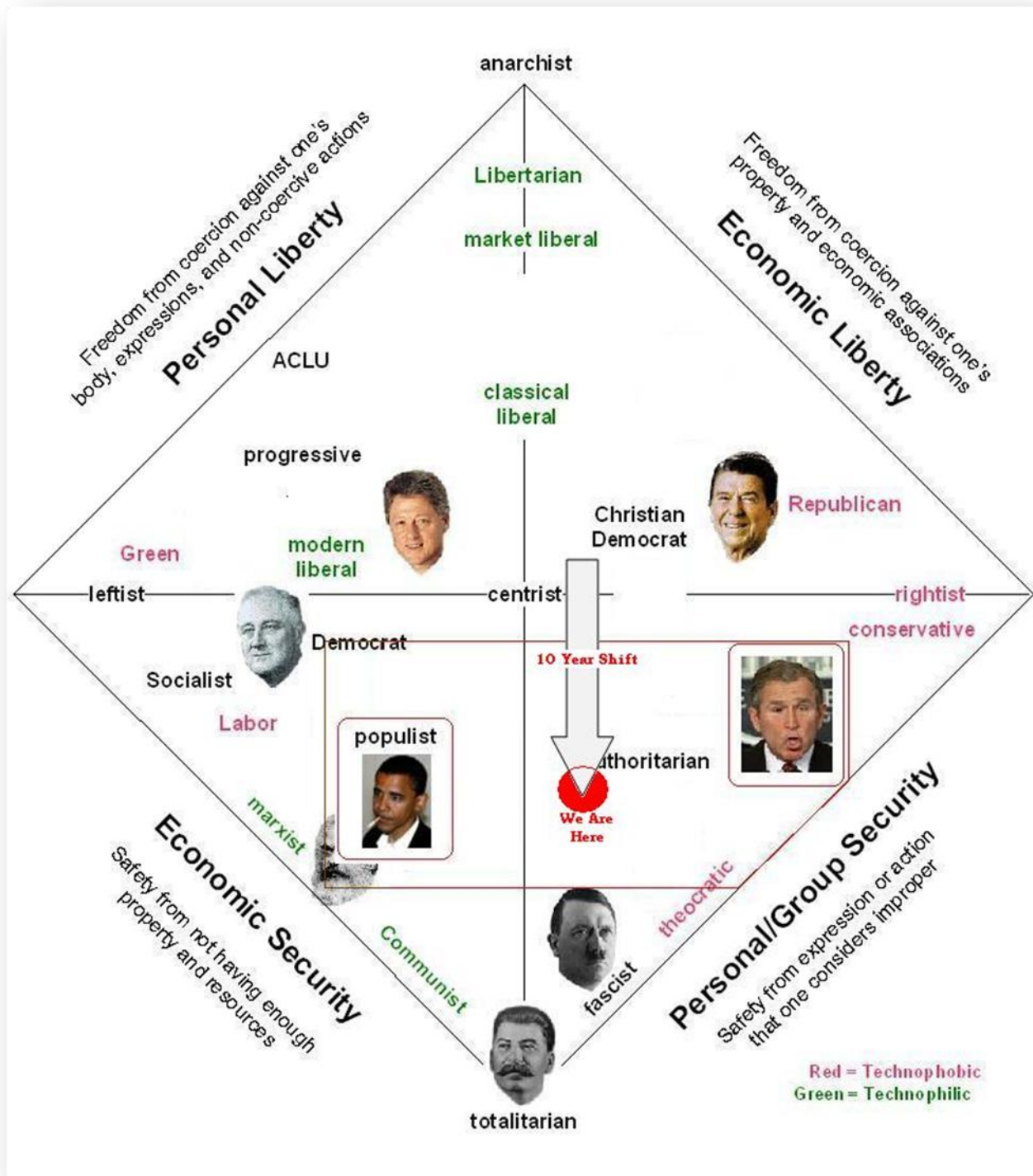
Nolan Charts: Personal Freedom versus Economic Freedom



The modern Republican Party is Center-Right on the Left-Right paradigm. As with the Democratic Party, this obscures the huge range of views Republicans hold on how powerful and how much control the State should be allowed. Their 2008 presidential nominee John McCain, like Barack Obama, strongly favored socialism, though with a Right-wing flavors. Barack Obama (blue circle) and John McCain (red circle) are positioned in the accompanying graphic. Thus, the two main candidates at the 2008 Presidential election represented a false choice - really no choice at all. One candidate, Ron Paul (yellow circle), stood in stark contrast to the candidates favored by the mainstream media and political establishment. As would be expected, he was neutralized by the mainstream media outlets as a zealot with an unsound political view of America.



CONTINUUM



Shifting Sentiment to Collectivism & Central Planning

[The Triumph of Socialism](#) Wednesday, November 11, 2009, by Llewellyn H. Rockwell Jr.

Llewellyn H. Rockwell, Jr. is chairman of the Ludwig von Mises Institute in Auburn, Alabama, editor of [LewRockwell.com](#), and author of [The Left, the Right, and the State](#). See Llewellyn H. Rockwell Jr.'s [article archives](#).

Do you think ideas don't matter, that what people believe about themselves and their world has no real consequence? If so, the following will not bug you in the slightest.

A new [BBC poll](#) finds that only 11 percent of people questioned around the world — and 29,000 people were asked their opinions — think that free-market capitalism is a good thing. The rest believe in more government regulation. Only a small percentage of the world's population believes that capitalism works well and that more regulation will reduce efficiency.

One-quarter of those asked said that capitalism is "fatally flawed." In France, 43% believe this. In Mexico, it is 38%. A majority believes that government should rob the rich to give money to poor countries. In only one country, Turkey, did a majority say that less government is better.

It gets even worse. While most Europeans and Americans think it was a good thing for the Soviet Union to disintegrate, people in India, Indonesia, Ukraine, Pakistan, Russia, and Egypt mostly think it was a bad thing. Yes, you read that right: millions freed from socialist slavery — bad thing.

That news must lift the heart of every would-be despot the world over. And it comes as something of a shock twenty years after the collapse of socialism in Russia and Eastern Europe revealed what this system had created: backward societies with citizens who lived short and miserable lives. Then there is the China case, a country rescued from bloody barbarism under communism and transformed into a modern and prosperous country by capitalism.

What can we learn? Far from not having learned anything, people have largely forgotten the experience and have developed a love for the ancient fairy tale that *all things can be fixed through collectivism and central planning*.

As to those who would despair at this poll, consider that it might have been much worse were it not for the efforts of a relative handful of intellectuals who have fought against socialist theory for more than a century. It might have been 99% in support of socialist tyranny. So there is no sense in saying that these intellectual efforts are wasted.

Ideas also have a life of their own. They can lie in wait for decades or centuries and then one day, the whole of history turns on a dime. Especially these days, no effort goes to waste. Publications and essays, or any form of education, is immortalized, ready for the taking by a desperate world.

As for the opinion poll, we have no idea just how intensely these views are held or even what they mean. What, for example, is capitalism? Do people even know? Michael Moore doesn't know, else he wouldn't be calling bailouts for elite, Fed-connected financial firms a form of capitalism. Many other people reduce the term capitalism to "the system of economics in the United States." It is no more complicated than that. This is despite the reality that the United States has a comprehensive planning apparatus in place that is directly responsible for all our current economic troubles.

Now, let's take this further. Among the many people around the world who do not like the US empire, many believe they don't like capitalism either. If the US economy drags the world down into recession, that is a prime example of capitalism's failure. Even more preposterous, if you didn't like George W. Bush, his ways, and his cronies, and Obama is something of a relief, then you don't like capitalism and you do like socialism.

Another point of view misunderstands the idea of capitalism itself. It is not about creating economic structures that benefit capital at the expense of labor or culture or religion. It is about a system that protects the rights of everyone and serves the common good. Capitalism is just the name that

happened to be identified with this system. If you want to call freedom a banana, fine, what matters is not words but ideas.

I do know that none of these messed-up definitions of capitalism follow. You know this too. But for the world at large, serious ideological analytics are not the animating force of daily life. Many people attach themselves to vague slogans.

Further, as Rothbard has forcefully [argued](#), free-market capitalism serves no more than a symbolic purpose for the Republican Party and for conservatives. Economic liberty is the utopia that they keep promising to bring us, pending the higher priority of blowing up foreign peoples, jailing political dissidents, crushing the left wing on campus, and routing the Democrats.

Once all of this is done, they say, then they will get to the instituting of a free-market economic system. Of course, that day never arrives, and it is not supposed to. Capitalism serves the Republicans the way Communism served Stalin: a symbolic distraction to keep you hoping, voting, and coughing up money.

All of which leaves true capitalism — a product of the voluntary society and the sum total of all the exchanges and cooperative acts of people all over the world — with few actual intellectual defenders. They are growing, but the educational work we need to do is daunting, and we are facing the most powerful forces in the world.

There is nothing new in this. In the history of the world, freedom is the exception, not the rule. It must be fought for anew in every generation. Its enemies are everywhere, but the leading enemy is ignorance. For this reason, the main weapon we have at our disposal is education.

Education includes explaining that socialism is an unworkable idea. There is nothing better than Ludwig von Mises's 1922 book [Socialism](#), a comprehensive presentation of the fallacy of the socialist idea. Another essential work is the **Black Book of Communism**. Here we have a wake-up call that shows that the dream of socialism is actually a bloody nightmare.

Then there is the issue of the positive case for capitalism. One can do no better than Mises's own [Human Action](#), which is not likely to ever be surpassed as a treatise on the free economy. True, it is not for everyone. And that's fine. There are many primers out there too.

The fashion for socialism and the opposition to capitalism should alarm every lover of freedom the world over. We have our jobs cut out for us, but with numbers this bad, it is not difficult to make a difference. Every blow you can land for free markets helps protect freedom from its enemies.

DYSTOPIA

Dystopia is the idea of a society being in a repressive and controlled state, often under the guise of being utopian. It is characterized in books like [Brave New World](#), [Nineteen Eighty-Four](#), [The Iron Heel](#) ("the earliest of the modern Dystopian").

Dystopian societies feature different kinds of repressive social control systems, various forms of active and passive coercion.

Ideas and works about dystopian societies often explore the concept of humans abusing technology and humans individually and collectively coping, or not being able to properly cope with technology that has progressed far more rapidly than humanity's spiritual evolution.

Dystopian societies are often imagined as [police states](#), with unlimited power over the citizens.

[World Economic Forum Meets to Discuss Capitalism, Dystopia, and Other Big Ideas](#)

Details: Written by [Rick Cohen](#) Created on Thursday, 26 January 2012

Source: [The National](#)

Not many **NPQ** Newswire readers and certainly no one from the **NPQ** staff gets invited to the annual World Economic Forum (WEF) meeting in Davos, Switzerland. The annual meeting of this global nonprofits organization is a time for what the press calls a gathering of "the world's elite politicians, businessmen, economists and intellectuals...representing what some have called 'Davos man'" to discuss the world's economic concerns.

This year, the topic in Davos is the future of capitalism. The 73-year-old founder of the WEF, Klaus Schwab, is clear on that subject. "**Capitalism in its current form has no place in the world around us**," he says. "A global transformation needs to take place urgently and it must begin by restoring a form of social responsibility."

Not surprisingly, "Occupy WEF" protesters are building igloos in the small Alpine town, and some, according to the **National**, are "planning to disrupt the five-day event." There are 5,000 security personnel deployed in the Davos-Klosters region to protect the more than 2,600 official participants, who include heavy hitters like Bill Gates, George Soros, Muhammad Yunus (Grameen), Niall Ferguson, Vikram Pandit (Citibank), and politicians such as Germany's Angela Merkel, the UK's David Cameron, Russian's Dmitry Medvedev, and U.S. Treasury Secretary Timothy Geithner.

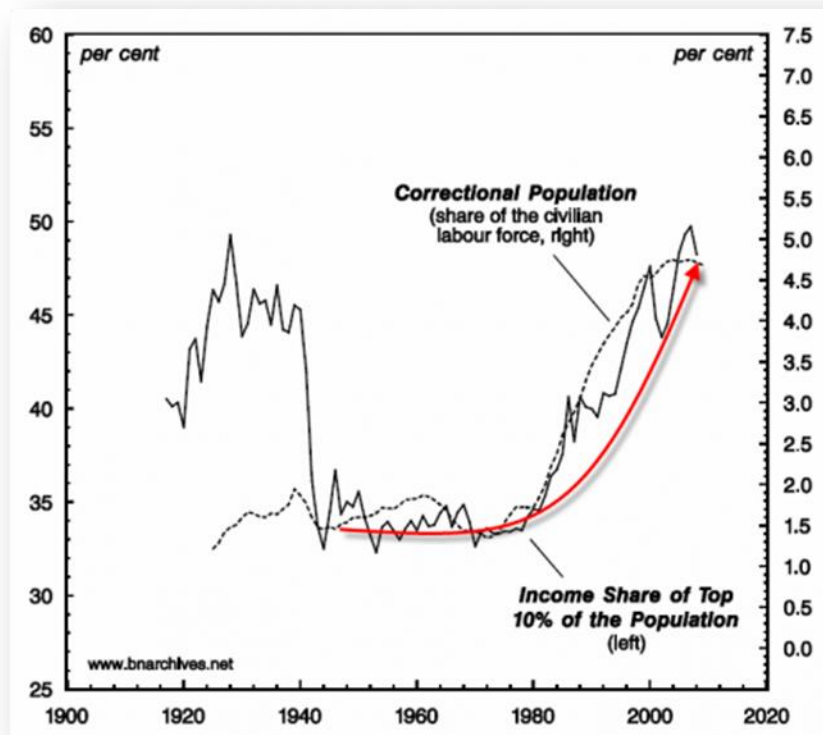
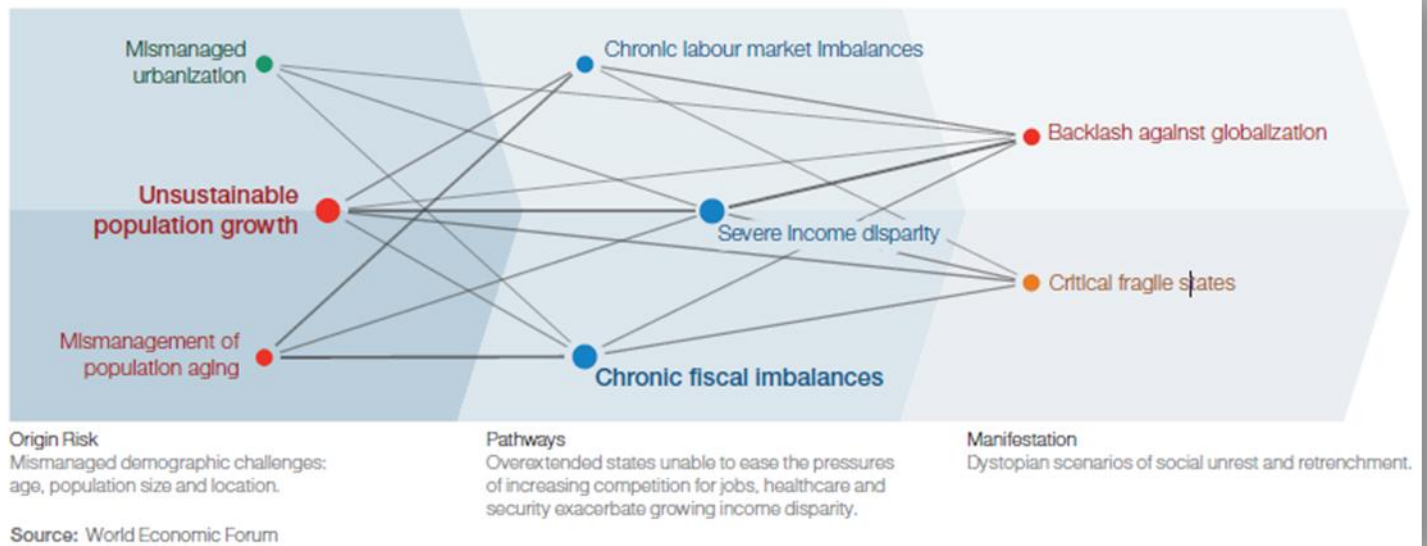
One of the official WEF documents for this annual meeting addresses—not unsympathetically, mind you—the issues that Occupy Wall Street (OWS) has put on the international agenda, expressing concerns for trends [leading the world toward dystopia](#).

Consequently, one of the first WEF panels apparently addressed the "seeds of dystopia," with the discussion led by New York University economist Nouriel Roubini (known for having predicted the collapse of the housing markets). The corporate and political executives who fund WEF had to have been shaken by some of the conclusions reached by Roubini and his co-panelists, particularly **Roubini's belief that the term dystopia "[accurately describes today's world](#)"**.

The evidence presented sounds like it could have come from an international version of the OWS playbook: 225 million people across the globe unemployed (or one out of every three people on earth poor or unemployed) and one percent of the world's population owning 40 percent of the wealth.

The dystopia panel summary, according to the **National**? "In the perpetual tug of war between labor and capital, capital is running away with the game." —Rick Cohen

Figure 11: Seeds of Dystopia Constellation



SITUATIONAL ANALYSIS

The Underpinnings of the Road to Statism

[Hey You](#) 12-17-12 Jim Quinn, The Burning Platform

*Hey you, out there on the road
always doing what you're told,
Can you help me?
Hey you, out there beyond the wall,
Breaking bottles in the hall,
Can you help me?
Hey you, don't tell me there's no hope at all
Together we stand, divided we fall.*

Pink Floyd – [Hey You](#)

"A really efficient totalitarian state would be one in which the all-powerful executive of political bosses and their army of managers control a population of slaves who do not have to be coerced, because they love their servitude." – [Aldous Huxley – Brave New World](#)

The world makes less sense every day.

- Little children are randomly slaughtered in their schoolrooms.
- Predator drones roam the skies over foreign countries exterminating bad guys, along with innocent women and children (collateral damage when it occurs in a foreign country).
- Drugged up mentally ill kids with no hope and no future live lives of secluded quiet desperation until they snap.
- Ignorant, government educated, welfare dependent drones with no self respect or respect for others, assault, kill and rob within their government created urban jungles.
- Sociopathic criminals who committed the largest financial crime in world history walk free and continue to occupy executive suites in luxury office towers in downtown NYC, collecting millions in bonuses as compensation for crushing the American middle class.
- Academics, whose theories have been thoroughly disproven, continue to steer our economy into an iceberg while accelerating the money printing and debt issuance that will sink our ship of state.
- Corrupt, bought off politicians pander to the lowest common denominator as their votes are only dependent upon who contributed the most to their election campaigns, which never end.
- Delusional, materialistic, egocentric, math challenged consumers (formerly known as citizens) live for today, enslave themselves in debt, vote themselves more entitlements, and care not for future generations.



The alienation and isolation created by our sprawling, automobile dependent, technology obsessed, government controlled, debt financed society has spread like a cancerous tumor, slowly killing our country.

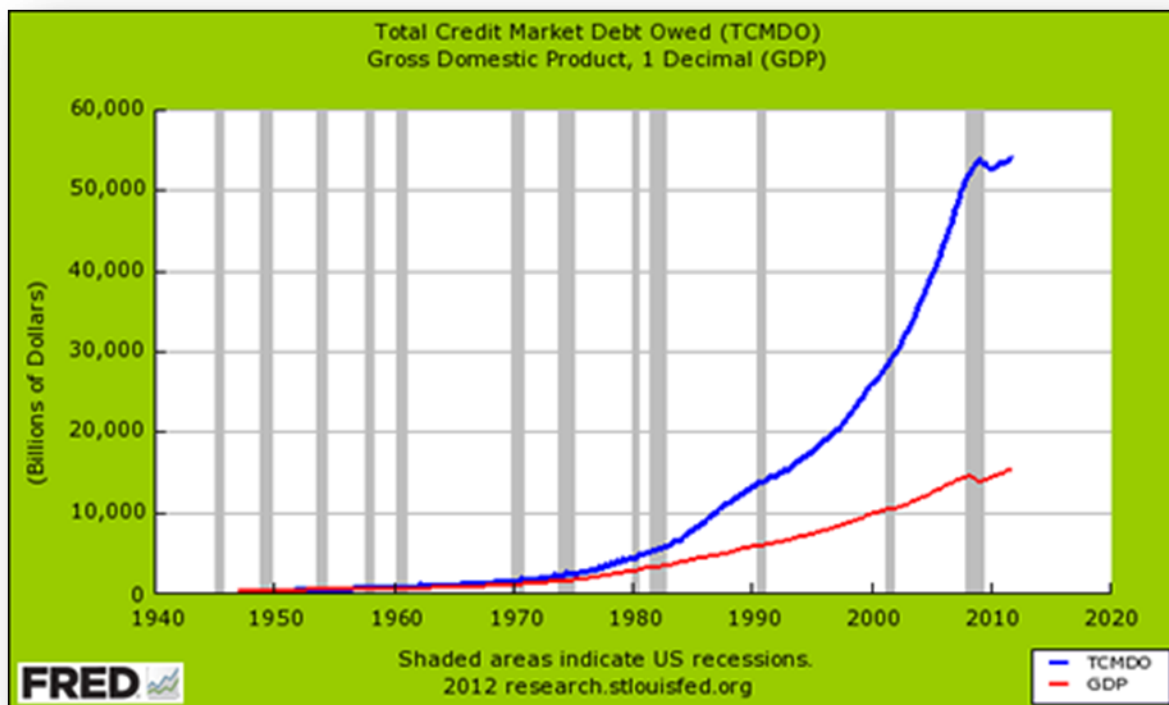
Pink Floyd released [The Wall](#) 33 years ago. It was a concept rock opera album that explored the issues of abandonment, isolation, alienation, authoritarianism, the brutality of war, a tyrannical conformist educational system, and the walls individuals and society build to protect themselves from having to confront reality and deal with the consequences of their actions. I attended the Roger Waters Wall Concert this past summer at Citizens Bank Park with my three sons. Three decades later, the message is more powerful than ever. The government oppression and never ending wars waged by the American Empire around the world..

... have created a society built upon fear and loathing.

Roger Waters' vision is colored by [Orwell's 1984](#) dystopian nightmare of lies, misinformation, propaganda and brutality. The missing piece, which Waters didn't see coming in 1979, was

the ability of the oligarchs to use their control of the credit system to entrap the masses by convincing them to love their servitude and become so consumed with material possessions and the love of money that they would become nothing more than passive egotistical consumers.

Since 1979, Total Credit Market Debt in the United States has risen from \$4.3 trillion to \$55.3 trillion, a 1,286% increase in 33 years. Over this same time frame total wages and salaries have risen from \$1.3 trillion to \$6.9 trillion, a 531% increase. GDP has grown from \$2.6 trillion to \$15.8 trillion, a 608% increase. Luckily for the oligarchs, the math challenged masses don't understand that 375% of the increase in GDP is strictly due to Federal Reserve created inflation, as the U.S. dollar has lost 68% of its purchasing power since 1979. This GDP growth was driven by debt, with consumer expenditures rising from 61% of GDP in 1979 to 71% of GDP today. In the one hundred years since the creation of the Federal Reserve the country's population has tripled, while our public debt and unfunded liabilities have risen from \$2 billion to over \$200 trillion, a **ten million percent** increase. The masses have been programmed and conditioned to love their debt servitude and yearn for more debt to fix an economic system that collapsed due to excessive debt. The cadre of ruling elite are obliging by creating debt at hyper speed levels. The corporate media, Wall Street shysters and low-life captured politicians assure the sheep-like masses that this is normal and beneficial to their interests, as the sheep are sheared and led to slaughter.



"There are some ideas so wrong that only a very intelligent person could believe in them." – [George Orwell](#)

Pavlov's Dogs



***"And always, everywhere, there would be the yelling or quietly authoritative hypnotists; and in the train of the ruling suggestion givers, always everywhere, the tribes of buffoons and hucksters, the professional liars, the purveyors of entertaining irrelevances. Conditioned from the cradle, unceasingly distracted, mesmerized systematically, their uniformed victims would go on obediently marching and countermarching, go on, always and everywhere, killing and dying with the perfect docility of trained poodles."* - [Aldous Huxley](#)**

Aldous Huxley and [Edward Bernays](#) realized in the 1920s that the utilization of conditioning and propaganda techniques could be used to control and manipulate the masses. Ivan Pavlov, the famous Russian physiologist, conducted the ground breaking work on conditional reflexes. Pavlov discovered that when a bell was rung in subsequent time with food being presented to a dog in consecutive sequences, the dog will initially salivate when the food is presented. The dog will later come to associate the ringing of the bell with the presentation of the food and salivate upon the ringing of the bell. To a critical thinking human being who questions authority, resists being told what they should think, and values their humanity, over what is crammed down their throat by government run schools and the corporate controlled media, the thought of being treated like a dog is revolting. But to people like Edward Bernays, who believed manipulation of the masses by an invisible contingent of intellectually superior men,

... conditioning the minds of the masses through propaganda was a necessity in a democratic society to keep the herd under control.

Just a cursory examination of our society reveals a population of salivating consumers (dogs) who can be stimulated to buy the latest iPhone or techno-gadget with a simple Madison Avenue advertising campaign (bell). Everyone has seen the videos of the masses lining up like cattle on Black Friday, stampeding through aisles, and fighting each other like their the entertainment at Michael Vick's house on a Saturday night. All the mega-corporate retailers and the corporate media have to do is ring a bell (SALE) and the dogs start salivating. Product placement, Hollywood star endorsements and influential people using a product immediately convince the easily manipulated dogs to salivate and purchase the products. The difference is that these dogs have credit cards issued by the Wall Street banks and funded by the Federal Reserve with dollars created out of thin air. We are inundated with millions of TV, newspaper, radio, billboard, and internet advertisements designed to make us salivate (spend). Huxley's dystopian vision of a society whose economic values, in which individual happiness is defined as the ability to satisfy needs, and achievement as a society is equated with economic growth and prosperity, has come to full fruition. He never conceived of consumers having the ability to consume without even having the money to do so. The credit card became our form of Soma. The so called progressives point to our ever increasing "advancements" in technology as proof that our society is progressing. Huxley knew otherwise, decades before we reached this disgusting point in history:

"Technological progress has merely provided us with more efficient means for going backwards."

- [Aldous Huxley](#)

In reality our "technological progress" has done nothing more than create a humorless, shallow, superficial world of alienation and egocentric desires. Just as in Huxley's Brave New World, science and technology have not been used to seek truth and advance our culture. They have been used by the State to sensor, control, and monitor the citizens. They use technology as a means to create electronic entertainment machines that generate both harmless leisure and the high levels of consumption and production that are the basis of societal stability and state designed happiness. When those in control talk about progress, they mean greater control over our lives. When the consumption of material goods isn't enough to fill the holes within our souls, our owners are quick to prescribe a pill to smooth over those feelings of unease and discontent. In Huxley's novel the population voluntarily consumes Soma to dispel any anxieties or negative emotion. The saying was, ***"One cubic centimeter cures ten gloomy sentiments."*** In America the government controlled drug industry has thousands of pills to treat every ailment or unhappy thought that might ail you. Just don't try and treat yourself with an unapproved natural or banned substance. The threat of imprisonment always lurks in the shadows. They just want us to be interchangeable bricks in the wall.

And the Worms Ate Into His Brain

"The real hopeless victims of mental illness are to be found among those who appear to be most normal. Many of them are normal because they are so well adjusted to our mode of existence, because their human voice has been silenced so early in their lives that they do not even struggle or suffer or develop symptoms as the neurotic does. They are normal not in what may be called the absolute sense of the word; they are normal only in relation to a profoundly abnormal society. Their perfect adjustment to that abnormal society is a measure of their mental sickness. These millions of abnormally normal people, living without fuss in a society to which, if they were fully human beings, they ought not to be adjusted." - [Aldous Huxley](#)



***Hey you, out there in the cold
Getting lonely, getting old***

*Can you feel me?
Hey you, standing in the aisles
With itchy feet and fading smiles
Can you feel me?
Hey you, don't help them to bury the light
Don't give in without a fight.
Pink Floyd – [Hey You](#)*

The tragic deaths of twenty children and six adults in Newtown, Connecticut and the similar tragedies in Aurora, Columbine, Virginia Tech and Tucson are a reflection of the twisted society we've created.

The progressive control freak do-gooders that believe the government can solve all problems and improve our lives with another law or regulation, have as usual come to the wrong solution for the wrong problem.

Stricter gun control laws would not have averted this tragedy. Connecticut has the 5th toughest gun restrictions in the country according to the Brady Center to Prevent Gun Violence. The guns were purchased legally by the mother of the killer. Mentally deranged people should not have access to guns, knives, automobiles, gasoline, or baseball bats. The real issue is not what he used to kill these innocent people, it's what caused him to snap.

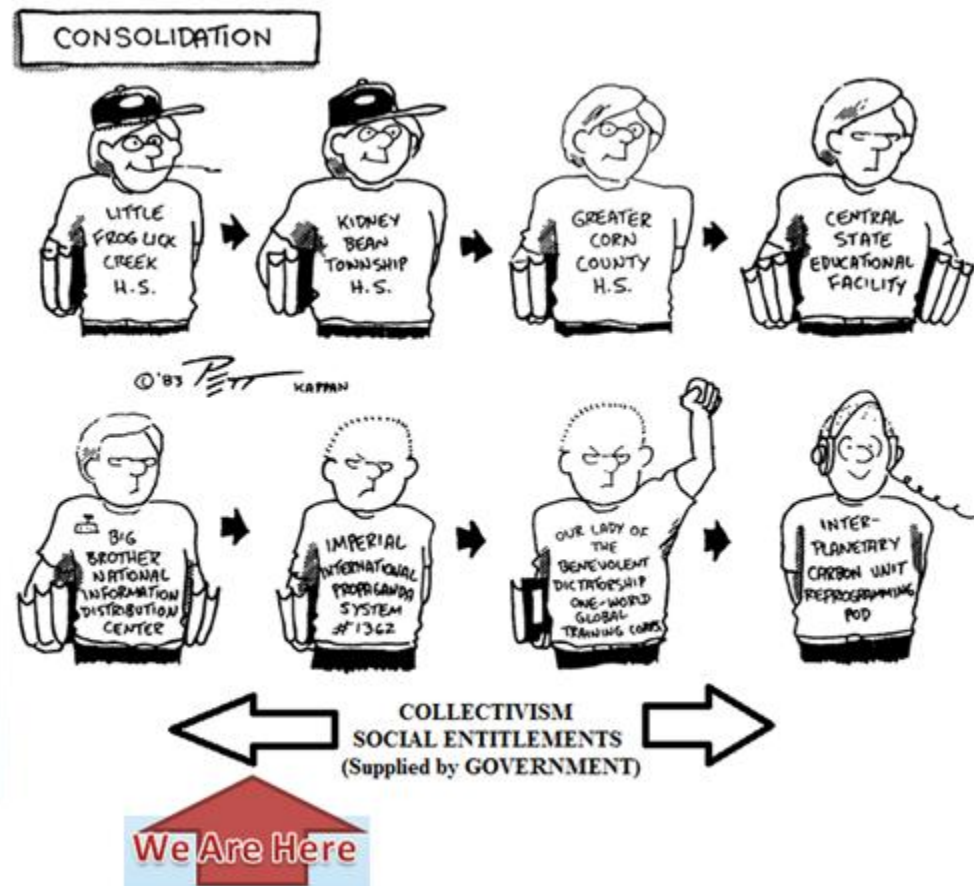
SOMA & THE 'PROZAC NATION'

Those in power want to divert the attention from this crucial question. In Huxley's novel the characters do everything they can to avoid confronting the truth about their own lives. They try to alter reality by ingesting Soma, encouraged by the state as the ultimate form of willful self-delusion. Soma clouds the realities of the present and replaces them with happy hallucinations, and is thus a tool for promoting social stability. America has taken Huxley's dystopian vision to an extreme. There are millions of children in this country being drugged on a daily basis to keep them under control. A majority of the mass murderers were taking psychotropic drugs, including the mentally deranged killer in Newtown. These killings are a result of the state sponsored drugging of children, a culture that promotes narcissism, broken families and our technologically enhanced suburban sprawl isolation from human relationships, love and compassion for others.

We glorify technology even though it encourages the building of brick walls, creating a self-imposed isolation from society.

- The traditional family unit has been discarded, with 50% of marriages ending in divorce and 43% of all children born out of wedlock.
- Millions of families are dysfunctional, with parents too busy with their careers and acquiring material possessions, to bother with raising their children in a loving nurturing way.
- One in ten American adults choose to escape their man made cells with prescription anti-depressants.
- Almost one in four women in their 40s and 50s are popping pills to escape their depressing lives.

Huxley envisioned a Soma Nation. America is a [Prozac Nation](#). The wealthy think medicating their kids, spoiling them with toys, gadgets and cars, and occupying their days with organized sports and activities passes for involved parenting. Poor urban children are lucky if they ever lay eyes on their father. Ignorance, violence, and dependency are a given for most of these kids. And all of these children are matriculated into the government run schools whose sole purpose is to teach kids what to think, rather than how to think. Our owners need to keep us "happy" and focused on feelings, material possessions, and an infinite number of distractions, so they can retain control and continue their pillaging of the national wealth.



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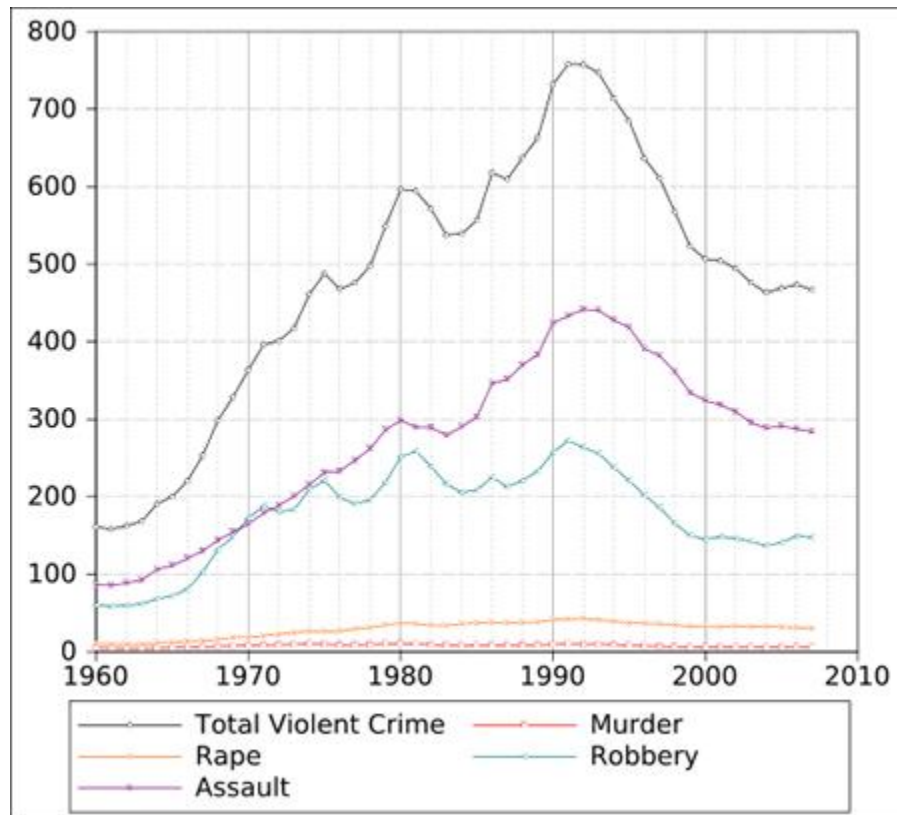
Our leaders have attempted to design their own Brave New World, retaining control by making America's citizens so contented and superficially fulfilled that they no longer care about their personal freedoms, liberties and civic responsibilities. The consequences of increasing state power are a loss of dignity, morals, values, and emotions. We are losing our humanity.

The society created by [Bernays](#) and his minions who occupy the executive suites in NYC and slither through the halls of Congress has been built upon destroying all human truths, such as love, friendship, community, and personal connections. Decades of media propaganda, public education mind control, and peddling of debt convinced the majority that happiness meant immediate gratification of our desires for food, sex, drugs, clothes, iGadgets, and all the other consumer crap made in corporate sponsored slave labor factories across Asia. These delusional hallucinations of happiness are the prison walls we've built brick by brick.

"This concern with the basic condition of freedom — the absence of physical constraint — is unquestionably necessary, but is not all that is necessary. It is perfectly possible for a man to be out of prison and yet not free — to be under no physical constraint and yet to be a psychological captive, compelled to think, feel and act as the representatives of the national State, or of some private interest within the nation, want him to think, feel and act." - [Aldous Huxley](#)

It took the intellectuals and progressives that wield power across the land only moments to hijack the feelings of sorrow and pain sweeping the nation, to misdirect attention from the mental illnesses caused by the society they've created, towards the false storyline that gun violence is sweeping the land. In reality, violent crime has been falling for over a decade as gun sales have soared. The homicide rate in this country is the lowest since 1964, with the vast majority of homicides occurring in the urban kill zones created by the five decade long progressive war on poverty. The truth is of no interest to those brandishing power. After decades of conditioning, the masses are psychologically captive to the messages designed to make them salivate. They will be compelled to think, feel and act as instructed by the Alphas. There will be calls for

more police, despite the fact that police rarely stop a crime. With all of their armaments, technology, high powered weaponry, and political clout, they can be counted on to arrive five minutes after the tragedy is over. But they are brilliant in luring clueless Muslim teenagers into terrorist plots, picking the target, providing the fake bombs, and taking credit for foiling the plots they created. More union police officers will increase our safety as much as more union teachers have made our kids smarter. This tragedy will be used by the propagandists to impose further restrictions upon those who choose personal responsibility and self-reliance over dependency and trust in the efficiency and fairness of our benevolent government overlords.



As the father of three sons I can't imagine the pain, sorrow and emptiness the parents of these beautiful children must be experiencing. The grief is overwhelming.

- I mourn for the children and adults slaughtered by a mentally deranged young man **created by our truly perverted culture of alienation.**
- I mourn for the children being raised in a society run by evil psychopathic liars that use the power of propaganda and the tools of debt to control and manipulate its citizens.
- I mourn for unborn generations that will be forced to confront the dreadful depraved chaos created by our culture of egocentric greed and narcissism. The things we value in this culture – accumulating wealth, outward beauty, acquisition of material possessions, instant gratification, access to debt, government control, and curing our ills with drugs – are driving us insane.

Who is really abnormal in a profoundly abnormal society?

Believing that possessions, more laws or another medication will truly make us happy is insane. Popping a pill, buying a new iPhone, or passing another law will not cure the disease that permeates this nation. **We need to recapture the humanity, civic pride and self-responsibility that built this country.** Only an awakened populace can change our course.

1. Huxley feared that **our desires** would ruin us.
2. Orwell was afraid that what **we fear** would ruin us.

The oligarchs have pushed the Huxley vision to its sustainable limit. The avarice and greed of these invisible power brokers has devoured the vast resources of the nation. These psychopaths weren't satisfied with siphoning off most of the wealth of the country. They wanted it all and wrecked the global economy in their odious pursuit of mammon. We are now **in the death throes of the most decadent, delusional, debt engendered era in the long history of mankind**. Those in power realize it is slipping away. Their "solutions" reflect an air of desperation. Their propaganda efforts have been redoubled. As more middle class workers lose their jobs, more young people graduate from college with tens of thousands in student loan debt and a future of dramatically reduced expectations, and more people are driven beyond their breaking point, this materialistic shroud of happiness will be torn asunder. Anger is building like a lava dome within a volcano. A critical thinking minority are questioning the motives of those in power. The unsustainability of our economic paradigm is certain. The seeds of revolution are being sown. Our society is only fantasy. The wall is too high. It will be up to an irate tireless minority of freedom minded citizens to tear down the wall. The alternative is to allow the worms to eat into our brains. Each of us must answer a simple question. Are you just another brick in the wall?

***But it was only fantasy.
The wall was too high,
As you can see.
No matter how he tried,
He could not break free.
And the worms ate into his brain.***
Pink Floyd – [Hey You](#)

The oligarchs will not give up without a fight. Their realization that the [Brave New World](#) method of controlling the masses has run its course has convinced them to shift their methods towards [Orwell's 1984](#) tactics. In part two of this series – **Mother Should I Trust the Government?** - I'll address how the use of fear, war, pain, and surveillance are becoming the new controlling method of the oligarchs.

From "Trust in" Government to "Obedience to" Government

[MOTHER, SHOULD I TRUST THE GOVERNMENT?](#) 01-01-13 Jim Quinn, The Burning Platform

***Mother, do you think they'll drop the bomb?
Mother, do you think they'll like this song?
Mother, do you think they'll try to break my balls?
Ooh ah,
Mother, should I build the wall?
Mother, should I run for president?
Mother, should I trust the government?
Mother, will they put me in the firing line?
Ooh ah,
Is it just a waste of time?***
[Pink Floyd – Mother](#)



The lyrics to Mother had both a literal and figurative meaning for Roger Waters. He was literally describing his overprotective single mother (his father was killed in World War II) building walls to protect him from the outside world. The figurative meaning is Big Mother sending its boys off to war and using fear to control and manipulate the masses. At the time he wrote this song in 1979, the Soviet Union was thought to be at its peak of power and the Berlin Wall represented a boundary between good and evil. Nuclear war was still a looming fear. Waters has always had a dim view of totalitarian states and institutions (English schools).

Having seen his Wall Tour performance this past summer at Citizens Bank Park with a diverse crowd of 40,000, ranging in age from senior citizens to teenagers, it seems this song has gained new meaning. He sang a duet with himself from 1980 projected on the Wall and when he sang the lyric, "Mother, should I trust the government?" the entire stadium responded in unison – NO!!! This revealed a truth that is not permitted to be discussed by the corporate mainstream media acting as a mouthpiece for the ruling class. A growing legion of citizens in this country does not trust the government. This is very perceptive on their part.

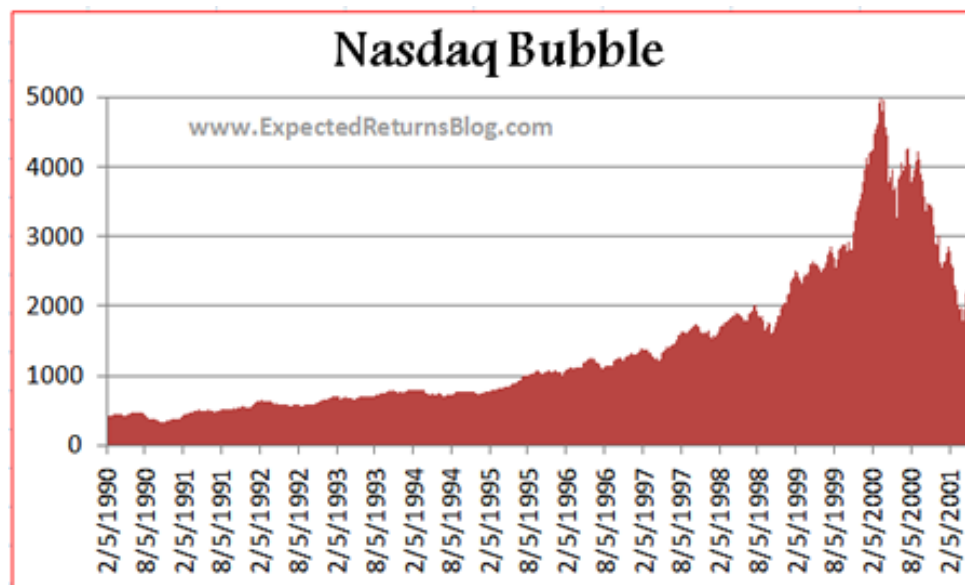
In part one of this two part series – [Hey You](#) – I examined how an invisible government of wealthy, power hungry men have utilized the propaganda techniques of [Edward Bernays](#) and lured the American people into a narcissistic, techno-gadget, debt based servitude. Over the last one hundred years they have created a totalitarian state built upon egotism, material goods, and fulfilling our desires through Wall Street peddled debt and mass consumerism. It has been an incredibly effective form of control that has convinced the masses to love their servitude. The ruling oligarchs correctly chose the painless, amusement saturated, soft totalitarianism of [Huxley's Brave New World](#) over the fearful, pain inflicting, surveillance state, house of horrors detailed in Orwell's 1984.

***"A really efficient totalitarian state would be one in which the all-powerful executive of political bosses and their army of managers control a population of slaves who do not have to be coerced, because they love their servitude."* – [Aldous Huxley – Brave New World](#)**

- The nefarious establishment of the Federal Reserve in 1913,
- launch of welfare programs in the 1930s,
- expansion of the entitlement state in the 1960s,

- creation of the credit card in 1970, mass media marketing propaganda, and the formation of an empire of debt laid the foundation for a society based on triviality, egotism, irrelevance and mass delusion.
- The conscious manipulation of the habits and opinions of the masses by an invisible government of powerful men using media propaganda and easy to access consumer credit has reached its mathematical limit.
- The oligarchs built a society dependent upon exponential growth. This unsustainable prototype began to show signs of strain in the 1990s.
- The powerful interests have been growing ever more desperate and blatantly obvious in their looting and pillaging of the debt bloated carcass of a country.
- They used their control of the political system to repeal Glass-Steagall, allowing the Wall Street banking cabal to become Too Big to Control.
- The oligarch puppets at the Wall Street controlled Federal Reserve did the bidding of their masters by reducing interest rates and expanding the money supply to create two epic bubbles.

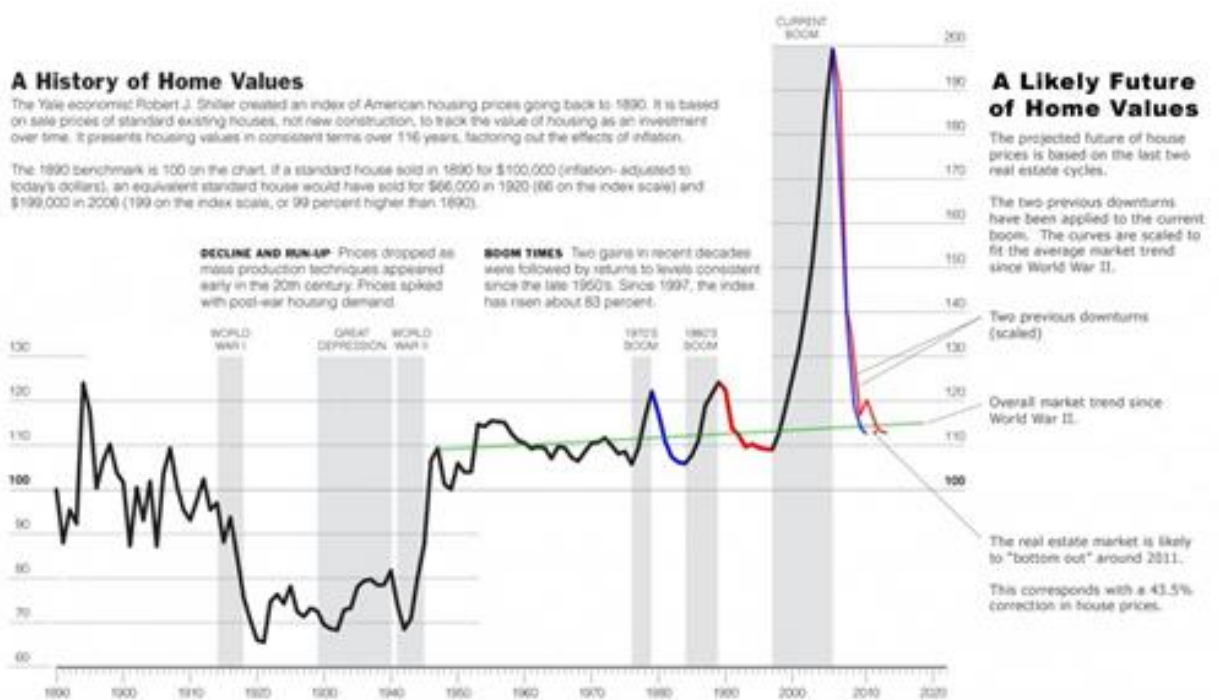
The Dot.com bubble was created by Wall Street utilizing hype and misinformation to fleece millions into believing we had entered a new paradigm. The only people who got rich were the Wall Street hucksters, shysters and shills.



When the Dot.com bubble burst, Alan Greenspan came to the rescue, at the urging of Nobel prize winner Paul Krugman, by creating the largest banker made bubble in the history of the world. The combination of

1. Excessively low mortgage rates,
2. Complete lack of regulatory oversight by the Federal Reserve,
3. Control fraud committed by the Wall Street banks, and
4. Buying frenzy stirred up by the corporate MSM and NAR,

led to the biggest financial collapse since 1929.



The white collared psychopathic criminals on Wall Street reaped billions in profits, paid themselves millions in bonuses, and cost taxpayers trillions when it all blew up in 2008. The ruling elite have added \$6 trillion to our national debt and their central banker has added another \$2 trillion to our ultimate tab, while providing free money to their Wall Street bank owners. They realize their efforts to restart the exponential growth engine have failed.

- They gutted our productive manufacturing based economic system by shipping the blue collar jobs overseas to Chinese slave labor facilities,
- replaced workers with machines,
- stimulated consumption with unlimited distribution of high interest debt, and
- allowed conglomerates to drive small business owners out of business with their cheap foreign sourced goods, all in the name of capitalism.

The plan worked so well that

- real wages haven't risen in 40 years,
- inflation has destroyed the purchasing power of the middle class,
- 47.7 million people are dependent on food stamps to survive, and
- the masses can't even afford the cheap slave labor produced trinkets anymore.

There is too little cash, too few jobs, too much debt, too many takers, too few makers, too many bankers, too much delusion, and too few resources to sustain the unsustainable.

We have entered the end stages of a ravenous locust swarm. The fields have been stripped barren.



When the men in smoke filled rooms realized their soft totalitarianism was losing its grip on the oblivious, submissive, egoistical, distracted masses, they began phase two of their effort to retain their wealth, power and control. They began to institute Orwellian measures to strike fear into the populace.

Their illusion of control is dissipating and they are resorting to force in order to maintain hegemony.

It began with the immediate passage of the Orwellian Patriot Act one month after 9/11.



Did the corporate media question how a 363 page all-encompassing expansion of police state power was written in a few weeks after 9/11 and passed by October 26? They did not. The bill was pre-written and ready for instant implementation when the time was right. The Orwellian version of America was launched.

"If the ideology had been a lie, then they are not heroes and gods on earth, but monsters and criminals, and their life has been self-serving and meaningless, without significance and honor. And that is the credibility trap. It is the impulse for the leaders to keep doubling down in the hope of a win, until exhaustion and collapse." – [Jesse](#)
Obedience to Authority

"Ordinary people, simply doing their jobs, and without any particular hostility on their part, can become agents in a terrible destructive process. Moreover, even when the destructive effects of their work become patently clear and they are asked to carry out actions incompatible with fundamental standards of morality, relatively few people have the resources needed to resist authority." – [Stanley Milgram – Obedience to Authority](#)



Just as [Edward Bernays](#) knew the unruly masses could be manipulated by propaganda and molded to believe whatever the small group of intellectually superior men wanted them to believe, conditioning using **fear and authoritarian methods** have also been perfected by the ruling class. Doctor Stanley Milgram unwittingly provided the oligarchs with confirmation the average citizen could be ordered to do anything by **invoking expertise and authority** over their subjects. Milgram started his experiments in 1961, shortly after the trial of the World War II criminal Adolph Eichmann had begun. Eichmann's defense that he was simply following orders when he exterminated millions of Jews roused Milgram's interest. How could millions of Germans participate and condone such genocide? Milgram's testing suggested that it could have been that the millions of accomplices were merely following orders, despite violating their deepest moral beliefs. Writer Kendra Cherry describes the experiment:

The participants in the Milgram experiment were 40 men recruited using newspaper ads. Milgram developed an intimidating shock generator, with shock levels starting at 30 volts and increasing in 15-volt increments all the way up to 450 volts. The many switches were labeled with terms including "slight shock," "moderate shock" and "danger: severe shock." The final two switches were labeled simply with an ominous "XXX."

Each participant took the role of a "teacher" who would then deliver a shock to the "student" every time an incorrect answer was produced. While the participant believed that he was delivering real shocks to the student, the student was actually a confederate in the experiment who was simply pretending to be shocked.

As the experiment progressed, the participant would hear the learner plead to be released or even complain about a heart condition. Once the 300-volt level had been reached, the learner banged on the wall and demanded to be released. Beyond this point, the learner became completely silent and refused to answer any more questions. The experimenter then instructed the participant to treat this silence as an incorrect response and deliver a further shock.

Most participants asked the experimenter whether they should continue. The experimenter issued a series of commands to prod the participant along:

- "Please continue."
- "The experiment requires that you continue."
- "It is absolutely essential that you continue."
- "You have no other choice, you must go on."

The level of shock that the participant was willing to deliver was used as the measure of obedience. How far do you think that most participants were willing to go? When Milgram posed this question to a group of Yale University students, it was predicted that no more than 3 out of 100 participants would deliver the maximum shock. In reality, 65% of the participants in Milgram's study delivered the maximum shocks.

Of the 40 participants in the study, 26 delivered the maximum shocks while 14 stopped before reaching the highest levels. It is important to note that many of the subjects became extremely agitated, distraught and angry at the experimenter. Yet they continued to follow orders all the way to the end. Why did so many of the participants in this experiment perform a seemingly sadistic act

on the instruction of an authority figure? According to Milgram, there are a number of situational factors that can explain such high levels of obedience:

- *The physical presence of an authority figure dramatically increased compliance.*
- *The fact that the study was sponsored by Yale (a trusted and authoritative academic institution) led many participants to believe that the experiment must be safe.*
- *The selection of teacher and learner status seemed random.*
- *Participants assumed that the experimenter was a competent expert.*
- *The shocks were said to be painful, not dangerous.*

The American people have been participants in their very own [Milgram](#) experiment being conducted by their government since 9/11. Since the passage of the Patriot Act, the government continues to demand that its citizens increase the voltage in the name of security. Since 2001, the Orwellian measures have included:

- Warrantless domestic surveillance.
- The ability to search telephone calls, emails, financial matters especially involving foreign individuals, and medical records for people who are "suspected" of endangering the country.
- Color coded risk levels designed to keep citizens fearful of non-existent terrorists.
- Pre-emptive invasion of foreign countries.
- Committing U.S. forces to war without a declaration of war by Congress as mandated in the U.S. Constitution.
- Assassination of people on presidential kill lists.
- Extermination of "suspected" enemies by predator drones.
- Camera systems monitoring the movements of Americans in cities and streets across the United States.
- Torture of detainees in camps outside of the United States.
- The authority to indefinitely detain American citizens without trial.
- Executive orders giving the President the ability to unilaterally disregard the U.S. Constitution and take control of private industries.
- Use of drones to monitor the activities of American citizens.
- Allowing the very bankers that destroyed the worldwide economic system to blackmail the American taxpayers into handing them \$700 billion.
- Not prosecuting one Wall Street criminal after the largest Ponzi control fraud in the history of the world.
- Cameras and listening devices on public transit and other public locations.
- Military exercises conducted in U.S. cities in order to condition the masses.
- Attempts to control and censor the internet through the introduction of the SOPA bill.
- The use of tragic mass murders by mentally defective young men on psychotropic drugs to disregard the 2nd Amendment and disarm American citizens.
- TSA thugs molesting little old ladies and young children to desensitize citizens to gestapo like tactics and treat them like criminals.
- Government partnering with Facebook, Apple and other corporate entities to monitor, censor, and report the activities of citizens to the authorities.
- The use of public schools to teach children what to think rather than how to think. Thought control is vital to an agenda of keeping the masses fearful and pliable.

- Government agencies (FBI, ATF) creating terrorist plots, luring young dupes into the plots, providing fake explosives, and then announcing with great fanfare they have foiled a terrorist plot.
- "See something, Say something" government media campaign designed to make citizens paranoid and fearful.



Just as Milgram pondered how the German people could follow the orders of those in authority to slaughter millions, one must ponder how the American people have allowed those in power to **strip us of our Constitutional freedoms and liberties in the name of safety and security**. They have conditioned the masses to passively accept their fate by utilizing

1. Fear,
2. Authoritarian measures,
3. Thought control, and
4. Propaganda.

Human beings never change.

They have been driven by emotions throughout history –

1. Fear,
2. Greed,
3. Love and
4. Hate.

There will always be psychopathic men who seek

1. Wealth,
2. Power,
3. Glory and
4. Control.

It happened during the decline of the Roman Empire and it is happening today during the decline of the American Empire.

"A shocking crime was committed on the unscrupulous initiative of few individuals, with the blessing of more, and amid the passive acquiescence of all." – [Tacitus](#)

Big Brother is Watching You

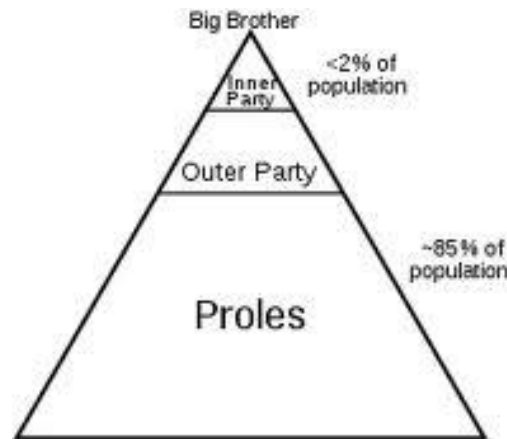
"Now I will tell you the answer to my question. It is this. The Party seeks power entirely for its own sake. We are not interested in the good of others; we are interested solely in power, pure power. What pure power means you will understand presently. We are different from the oligarchies of the past in that we know what we are doing. All the others, even those who resembled ourselves, were cowards and hypocrites. The German Nazis and the Russian Communists came very close to us in their methods, but they never had the courage to recognize their own motives. They pretended, perhaps they even believed, that they had seized power unwillingly and for a limited time, and that just around the corner there lay a paradise where human beings would be free and equal. We are not like that. We know what no one ever seizes power with the intention of relinquishing it. Power is not a means; it is an end. One does not establish a dictatorship in order to safeguard a revolution; one makes the revolution in order to establish the dictatorship. The object of persecution is persecution. The object of torture is torture. The object of power is power. Now you begin to understand me." – [George Orwell – 1984](#)



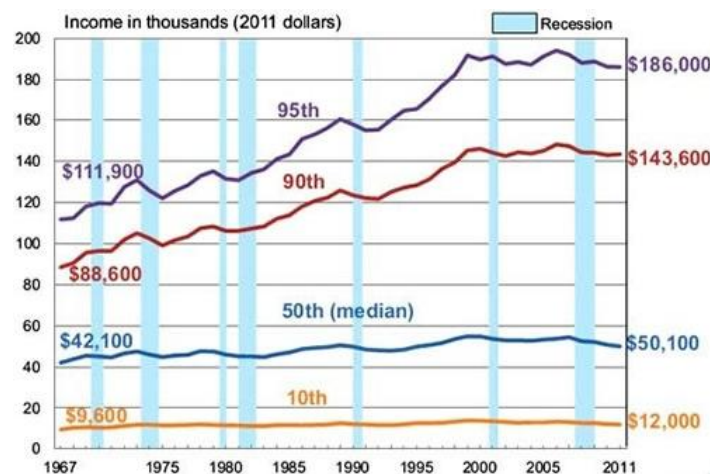
What the average person can't seem to process through their government public school educated non-critical thinking brains is that there are actually a small group of bankers, politicians, corporate executives, media magnets, and shadowy billionaires who call the shots in this country. They constitute Bernays' invisible government, run the show, mold the minds, form the opinions, suggest the ideas, and create the reality for the masses because they believe they are intellectually superior. The left/right and Democrat/Republican discord is a planned diversion for the masses. The country has devolved into a corporate fascist warfare/welfare state. We are clearly moving in the direction of Orwell's state in which government monitors and controls every aspect of human life to the extent that even having a disloyal thought will be against the law. The longer this is allowed to progress the more likely any effort to resist like Winston Smith will be met with brutal measures.

The parallels to Orwell dystopian nightmare state grow by the day. Those in control use technology to bombard Americans with psychological inducements designed to overwhelm the mind's capability for autonomous thought. In [Orwell's 1984](#) the giant telescreen in every citizen's room blasts a constant stream of propaganda designed to make the failures and shortcomings of the Party appear to be triumphant successes. In Obama's 2013 the 72 inch Chinese made HDTVs in every McMansion blasts a constant stream of propaganda designed to make the zombie-like occupants buy trinkets and gadgets with a thin piece of plastic and makes the failures in Iraq, Afghanistan, Egypt and Libya appear to be triumphant successes. Our corporate/fascist party uses their control over the media message to indoctrinate and control the public mind through propaganda and repetitive messaging. In Orwell's world, the Party undermines family

structure by inducting children into an organization called the Junior Spies, which brainwashes and encourages them to spy on their parents and report any instance of disloyalty to the Party. In our world children are indoctrinated in government run public schools that fill their brains with government manufactured history, social engineering claptrap and what they should think, rather than how to think. The Orwellian Department of Homeland Security (Thought Police) instructs them to report anyone they think is suspicious with their "See something, Say something" campaign. Children are "encouraged" to re-educate their parents about green energy and global warming. Corporations fund schools to advertise their products within the hallways of learning. The outputs of this corporate/fascist partnership are non-critical thinking, functionally illiterate, willfully ignorant Proles who obey the Party and consume products as instructed.



In [Orwell's 1984](#) the Party keeps the population in a general state of exhaustion by making them work long grueling hours at government run agencies. This was designed to keep them from thinking or having the energy to resist. About one in six workers work for the government in the United States, with a substantial portion of private jobs dependent upon government largesse. The true distinction in our society can be seen in the income levels over decades of our own Inner Party, Outer Party and Proles.



The government educated masses were purposely not taught about the impact of Federal Reserve created inflation on their lives. Even using the government manipulated CPI, the real household incomes of the masses have barely risen in the last forty five years. Using a true measure of inflation, the real household incomes of the average family have fallen. In addition, prior to the 1980s those household incomes were predominantly provided with one parent working and the other raising the children. Today the vast majority of households require both parents to work in order to just tread water. Child rearing was delegated to the state and parents have been kept in a constant state of exhaustion, like hamsters in a cage on a spinning wheel. Household income was replaced by credit card debt, mortgage debt, auto debt, and student loan debt.

peddled by our very own Inner Party (Wall Street bankers). The Inner Party members have seen their incomes soar over the last four decades. This was not an accident.

As those at the top accumulate an ever increasing percentage of the national wealth, while consolidating their power through ever more sophisticated use of technology for surveillance, warfare, and financial theft; urban decay and blight spreads across the land. Totalitarian regimes are ferociously effective at augmenting their own power and wretchedly incompetent at providing for their citizens. Just as the London in Orwell's dystopian world was a decrepit, rundown city in which buildings were crumbling, amenities such as elevators never worked, and basics such as electricity and plumbing were exceedingly undependable, the urban killing fields that are home to tens of millions in the United States are dangerous, disintegrating, hallowed out carcasses of once thriving metropolises. Hunger, poverty, crumbling infrastructure, and violence are the earmarks of society for the Proles. True unemployment exceeds 20%, with youth and minority unemployment exceeding 40%. There are 47.7 million Americans subsisting on food stamps (program administered by JP Morgan), accounting for 20% of all the households in the country.

The incompetency and mismanagement by our totalitarian governing body is evident for all to see, as bridges collapse, water mains burst, gas lines explode, mass transit shuts down and structures deteriorate due to decades of neglect. The priorities of those in power are clearly visible as they spend trillions on weapons used to attack sovereign countries, distribute billions in "aid" to foreign dictators, provide trillions to the criminal banking cabal on Wall Street, and devote billions to technology designed to monitor and control their citizens. Our entire rotting, fetid, bloated, corrupt society has about reached its limits. It is only a matter of time until it implodes like the former Soviet Union.

"Diminishing returns of ever-increasing complexity addressed with ever-more layers of complexity, larded with systematic lying based on mystifying, opaque jargon, sanctioned statistical misreporting, felonious cronyism, and scuttling of the rule of law. In short, the markets have been taken over in effect by a criminal racketeering syndicate. In doing this, so much resilience has been removed from these market structures that they are riddled with rot, like a mansion infested with carpenter ants." – [Jim Kunstler](#)

We Have Always Been at War with Eastasia

***Hush now baby, baby, don't you cry.
Mamma's gonna make all of your nightmares come true,
Mamma's gonna put all of her fears into you,
Mamma's gonna keep you right here, under her wing.
She won't let you fly, but she might let you sing,
Mamma's gonna keep baby cozy and warm.
Oooh babe, Oooh babe, Oooh babe,
Of course Mamma's gonna help build the wall.***

[Pink Floyd – Mother](#)



The concepts of Doublethink and Newspeak are alive and well in our increasingly Orwellian society. The massive long-term campaign of large-scale psychological manipulation, described in detail by [Edward Bernays](#) in 1928, has succeeded in **breaking down the capacity for independent thought by the masses**. Those in control of the media have molded the minds of millions to believe anything the government tells them, even while possessing information that runs counter to what they are being told. On the eve of the invasion of Iraq, the government and their media propaganda mouthpieces had convinced 69% of the American public that Saddam Hussein was involved in the 9/11 attacks, even though there wasn't a shred of evidence to support that claim. The storyline of Iraqi soldiers murdering Kuwaiti babies in their incubators during the first Gulf War was another example of propaganda designed to manipulate public opinion. By controlling the media message, those in power control the present and can manipulate the past. The government controls the curriculum in public schools and writes our history to conform to whatever storyline that supports their agenda. With 20% of the adult population in this country functionally illiterate, the formulation of ideas or critical thought is virtually impossible for these people. This is exactly what is desired by the ruling class.

The outrageous example of Doublethink in [Orwell's 1984](#) occurs during the Hate Week rally. The Party shifts its diplomatic allegiance, so the nation it has been at war with suddenly becomes its ally (Eurasia), and its former ally becomes its new enemy (Eastasia). When the Party speaker suddenly changes the nation he refers to as an enemy in the middle of his speech, the crowd accepts his words immediately, and is ashamed to find that it has made the wrong signs for the event. The American people have been programmed to accept the same logic from our leaders. Saddam Hussein was our ally when he was fighting our enemy Iran, who had been our ally ever since we had overthrown their democratically elected leader in the 1950s. Then he became our enemy for using weapons of mass destruction, provided to him by the U.S., on his own people and threatening our control over Middle Eastern oil. Osama bin Laden was our ally when he was fighting our mortal enemy, the Soviet Union. Then he became our mortal enemy because we refused to leave Saudi Arabia after the first Gulf War. Ghadafi was our sworn enemy after blowing up an airliner filled with Americans, until he helped us after 9/11 and became an ally. Then he became an enemy again for fighting to maintain his dictatorship. Mubarak was an ally for decades as we provided him billions in military hardware so he could brutally maintain control. Then he became an enemy when we decided he was no longer of use. Do you get the picture?

Do you see any parallels between Orwell's Ministry of Plenty (oversees economic shortages); the Ministry of Peace (wages war); the Ministry of Truth (conducts propaganda and historical revisionism); and the Ministry of Love (the center of the Party's operations of torture and punishment) and our Department of Agriculture, Department of Defense, Department of Education, and Department of Homeland Security?

"In our age there is no such thing as 'keeping out of politics.' All issues are political issues, and politics itself is a mass of lies, evasions, folly, hatred and schizophrenia. The very concept of objective truth is fading out of the world. Lies will pass into history." – [George Orwell](#)

Should I Trust the Government?

So the oligarchs have utilized all the plays in [Huxley's](#) playbook and are half way through Orwell's playbook, but they are rapidly losing their credibility as a small minority of critical thinking people is using the internet to spread the truth and form phyles with like-minded citizens with similar values based on liberty and freedom. The political system is broken beyond repair as \$2 billion was spent during this last "election" to maintain the status quo. The looting and pillaging of the middle class continues, while the poor are kept controlled, sedated and enslaved by entitlements, debt, drugs and prisons. The financial system is succumbing to the mountains of debt that have been accumulated trying to keep the game going. In the last ten years worldwide total credit market debt, on balance sheets, sovereign obligations, corporate debt, household debt – has grown from \$80 trillion to just over \$200 trillion. U.S. unfunded liabilities committed to by the politician parasites that pass for our representatives surpass \$200 trillion. There are \$1.2 quadrillion of interconnected derivatives outstanding in the world today, 20 times the size of the worldwide economy. The accumulation of worldwide debt, aging developed country populations, depletion of resources, perpetual war, financial fraud and rampant corruption are going to lead to a collapse of epic proportions. It may not happen in 2013, but it will happen within the next five years. [Jesse](#) explains why the status quo will never relinquish their power, illegally acquired wealth and control without a fight:

"A credibility trap is a condition wherein the financial, political and informational functions of a society have been compromised by corruption and fraud, so that the leadership cannot

effectively reform, or even honestly address, the problems of that system without impairing and implicating, at least incidentally, a broad swath of the power structure, including them. The status quo tolerates the corruption and the fraud because they have profited at least indirectly from it, and would like to continue to do so. Even the impulse to reform within the power structure is susceptible to various forms of soft blackmail and coercion by the system that maintains and rewards.

And so a failed policy and its support system become self-sustaining, long after it is seen by objective observers to have failed. In its failure it is counterproductive, and an impediment to recovery in the real economy. Admitting failure is not an option for the thought leaders who receive their power from that system. The continuity of the structural hierarchy must therefore be maintained at all costs, even to the point of becoming a painfully obvious hypocrisy."

The people of this country must regain a sense of responsibility for their lives and the lives of future generations. Enough people need to perceive they are being manipulated, controlled and used by the thought leaders and awaken from their narcissistic materialistic debt financed lives. Our culture has failed. The animosity and anger in the country is beginning to bubble over. The masses are beginning to realize they have been screwed. They haven't figured out who to blame because they are still trapped in the Republican/Democrat false dogma. There is one Party putting on a show, as displayed this week with the fiscal cliff farce, as the government controlled media proclaimed victory because the status quo was maintained, nothing was cut, and \$4 trillion was added to the National Debt. More people need to question and challenge the authorities. We must cast aside our willful ignorance of facts and accept the consequences of decades of bad decisions and delusions of grandeur. More government is not the answer. We must break free of the conditioning and mind control used to make us love our servitude and trust those in power. Kyle Bass recently revealed a fact about our government leaders:

"They're not going to tell you that a collapse is coming. You're going to have to see it for yourself. The government's never going to tell you that it's going to happen. These guys are never going to tell you the truth, because they can't tell you the truth. Their job is to promote confidence, not to tell you the truth."

We need more people to respond to Roger Waters' question, "Mother, should I trust the government?" with this answer before we can begin to tear down the wall that seemed too high.

"During times of universal deceit, telling the truth becomes a revolutionary act." – [George Orwell](#)

SITUATIONAL ASSESSMENT

Positioning Where We Are

Identification of Fascism

CRONY CAPITALISM -> CORPORATOCRACY -> FASCISM

Fourteen Characteristics of Fascism

EARLY STAGES

1. **Powerful and Continuing Nationalism** Fascist regimes tend to make constant use of patriotic mottos, slogans, symbols, songs, and other paraphernalia. Flags are seen everywhere, as are flag symbols on clothing and in public displays.
2. **Controlled Mass Media** Sometimes the media is directly controlled by the government, but in other cases, the media is indirectly controlled by government regulation, or sympathetic media spokespeople and executives. Censorship, especially in war time, is very common.
3. **Supremacy of the Military** Even when there are widespread domestic problems, the military is given a disproportionate amount of government funding, and the domestic agenda is neglected. Soldiers and military service are glamorized.
4. **Obsession with National Security** Fear is used as a motivational tool by the government over the masses.
5. **Corporate Power is Protected** The industrial and business aristocracy of a fascist nation often are the ones who put the government leaders into power, creating a mutually beneficial business/government relationship and power elite.
6. **Rampant Cronyism and Corruption** Fascist regimes almost always are governed by groups of friends and associates who appoint each other to government positions and use governmental power and authority to protect their friends from accountability. It is not uncommon in fascist regimes for national resources and even treasures to be appropriated or even outright stolen by government leaders.

MID STAGES

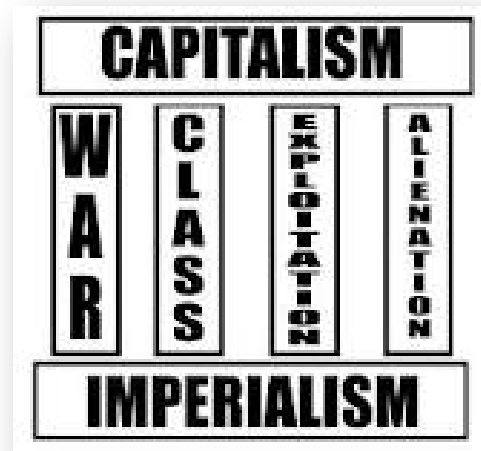
7. **Obsession with Crime and Punishment** Under fascist regimes, the police are given almost limitless power to enforce laws. The people are often willing to overlook police abuses and even forego civil liberties in the name of patriotism. There is often a national police force with virtually unlimited power in fascist nations.
8. **Fraudulent Elections** Sometimes elections in fascist nations are a complete sham. Other times elections are manipulated by smear campaigns against or even assassination of opposition candidates, use of legislation to control voting numbers or political district boundaries, and manipulation of the media. Fascist nations also typically use their judiciaries to manipulate or control elections.

(Remember: Bush II Election Against Al Gore and the Florida Debacle)

WE ARE HERE

9. **Identification of Enemies/Scapegoats as a Unifying Cause** The people are rallied into a unifying patriotic frenzy over the need to eliminate a perceived common threat or foe: racial, ethnic or religious minorities; liberals; communists; socialists, terrorists, etc.
10. **Labor Power is Suppressed** Because the organizing power of labor is the only real threat to a fascist government, labor unions are either eliminated entirely, or are severely suppressed.

LATE STAGES



11. **Disdain for the Recognition of Human Rights** Because of fear of enemies and the need for security, the people in fascist regimes are persuaded that human rights can be ignored in certain cases because of "need." The people tend to look the other way or even approve of torture, summary executions, assassinations, long incarcerations of prisoners, etc.

12. **Disdain for Intellectuals and the Arts** Fascist nations tend to promote and tolerate open hostility to higher education, and academia. It is not uncommon for professors and other academics to be censored or even arrested. Free expression in the arts and letters is openly attacked.

13. **Religion and Government are Intertwined** Governments in fascist nations tend to use the most common religion in the nation as a tool to manipulate public opinion. Religious rhetoric and terminology is common from government leaders, even when the major tenets of the religion are diametrically opposed to the government's policies or actions.

14. **Rampant Sexism** The governments of fascist nations tend to be almost exclusively male-dominated. Under fascist regimes, traditional gender roles are made more rigid. Divorce, abortion and homosexuality are suppressed and the state is represented as the ultimate guardian of the family institution.

List Development (Not the Evolutionary Stages) : [Dr. Lawrence Britt](#)



Blinded By Mistaken & Manipulated Beliefs

Understanding How Indoctrination Occurs

[The 9 Step Process Bankers Use to Force Global Slavery Upon Humanity](#) 01-09-13 [smartknowledgeu](#) via ZH

"None are more hopelessly enslaved than those who falsely believe they are free."- Johann Wolfgang von Goethe

Below is the nine step process bankers have used to enslave us all with nary a peep of resistance until recent times. Hopefully recognition of this process can help us to free ourselves from the grip of bankers that wish to financially destroy us all.

(1) Teach lies as truth like "markets are free" and "we need to spread democracy to the rest of the world." Plant agent provocateurs in all movements of resistance like OWS to discredit these movements whenever possible.

Bankers teach lies like "free markets exist" throughout all business curricula taught in the institutional academic system. When Central Banks set artificial interest rates, **this means the free market is not setting interest rates.** Bankers are rigging stock markets, real estate markets, currency markets, and commodity markets all for their benefit only and to the detriment of all other humans on our planet.

Furthermore, if you study democratic principles and whether governments that claim to be democracies actually abide by these principles, you will discover that most every "democratic" government operates on a fascist platform and not a democratic one. **Stating that a free market co-exists in a country in which a Central Bank retains the monopolistic power to set interest rates is as impossible a relationship as the physics maxim that states two objects cannot occupy the same space at the same time.**

Furthermore, bankers use the lies they teach in school to further other lies like the existence of Capitalism.

Without free markets, Capitalism cannot exist. If free markets do not exist anywhere in the world because Central Banks, and not the free market, set interest rates, then by logic, Capitalism cannot exist. Yet, I've met brainwashed subjects at Occupy Wall Street protests in Hong Kong that argued that the basis of people's economic suffering today is Capitalism and that Communism is the answer to the world's economic problems. This false belief also allows wretched misanthropes like former Fed Reserve Chairman Alan Greenspan to deflect blame away from himself and write stupid articles full of lies like ["Don't Blame Capitalism For All This Income Inequality"](#), an article in which he argues that capitalism and free markets should not be blamed for today's global economic inequities between the bankers and the "have nots". This typical reverse psychology ploy is one that banksters are notoriously fond of. By stating that you shouldn't blame "capitalism and free markets" for global economic failures, Greenspan knows that since people don't trust him, that they will fall into his trap and believe the opposite of what he says – that capitalism and free markets are responsible for the creation of massive global income inequities today even though neither "capitalism" in its purest sense nor "free markets" exist anywhere in the world. These clever psychological ploys also allow Greenspan to write the lie-filled article, ["Fed Didn't Cause the Housing Bubble"](#), and still have a large percentage of the masses gobble up and digest this disinformation without question like it was their daily breakfast cereal.

(2) Commandeer and effectively take over all control of global governments, mass media, state police, and federal military elements to suppress truth from reaching the masses.

Simon Johnson wrote about how bankers have taken over governments in his excellent article ["The Quiet Coup"](#). These two excellent articles, [here](#) and [here](#), explain how banks directed state police and government surveillance agencies to crush all dissent and opposition to their criminal activities. The fact that state police and government agencies bowed down to the bankers like subservient servants proves that these countries in which such incidences are taking place have long been far more fascist than democratic. Mussolini or Pinochet could not have asked for better cooperation and greater obedience from state police and government surveillance agencies than the bankers received.

(3) Take over the education system, design it to dumb down instead of enlighten the masses, and export this model to the rest of the world.

Western bankers have funded and exported to the rest of the world an institutional academic system that serves as a behavior modification camp responsible for dumbing down young adults and turning them into obedient, non-thinking worker bees. This is how you create a New World Order in which just a few thousand bankers can capably control 7 billion people and keep them in line and obedient at all times. See [here](#) for more information.

Bankers and industrialists like the Rockefellers and the Carnegies financed the development of our global education system during the American Industrial Revolution, and thus were able to promote the lies they wanted the masses to embrace such as the myth that America experienced a "revolution" in 1776 and that US President Abraham Lincoln ended slavery in 1863. The bankers were always happy to give the colonialists the illusion of gained "freedom" as an outcome of the "revolutionary" war in exchange for maintaining their control over the newly formed republic's monetary supply. Thus, the Rothschild banking family quickly established the Bank of the United States (which has since become the US Federal Reserve today) through their colonialist agents in the United States in 1791. When this bank's charter expired in 1811, Nathan Rothschild of the Bank of England and the Rothschild banking clan declared a grave warning:

"Either the application for the renewal of the charter is granted, or the United States will find itself involved in a most disastrous war." When US Congress chose not to renew the bank's charter, Nathan Rothschild responded, ***"Teach these impudent Americans a lesson. Bring them back to Colonial status."***

Even though African Americans were given their physical freedom in 1863, they were never granted their financial freedom by the bankers. How does Lincoln end slavery in America with his 1863 Emancipation Proclamation when just 50 years later, the bankers financially enslaved everyone with the founding of the US Federal Reserve. To declare that Abraham Lincoln ended "slavery" in America in 1863 is as big a myth as the lie that Columbus "discovered" a land called America. How does one "discover" a land that had already been inhabited for hundreds of years by millions of Indians? Furthermore, Columbus wasn't even the first European to arrive in America as Vikings had beat him to this feat by hundreds of years. A.M. Reeves, N.L. Beamish and R.B. Anderson's [The Norse Discovery of America](#) documented in great detail the epic and ferocious battles between the Vikings and the Native inhabitants of Vinland (the Viking word for America) as far back as the 10th century, about 500 years before Columbus stumbled upon America. So how did Lincoln end slavery and how did Columbus discover America? The answer to both questions is that they did not. The end of physical enslavement was merely transformed into a new kind of slavery - financial and mental enslavement. After the Rothschilds, the Rockefellers, the Warburgs, JP Morgan, etc. were able to form the US Federal Reserve in 1913, bankers extended their financial slavery empire over not only blacks, but also over whites, over Asians, and over Latinos, extending their empire of slavery all over the world. Thus slavery was never eradicated in 1863.

(4) Teach young adults that a tax on tea and a tax on stamps caused the American colonialists to hate the British monarchy and triggered a successful revolt in 1776, when it was the debt enslavement component of the monetary system and the bankers' system of theft through numerous taxes that truly caused the revolt.

Benjamin Franklin desired that the colonies issue their own debt-free, interest-free money called Colonial Scrip. As I've explained in (3), the Colonialists lost this battle and thus, there was never a successful "revolution" against the bankers in 1776 though bankers have ensured, through control of our education system, that they teach the lie in all American schools today that America gained its independence on July 4, 1776. Just to make sure all Americans believe this, we celebrate this faux Independence Day every year as a national holiday. If Americans learned that the people truly lost the Revolutionary War in 1776, this might incite another revolution today. This is why the bankers teach the lie of the people winning the Revolutionary War in all American schools.

(5) Learn from the mistakes of Kings by hiding the robberies of citizens' money and disguising this robbery as a silent tax called "inflation". Transform the violent method of tax collection that lead to the beheading of past members of nobility during Medieval times into a passive method of automatic deductions from paychecks.

Bankers studied previous Kings' taxation system such as Great Britain's King George's system and his use of armed soldiers to collect these taxes. In 1765, King George sent 40,000 armed troops to assure collection of taxes from his subjects and he forced the colonists to also provide living quarters and food to his troops or risk being shot and killed. Bankers studied this method and learned that this type of violent armed method of collecting taxes would always lead to violent insurrection and revolt. Thus bankers learned how to steal our money today in a passive manner that is not nearly as offensive as the method employed by previous Kings throughout history.

Today, all of us still provide the money for the living quarters of bankers and provide all the money to feed the bankers but we do not realize it. The bankers have employed the exact same system of robbery that King George instituted against the American colonialists that infuriated them, but were clever enough to change the method by which they execute their brazen theft and extortion. Today bankers extort money from all of us through automatic deductions from each pay check so that there is no need to send armed soldiers to collect taxes from those that might resist this scam. Furthermore, they deliberately devalue money and rob every single human on the planet through the implementation of a "silent tax" called inflation.

(6) Engage in huge disinformation and propaganda campaigns to convince citizens in every country that income tax is not flat out robbery and not equivalent to King George's act of sending 40,000 soldiers to force colonists to turn their hard-earned money over to him.

Bankers have successfully sold this lie by misinforming us and telling us that we receive benefits from our income tax payments and that it would be "unpatriotic" to even think for a second to not pay our income taxes to the bankers. In fact, the reality unearthed by the [Grace Commission report](#) in January, 1984, under US President Ronald Reagan is this: *"100% of what is collected [in income taxes] is absorbed solely by interest on the Federal Debt and by Federal Government contributions to transfer payments. In other words, all individual income tax revenues are gone before one nickel is spent on the services taxpayers expect from government."* What are transfer payments? Payments for programs like welfare but also payments for programs like the massive 2008 \$850 billion banker bailout program. Who receives interest payments on the Federal Debt? 100% of interest payments on the Federal Debt are directly funneled into the private banking accounts of the private banking families that own the Federal Reserve. So who is receiving nearly 100% of all income tax payments of all citizens in every country in the world? The answer is that nearly 100% of our income tax payments are transferred to just a few powerful private banking families. In fact, the Grace Commission report even hinted that the government performed studies to determine the outer limits of income taxation that they could get away with before it would trigger a revolt among the taxed citizenry.

(7) Sell concepts like "nationalism", and incite religious-based and race-based hate to divide and conquer people from uniting against a segment of society (bankers) that commits a long list of atrocities that would have landed anyone else in jail centuries ago.

Bankers have been able to convince many blacks to blindly and stupidly support President Obama just because he is black and to falsely call anyone that also doesn't support Obama a "racist". Bankers have been able to convince many Jews to blindly and stupidly support Zionist agendas and cowardly and falsely accuse those that don't support Zionist agendas of being an anti-semitic. Bankers have been able to convince many people to blindly and stupidly support false wars and government agendas and label anyone that does not also support these items as "unpatriotic", "un-American" or "un-whatever-country-you-are-from."

Yes, bankers are behind all these hate-filled campaigns because they know that they can successfully divide and conquer the masses and if they do so, that a divided opposition will never be able to defeat them. They have also used their puppet Presidents and Prime Ministers to often perform favors for police and the military, such as increasing their pay and benefits, to falsely gain the loyalty and protection of those elements of society that should be most opposed to them. Bankers have taken their cue from big druglords and underworld crime bosses that have used these same tactics to gain the protection and loyalty of their communities. In Philadelphia, mobster Joey Merlino used to give away turkeys to housing project residents every Thanksgiving and throw Christmas parties for the homeless to gain the loyalty of people in his community despite his murderous ways. In the more expansive criminal drug underworld, ex-cocaine kingpin Pablo Escobar was, and still is, *considered a hero* among many of the poor in Colombia for all the jobs he provided for them, not to mention all of his charity. In Mexico, the most violent druglord today, "El

Chapo" Guzman, is often also viewed as a *modern-day "Robin Hood"* and a hero by the poor in Mexico and is afforded loyalty and protection among many of the poor for his many acts of benevolence for the poor.

However, it is a huge mistake of morality to overlook the massive crimes of our political and financial leaders for their "fake" charity work as it is a huge mistake of the poor to adore violent murderous druglords just because they make their lives better while they destroy the lives of millions. This very selfish attitude of "I don't care what my leader does as long as he helps me out" even if he's destroying the lives of hundreds of thousands, or millions of other people, is the very tactic that bankers choose to employ to effectively divide and conquer people. Instead of being loyal to someone just because of his skin color, religion, nationality or race, we all need to abandon our pre-disposed affinities for people that look like us or share our belief systems, and instead, start looking at these situations strictly on the basis of morality. We need to ask ourselves not the questions of mindless robots but rather tough questions such as, **"Is what my President or Prime Minister doing moral?"** If so, then support him. If not, then do everything you can to get him out of office no matter your race. Ask, **"Is what my government doing moral?"** If so, then support it. If not, then stop the stupid and divisive ad-hominem attacks against dissenters by wrongly labeling them as "unpatriotic" no matter your nationality. Ask, **"Is Israel acting morally?"** If so, support this nation-state. If not, then stop supporting it immediately no matter your religion.

It really is that simple. For people that are open minded enough to learn the truth about the ulterior motives of why the same bankers (Rothschilds) that were integral in founding the US Federal Reserve also were very integral in founding, and funding, the creation of Israel, as well as the Bank of Israel, watch Chapter 26 at 1:10:28 at Chapter 29 at 1:19:27 of [this video](#). Though there are many things in this video I don't agree with, I believe that these two chapters provide a legitimate explanation of how bankers have used the religion dissension surrounding Israel as part of their divide and conquer campaign against the entire world. These two segments are very careful to make the distinction between humanitarian, compassionate, authentic Jews and their misanthropic, inauthentic Zionist counterparts. In fact, I believe that the distinction between truly religious Jews and their radical Zionist counterparts is very similar to the distinction between radical Muslims and religious, moral Muslims and radical Christians and religious, moral Christians.

There are those that continually smear all Jews for many of the world's financial problems and not only do I believe this tactic to be wrong but I also believe that anyone that uses this tactic falls right into the banker trap of their divide and conquer strategies. The banker-funded Zionists are the small faction of Jews and non-Jews (US Vice President [Joe Biden is a self-proclaimed Zionist](#)) that need to be investigated for creating global financial problems. Though this point is likely to generate the most hateful comments and unjustified criticism of any of the nine points of this article, consider this point. If you agree with the other eight points of this article, would it be worth the risk to discuss something entirely false as true, and that could potentially discredit the rest of this entire article? The answer, of course, is no. I only included this point after much careful research convinced me that the facts surrounding this point were well documented and because I believed that this point is crucial enough to include in the 9 main points of this article for anyone desiring to understand the truth about how bankers divide us and keep us from unifying against them. Consequently, please have an open enough mind to consider the possibility of the truth of this point as well and research the facts before you close your mind to a view that may differ from the one you currently hold.

(8) Falsely teach people that paper fiat currency and paper derivative products offered by bogus gold and silver derivative markets of the LBMA and COMEX are better stores of value and purchasing power than physical gold and physical silver, even though the below chart displays the incredible progression in the prices of gold and silver every year in USD since 2001.

Gold	Silver
2001 \$271.10	2001 \$4.59
2002 \$278.35	2002 \$4.59
2003 \$343.80	2003 \$4.67
2004 \$426.25	2004 \$5.97
2005 \$427.75	2005 \$6.39
2006 \$530.00	2006 \$9.04
2007 \$639.75	2007 \$13.01
2008 \$846.75	2008 \$14.93
2009 \$874.50	2009 \$11.08

2010 \$1121.50	2010 \$17.17
2011 \$1388.50	2011 \$30.67
2012 \$1598.00	2012 \$28.78
2013 \$1693.75	2013 \$30.87

The London price-fix of gold has risen for 13 straight years and silver has risen 11 out of the last 13 years. Thus, it is completely bizarre that the vast majority of the investing public are still scared off by declarations of banking shills and commercial banking investment advisers that tout global paper stocks such as Chipotle Grill, Facebook, and Bank of America as better investments than physical gold & silver, which they describe as "risky". Volatile, yes. Risky, no.

Because of (1) through (8), most citizens, especially those that live in the West and have been subjected to generations of banker propaganda, have no understanding of the fact that downside volatility in gold and silver is introduced artificially through computer HFT (High Frequency Trading) algorithms and bear no reflection upon the reality of physical gold and physical silver supply-demand determinants. Because nearly 100% of the things bankers teach us in school and through the media about the global monetary system and financial markets is a lie, I see, time and time again, masses of people befuddled by gold and silver price movements to the downside that have no fundamental basis of explanation and that can only be explained by banker manipulative games. This occurs among those of us that have no understanding of points (1) through (7) of this article. Thus, to this date, *shockingly most people have not taken advantage of the crystal clear gold and silver trend shown in the above timeline and have no idea that converting their fiat paper currencies or fiat GLD & SLV ETFs into real assets like physical gold and silver can serve as a very effective weapon to fight back against banker criminality.* Though it makes no sense to put faith in a piece of paper that has almost no intrinsic value and is truly a barbarous relic and to forgo ownership of real hard assets like physical gold and physical silver, the majority of masses, due to internalization of steps (1) through (7), continue to ignore reality and logic. However, read [this excerpt](#) from the book *The Golden Gift*, to understand how converting paper fiat currency into real assets like physical gold and physical silver can help re-establish our economic freedoms and help cut our bondages of financial slavery imposed upon us by the bankers.

(9) Teach people that the law is the final word so that they believe that anything legal is moral and anything illegal is immoral. The bankers have flipped the paradigm of morality on its head by convincing people that anything legal is moral and anything illegal is immoral when in fact, many things they have legislated as illegal is still moral and many things they have legislated as legal is highly immoral.

If truly moral people ran the world, probably 50% of the things legislated as legal would become illegal and 50% of the things legislated as illegal would become legal overnight. According to the United Nations Office on Drugs & Crime 2012 World Drug Report, heroin, cocaine, and all other "illegal" drugs killed about 200,000 people last year. On the contrary, an estimated 100,000 to [450,000 deaths occur from "legal" prescription drugs](#) every year in the United States alone, and in 2009, "legal" prescription drugs were responsible for 4.5 million hospital visits. However, due to a lack of focus by law enforcement agencies on "legal" drugs, accurate statistics of deaths from legal pills varies widely, and if I had to guess, I would say that the Big Pharma lobbyists do everything in their power to suppress the true number of deaths every year that occur globally due to their "legal" drugs. Thus, the War on Drugs is more about the parties that profit from it than about a sincere desire to abolish the murder and crime associated with it. There really should be a War on All Wars instead. Because of the creation of unthinking sheep that our education system produces, far too many people today react instinctively by thinking that anything illegal is wrong and that anything legal is right, thus diminishing their ability to recognize that our modern banking system amounts to a legalized institution of financial slavery.

As always, never believe anything printed or stated on TV "news" channels (especially CNN – just google "Amber Lyon" to understand why) unless you independently verify it yourself, including everything in this article. Unfortunately there are more lies than truth circulating among all mass media distribution channels today so nothing should be accepted at face value. **You must verify everything yourself until you are satisfied that you have arrived at the truth. Uncover the truth, and when you do, do everything you can to spread the uncovered truth to the four corners of the earth.** This is how we will regain our freedoms.

About the author: JS Kim is the founder and Managing Director of SmartKnowledgeU, a fiercely [independent investment research & consulting firm that focuses on gold & silver](#) as a means of resisting the tyranny of the global

banking cartel and of restoring sound money that would lay the foundation for the reintroduction of sustainable, organic economic growth to the world. Follow him on twitter [@smarknowledge](#), get his free newsletter available [here](#), and read a free excerpt of his book [The Golden Gift here](#).

Self Censorship of the Media

[U.S. Government Using Terrorism Against the American People](#) 01-07-13 George Washington Blog via ZH

We've documented that - by any measure - America is the [largest sponsor of terrorism in the world](#).

But remember, terrorism is [defined](#) as:

The use of violence and threats to intimidate or coerce, especially for political purposes.

The American government has also been using violence and threats to intimidate and coerce the *American* public for political purposes.

For example, the U.S. government is doing the following things to terrorize the American public into docility and compliance:

- [Labeling peaceful protest as terrorism](#)
- Using [homeland security laws to crush dissent](#)
- [Spying on all Americans](#)
- Threatening to [indefinitely detain American citizens without cause and without any due process](#)
- Even [threatening to kill any U.S. citizen on a whim](#)

U.S. constitutional law has taught for hundreds of years that **chilling** the exercise of our liberties is as dangerous to freedom than directly suppressing them. For example, as we've previously noted, [reporters censor themselves](#):

Initially, there is tremendous self-censorship by journalists.

For example, several months after 9/11, famed news anchor Dan Rather [told](#) the BBC that American reporters were practicing "a form of self-censorship":

There was a time in South Africa that people would put flaming [tires](#) around peoples' necks if they dissented. And in some ways the fear is that you will be necklaced here, you will have a flaming tire of lack of patriotism put around your neck. Now it is that fear that keeps journalists from asking the toughest of the tough questions.... And again, I am humbled to say, I do not except myself from this criticism.

What we are talking about here - whether one wants to recognise it or not, or call it by its proper name or not - is a form of self-censorship.

Keith Olbermann [agreed](#) that there is self-censorship in the American media, and that:

You can rock the boat, but you can never say that the entire ocean is in trouble You cannot say: By the way, there's something wrong with our system.



As former Washington Post columnist Dan Froomkin [wrote](#) in 2006:

Mainstream-media political journalism is in danger of becoming increasingly irrelevant, but not because of [the Internet](#), or even Comedy Central. The threat comes from inside. It comes from journalists being afraid to do what journalists were put on this green earth to do. . . .

There's the intense pressure to maintain access to insider sources, even as those sources become ridiculously unrevealing and oversensitive. There's the fear of being labeled partisan if one's bullshit-calling isn't meted out in precisely equal increments along the political spectrum.

If mainstream-media political journalists don't start calling bullshit more often, then we do risk losing our primacy — if not to the comedians then to the bloggers.

I still believe that no one is fundamentally more capable of first-rate bullshit-calling than a well-informed beat reporter — whatever their beat. We just need to get the editors, or the corporate culture, or the self-censorship — or whatever it is — out of the way.

Former Fox News reporters [say the same thing](#).

Any reporters who **don't** censor themselves [are harassed](#) . [Whistleblowers are prosecuted](#) ... or even [tortured by the government](#).

The fact that the government is spying on all Americans — and using the information to [launch political witch hunts](#) — makes us all watch what we say, and makes us careful about who we talk to. As the ACLU [notes](#):

Peaceful protesters should not be treated as potential terrorists nor spied upon by federal government agents. Not only is this a misuse of public funds that could be used to find real terrorists, it chills free speech activities and inhibits the public debate on important issues.

A federal judge found that the NDAA's provision allowing indefinite detention of Americans without due process has a "[chilling effect](#)" on free speech. And see [this](#) and [this](#).

The [threat of being labeled a terrorist](#) certainly dissuades and chills our willingness to exercise our rights.

Especially when power has become so concentrated that [the same agency](#) which spies on all Americans **also decides** who should be assassinated.

And [fear of terror makes people docile and stupid](#) ... and the government has [intentionally whipped up an exaggerated hysteria](#) of terror by "[others](#)" in order to scare the people.

The bottom line is that — like Stalin, Mao or Hitler — the U.S. government is using violence and threats to intimidate and coerce its **own** people for political purposes ... to consolidate power and suppress dissent.

Our Enemy the "State"

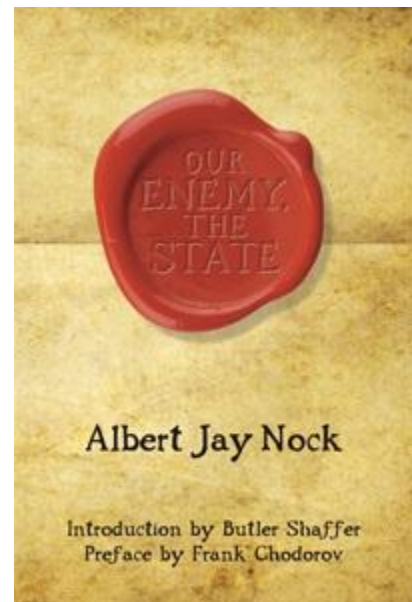
What does one need to know about politics? In some ways, Nock has summed it all up in this astonishing book, the influence of which has grown every year since its publication.

Nock was a prominent essayist at the height of the New Deal. In 1935, hardly any public intellectuals were making much sense at all. They pushed socialism. They pushed fascism. Everyone had a plan. Hardly anyone considered the possibility that the state was not fixing society but destroying it bit by bit.

And so Albert Jay Nock came forward to write what needed to be written. And he ended up penning a classic of American political commentary, one that absolutely must be read by every student of economics and government.

Consider his opening two paragraphs:

If we look beneath the surface of our public affairs, we can discern one fundamental fact, namely: a great redistribution of power between society and the State. This is the fact that interests the student of civilization. He has only a secondary or derived interest in matters like price-fixing, wage-fixing, inflation, political banking, "agricultural adjustment," and similar items of State policy that fill the pages of newspapers and the mouths of publicists and politicians. All these can be run up under one head. They have an immediate and temporary



importance, and for this reason they monopolize public attention, but they all come to the same thing; which is, an increase of State power and a corresponding decrease of social power.

It is unfortunately none too well understood that, just as the State has no money of its own, so it has no power of its own. All the power it has is what society gives it, plus what it confiscates from time to time on one pretext or another; there is no other source from which State power can be drawn. Therefore every assumption of State power, whether by gift or seizure, leaves society with so much less power; there is never, nor can there be, any strengthening of State power without a corresponding and roughly equivalent depletion of social power.

The theory is good enough and strong enough for the forging of an entire apparatus of libertarian thought, which he does here. But then he pushes the envelope. He discusses American history in a way that you will never read in the civics texts.

He praises the Articles of Confederation as the closest model of American freedom. And he blasts the men who hammered out the Constitution as nothing but usurpers engaged in a coup d'etat. Far from heralding the drafters, he exposes them as public creditors, land speculators, money lenders, and industrialists looking for privilege. They tossed out the Articles and used unscrupulous methods to ram the Constitution down the public's throat.

It was in this stage of American history, Nock says, that the state was unleashed. Next came the party system, and the dynamics of statism that causes "every intervention by the State" to enable another so that "the State stands ever ready and eager to make" interventions through deceit and lies.

One realizes many important points about Nock when reading this. First, he was brilliant, original, and courageous. Second, he hated politics -- indeed he hated politics so much that he wanted a society that was completely free of it. This is why he is often described as anarchist. Third, he surely was one of the great stylists of the English language in the history of 20th century writing.

Those who have read Nock know that there is something about his writing that tugs very deeply on one's conscience and soul. This book will linger in your mind as you read the daily headlines. He makes his points so well that they become unforgettable.

In so many ways, it is a tragedy that years have gone by when this book has been unavailable. But here it is again, just as hot, just a revealing, as it was in 1935. It is the ultimate handbook of the political dissident. If you aren't one yet, you may find that Nock is a very persuasive recruiter into his informed army that makes up the remnant who know.

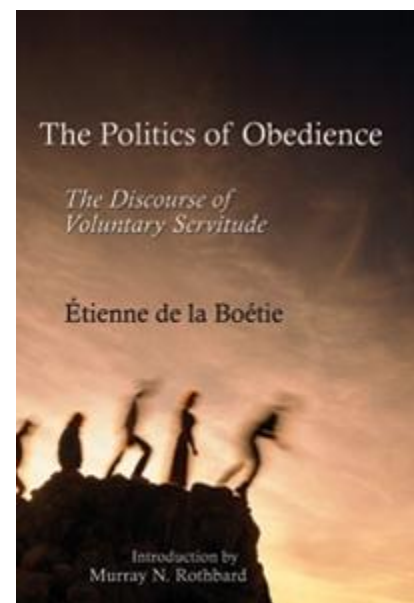
The Politics of Obedience

"Resolve to serve no more, and you are at once freed. I do not ask that you place hands upon the tyrant to topple him over, but simply that you support him no longer; then you will behold him, like a great Colossus whose pedestal has been pulled away, fall of his own weight and break in pieces."

Etienne de la Boetie

States are more vulnerable than people think. They can collapse in an instant—when consent is withdrawn.

This is the thesis of this thrilling book. Murray Rothbard writes a classic introduction to one of the great political essays in the history of ideas.



In times when dictators the world over are falling from pressure from their own people, this book, written nearly 500 years ago, is truly the prophetic tract of our times.

Étienne de La Boétie was born in Sarlat, in the Périgord region of southwest France, in 1530, to an aristocratic family, and became a dear friend of Michel de Montaigne. But he ought to be remembered for this astonishingly important essay, one of the greatest in the history of political thought. It will shake the way you think of the state. His thesis and argument amount to the best answer to Machiavelli ever penned as well as one of the seminal essays in defense of liberty.

La Boétie's task is to investigate the nature of the state and its strange status as a tiny minority of the population that adheres to different rules from everyone else and claims the authority to rule everyone else, maintaining a monopoly on law. It strikes him as obviously implausible that such an institution has any staying power. It can be overthrown in an instant if people withdraw their consent.

He then investigates the mystery as to why people do not withdraw, given what is obvious to him that everyone would be better off without the state. This sends him on a speculative journey to investigate the power of propaganda, fear, and ideology in causing people to acquiesce in their own subjection. Is it cowardice? Perhaps. Habit and tradition. Perhaps. Perhaps it is ideological illusion and intellectual confusion.

La Boétie goes on to make a case as to why people ought to withdraw their consent immediately. He urges all people to rise up and cast off tyranny simply by refusing to concede that the state is in charge.

The tyrant has "nothing more than the power that you confer upon him to destroy you. Where has he acquired enough eyes to spy upon you, if you do not provide them yourselves? How can he have so many arms to beat you with, if he does not borrow them from you? The feet that trample down your cities, where does he get them if they are not your own? How does he have any power over you except through you? How would he dare assail you if he had no cooperation from you?"

Then these inspiring words: "Resolve to serve no more, and you are at once freed. I do not ask that you place hands upon the tyrant to topple him over, but simply that you support him no longer; then you will behold him, like a great Colossus whose pedestal has been pulled away, fall of his own weight and break in pieces."

In all these areas, the author has anticipated Jefferson and Arendt, Gandhi and Spooner, and those who overthrew Soviet tyranny. The essay has profound relevance for understanding history and all our times.

As Rothbard writes in his spectacular introduction, "La Boetie's Discourse has a vital importance for the modern reader—an importance that goes beyond the sheer pleasure of reading a great and seminal work on political philosophy, or, for the libertarian, of reading the first libertarian political philosopher in the Western world. For La Boétie speaks most sharply to the problem which all libertarians—indeed, all opponents of despotism—find particularly difficult: the problem of strategy. Facing the devastating and seemingly overwhelming power of the modern State, how can a free and very different world be brought about? How in the world can we get from here to there, from a world of tyranny to a world of freedom? Precisely because of his abstract and timeless methodology, La Boétie offers vital insights into this eternal problem.

The Nature of the State

One of the themes of Murray Rothbard's writings on the nature of the state is that state power ultimately depends on the perpetuation of a body of beliefs and superstitions about the benevolence and necessity of the state, and the alleged evils of private property, free enterprise, individual liberty, and the civil society. Because the citizens always outnumber any ruling class by many orders of magnitude, they must somehow be made to acquiesce in the ruling class's plundering of their society in the name of "progress," "nationalism," "the greater good," "socialism," or whatever.

Beatings, imprisonment, torture, and mass murder are time-tested tools of the state, but they can be very costly and can instigate a revolution. Therefore, relentless propaganda is often relied upon instead to secure the power and privileges of the state and statists.

Once the people of the Soviet empire finally understood that socialist propaganda was all a big lie, the regime was doomed. At that point it was always just a matter of how much beating, imprisonment, torture, and mass murder the thugs and criminals who ran the Soviet government could get away with to keep the system going.

American history is vastly different from the grotesque history of Soviet Russia, but in some ways it is similar. Until recently, there has never been much of a movement to bring full-fledged socialism to America. The ideological battle was not so much capitalism versus socialism but capitalism and freedom versus interventionism and paternalistic regulation and taxation. The interventionists eventually won out, so that today's political/economic system (in the U.S. and in many other copycat countries) can be described as "participatory fascism," to borrow a phrase used by Robert Higgs. It is a system of crony capitalism financed by a central bank, government borrowing, and pervasive taxation. It is a system that is of plutocratic elites, for plutocratic elites, and by plutocratic elites (to paraphrase Abraham Lincoln, the true founding father of this system). The massive welfare state is merely used to buy enough votes to maintain the "legitimacy" of the system.

Like Soviet socialism, this system is grounded on a particular ideology or collection of superstitions about the evils of private, competitive markets and the supposed benevolence and necessity of state intervention. The ideology is not socialism but goes

The Security-Surveillance Complex - A Political Tool for Coercion, Extortion & Control

[Americans Are The Most Spied On People In World History](#) 12-28-12 [Washington Blogs](#) via Ritholtz TechDirt [notes](#):

In a [radio interview](#), Wall Street Journal reporter Julia Angwin (who's been one of the best at covering the surveillance state in the US) made a simple observation that puts much of this into context: the US surveillance regime [has more data on the average American](#) than the Stasi ever did on East Germans.

Indeed, the American government has more information on the average American than Stalin had on Russians, Hitler had on German citizens, or any other government has **ever** had on its people.

The American government is collecting and storing virtually every [phone call, purchases, email, text message, internet searches, social media communications, health information, employment history, travel and student records](#), and virtually all other information of every American.

Some also claim that the government is also using facial recognition software and surveillance cameras to [track where everyone is going](#). Moreover, cell towers [track where your phone is](#) at any moment, and the major cell carriers, including Verizon and AT&T, responded to [at least 1.3 million law enforcement requests](#) for cell phone locations and other data in 2011. And – given that your smartphone [routinely sends your location information](#) back to Apple or Google – it would be child's play for the government to track your location that way.

As the top spy chief at the U.S. National Security Agency [explained](#) this week, the American government is collecting some 100 billion 1,000-character emails per day, and 20 trillion communications of all types per year.

He says that the government has collected all of the communications of congressional leaders, generals and everyone else in the U.S. for the last 10 years.

He further explains that he set up the NSA's system so that all of the information would automatically be encrypted, so that the government had to obtain a search warrant based upon probable cause before a

particular suspect's communications could be decrypted. But the NSA now collects all data in an unencrypted form, so that no probable cause is needed to view any citizen's information. He says that it is actually cheaper and easier to store the data in an encrypted format: so the government's current system is being done for political – not practical – purposes.

He says that if anyone gets on the government's "enemies list", then the stored information will be used to target them. Specifically, he notes that if the government decides it doesn't like someone, it analyzes all of the data it has collected on that person and his or her associates over the last 10 years to build a case against him.

As we've previously documented, the spying [isn't being done to keep us safe ... but to crush dissent](#) and to [smear people](#) who uncover unflattering this about the government ... and to [help the too big to fail businesses compete against smaller businesses](#) (and [here](#)).

And as we point out at every opportunity, this is not some "post-9/11 reality". Spying on Americans – and most of the other attacks on liberty – started [before 9/11](#).

Senator Frank Church – who chaired the famous "Church Committee" into the unlawful FBI Cointel program, and who chaired the Senate Foreign Relations Committee – said in 1975:

Th[e National Security Agency's] capability at any time could be turned around on the American people, and **no American would have any privacy left, such is the capability to monitor everything**: telephone conversations, telegrams, it doesn't matter. There would be no place to hide. [If a dictator ever took over, the N.S.A.] **could enable it to impose total tyranny** We can debate whether or not dictators are running Washington. But one thing is clear: the capacity is already [here](#).

TechDirt points out:

While the Stasi likely wanted more info and would have loved to have been able to tap into a digitally connected world like we have today, that just wasn't possible.

That's true. The tyrants in Nazi Germany, Stalinist Russia and Stasi Eastern Europe would have liked to eavesdrop on every communication and every transaction of every citizen. But in the world before the internet, smart phones, electronic medical records and digital credit card transactions, much of what happened behind closed doors remained private.

(And modern tin pot dictators don't have the tens of billions of dollars necessary to set up a sophisticated electronic spying system).

In modern America, a ***much higher*** percentage of your communications and transactions are being recorded and stored by the government.

Modern Propaganda - Movies

SOURCE: [The CIA and Other Government Agencies Dominate Movies and Television](#) 01-16-13 Washington's Blog

The Winners of the Academy Award and Golden Globe Are ... Government Propagandists

Rob Kall points out that [the military-industrial complex is the winner](#) of the Golden Globe award:

Homeland won best TV series, best TV actor and actress. It IS a highly entertaining show which actually portrays some of the flaws of the MIIC system

Argo won best movie and best director. It glorifies the CIA and Ben Affleck spoke with the highest praise for the CIA.

And best actress went to Jessica Chastain of Zero Dark Thirty, a movie that has been vilified for propagandizing the use of torture.

The Military Industrial Intelligence Complex is playing a more and more pervasive role in our lives. In the next few years we'll be seeing movies that focus on the use of drone technology in police and spy work in the USA. We've already been seeing movies that show how spies can violate every aspect of our privacy— of the most intimate parts of our lives. By making movies and TV series that celebrate these cancerous extensions of the police state Hollywood and the big studios are normalizing the ideas they present us with— lying to the public, routinely creating fraudulent stories as covers for what's really going on.

I was hoping that Zero Dark Thirty would come up without any awards. I was hoping that at least such blatant propaganda promoting the lie that torture works would be repudiated by the Golden Globes. That didn't happen.

The truth is we do live in a time when the police have been massively militarized. We don't need movies or TV shows that celebrate that militarization. We don't need entertainment that normalizes the obscene violations of our privacy that the intelligence state is inflicting upon us. We need stories that celebrate people who stand up to this seemingly irrepressible tide that is washing away our freedoms, sucking up all our resources and erasing the last bastions of privacy.

David Walsh notes that [the real winner of the 2013 Academy Awards is the CIA](#):

Zero Dark Thirty, Kathryn Bigelow's quasi-fascistic glorification of the role played by the CIA in the so-called "war on terror" ... was tapped for five awards.

Of course, there is plenty of other [war-o-tainment](#) being peddled by Hollywood.

The military has long had a direct influence on Hollywood. For example, a book published by the University of Texas [points out](#):

The Central Intelligence Agency has been actively engaged in shaping the content of film and television, especially since it established an entertainment industry liaison program in the mid-1990s.

The book laments:

The significant influence that the CIA now wields in Hollywood

Gizmodo [reports](#):

The CIA has [a pile of script ideas lying around](#).

The Department of Defense and just about every branch of the military has an entertainment industry liaison similar to the CIA's.

If you want to make a war film and need [a fleet of F-22s](#), a crowd of Marines, or a [Navy aircraft carrier](#), just call up the [Department of Defense's entertainment media office](#) and they'll tell you if the Army can spare that [M1A1 Abrams tank](#) you've always wanted for a day or two of filming.

"The scripts we get are only the writer's idea of how the Department of Defense operates," Vince Ogilvie, deputy director of the Defense Department's entertainment liaison office, told Danger Room. "We make sure the Department and facilities and people are portrayed in the most accurate and positive light possible."

Hollywood has been working with government organizations to make more credible films for years (for instance, Jerry Bruckheimer and Paramount Pictures worked closely with the Pentagon when filming the 1986 blockbuster "Top Gun"). But the phenomenon is under

newfound scrutiny. There was a bit of a kerfuffle recently when some in the press and in Congress speculated about whether the government will give Sony Pictures any pointers while they make a film about the killing of Osama bin Laden.

In a [letter to the Defense Department and CIA](#) last month, Rep. Peter King expressed outrage at the Pentagon's relationship with the film's director, Kathryn Bigelow. King claimed that she had already been made privy to sensitive information that could put American lives at risk.

Standard procedure is to review the script, make notes on what the Defense Department would like changed, and kick it back to the producer. If the changes are made, the military will provide whatever help they can – declassified information, equipment, personnel, etc. – for a price.

Why has the Defense Department recently partnered with 20th Century Fox to make an [X-Men/U.S. Army ad](#) or with explosion-enthusiast Michael Bay to make all three [Transformers](#) movies? In [The Washington Post](#), David Sirota suggests entertainment like this is "government-subsidized propaganda."

The Guardian [noted](#) in 2001 that this has been happening for a long time:

For the first time in its history, the [CIA] has appointed an **official** PR liaison with Hollywood: veteran CIA operative Chase Brandon, whose 25-year career was spent defending democracy, it says here, in benighted South American theatres of the cold war.

These days, his brief is to preach a revised CIA gospel to Tinseltown, to overcome the lamentable image the agency acquired during the 1977 Church Congressional Commission on Assassinations, which it has struggled to shake off.

Other government agencies like the FBI, the Secret Service and the armed services discovered long ago the benefits of lending their cooperation to movies like *Silence of the Lambs*, *In the Line of Fire* and *Top Gun*.

Coming late to the game, the beleaguered CIA now has to overcome 25 years of suspicion – not to mention a grim history of covert assassinations, secret wars, illegal coups d'état, and the damaging revelations of former agents such as Philip Agee or John Stockwell – if it wants to clean up its image. This may be an uphill struggle, as the agency faces criticism for its failure to predict the events of September 11 – but suddenly, perhaps fortuitously, a slew of movies and TV shows about the CIA will be launched this autumn.

Brandon and the agency have approved eye-opening stuff. The Agency is a new CBS drama, full of best-and- brightest types rolling up their sleeves and attacking problems of national security, West Wing-style. Its first episode depicted a CIA attempt to foil an assassination attempt on Fidel Castro. This might surprise anyone remembering the agency's attempts in the early 1960s to knock off Fidel with exploding cigars, sub-contracted mobsters and chemicals designed to make his beard fall out – to say nothing of the abortive Bay of Pigs invasion.

The company also lent their support to *Alias*, an action series featuring Jennifer Garner as a grad student-superspy a few degrees away from *La Femme Nikita*. The Chris Rock-Anthony Hopkins comedy *Bad Company* traffics in similar comic-strip depictions of the CIA that Brandon was happy to help.

Receipt of the CIA's corporate imprimatur is conditional upon only one thing: a totally sympathetic portrayal of company business.

It used to be the case that if a movie explicitly condemned CIA actions – such as Under Fire – the studios could be counted on to bury it.

In fact, the CIA first started working with Hollywood [in the 1950s](#):

The CIA has been working with Hollywood since the 1950s.

The CIA first started working with Hollywood to influence foreign audiences. "Their purpose was essentially to shape foreign policy or to win hearts and minds overseas during the cold war," she says.

The CIA developed a think tank to fight communist ideology, which negotiated the rights to George Orwell's "[Animal Farm](#)" — getting a talking pig on the screen 20 years before "Charlotte's Web." Jenkins says the CIA also wanted to promote a certain view of American life, for instance pressing for line changes in 1950s scripts to make black characters more dignified, and white characters more tolerant. This "politically correct" image was intended to promote an attractive image of America to a world picking sides in the Cold War.

Of course, pro-torture productions such as Zero Dark Thirty and the [CIA-sponsored](#) tv show 24 are 100% [false](#): the top conservative and liberal interrogation experts say that torture [hurts rather than helps](#) national security.

And the CIA's drone problem [creates many more terrorists than it kills](#).

And the CIA's other efforts have made us [more vulnerable ... not safer](#).

But this is Tinseltown we're talking about ... so no one expects the truth.

Of course, the CIA and other government agencies have long [directed the mainstream media as well](#). No wonder the mainstream media is [always pro-war](#), and [happily trumpets disinformation](#) about supposed enemies to drum up support for new wars.

The government also [censors and manipulates social media](#). More proof [here](#) and [here](#).

Modern Propaganda - Video Games

SOURCE: [Government Pushes Propaganda Through Video Games](#) 01-17-13 Washington's Blog

Military Recruits Young People Through Misleading Games

The government also spreads propaganda through video games.

By way of example, former CIA director William Colby [went to work for a video game company](#) after he retired, and a former United States marine allegedly confessed to working at a video game company which was really a CIA front to [create a game to drum up support for war against Iran](#).

The Guardian [reports](#):

"For decades the military has been using video-game technology," says [Nina Huntemann](#), associate professor of communication and journalism at [Suffolk University in Boston](#) and a computer games specialist. "Every branch of the US armed forces and many, many police departments are using retooled video games to train their personnel."

Like much of early computing, nascent digital gaming benefited from military spending. The prototype for the first home video games console, the 1972 Magnavox Odyssey, was developed by Sanders Associates, a US defence contractor. Meanwhile, pre-digital electronic flight simulators, for use in both military and civilian training, date back to at least the second world war.

Later, the games industry began to repay its debts. Many insiders note how instruments in British Challenger 2 tanks, introduced in 1994, [look uncannily like the PlayStation's controllers](#), one of the most popular consoles of that year. Indeed, warfare's use of digital war games soared towards the end of the 20th century.

"By the late 1990s," says [Nick Turse](#), an American journalist, historian and author of [The Complex: How the Military Invades Our Everyday Lives](#), "the [US] army was pouring tens of millions of dollars into a centre at the University of Southern California – [the Institute of Creative Technologies](#) – specifically to build partnerships with the gaming industry and Hollywood." [The Washington Times [reports](#) on the link as well.]

It's a toxic relationship in Turse's opinion, since gaming leads to a reliance on remote-controlled warfare, and this in turn makes combat more palatable.

"Last year," says Turse, "the US conducted combat missions in Afghanistan, Iraq, Libya, Pakistan, Somalia and Yemen. There are a great many factors that led to this astonishing number of simultaneous wars, but the increasing use of drones, and thus a lower number of US military casualties that result, no doubt contributed to it."

The Christian Science Monitor [noted](#) in 2009:

In 1999, the military had its worst recruiting year in 30, and Congress called for "aggressive, innovative" new approaches. Private-sector specialists were brought in, including the [top advertising agency Leo Burnett](#), and the Army Marketing Brand Group was formed. A key aim of the new recruitment strategy was to ensure long-term success by cultivating the allegiance of teenage Americans.

Part of the new campaign, helping the post-9/11 recruiting bump, was the free video game America's Army. Since its release, different versions of the war game have been downloaded more than 40 million times, enough to put it in the **Guinness book of world records**. According to a 2008 study by researchers at the [Massachusetts Institute of Technology](#), **"the game had more impact on recruits than all other forms of Army advertising combined."**

That these efforts are unfaithful to war's reality has not gone unnoticed. Protesting the Army Experience Center in Philadelphia, [Sgt. Jesse Hamilton](#), who served two tours in [Iraq](#) and nine total in the military, expressed disgust that the Army has "resorted to such a deceiving recruitment strategy."

It's an approach that could have detrimental long-term effects. "The video game generation is worse at distorting the reality" of war, according to one Air Force colonel. Although they may be more talented at operating predator drones, the colonel told the [Brookings Institution](#), "They don't have that sense of what [is] really going on."

NBC News [reported](#) in 2003:

Video games are increasingly viewed by top brass as a way to get teenagers interested in enlisting.

Games such as "America's Army," developed and published by the Army, and "Guard Force," which the Army National Guard developed with Alexandria, Va.-based Rival Interactive, can be downloaded or picked up at recruitment offices.

"America's Army" has been a hit online since its July 2002 release, attaining 1.5 million registered users who endure a basic training regiment complete with barbed-wire obstacle courses and target practice.

"Guard Force" has been less successful. Released last year, it features bland synth-rock music that blares in the background. Between video commercials touting the thrills of enlisting in the Army National Guard, gamers pluck flood victims from rooftops or defend a snowy base. In the training mission, gamers deploy helicopters, even tanks, to rescue skiers trapped in an avalanche.

Foreign Policy [argued](#) last year:

Video games would seem to be ideal propaganda tools. Where comic books and newsreels once enthralled the Greatest Generation, today's millennials are in love with video games. American consumers, for example, [spent](#) \$25 billion on games in 2010, while gamers worldwide play 3 billion hours a week. Games also offer advantages over traditional propaganda mediums like television or newspapers: They are interactive and immersive, they deliver challenge, competition, and the hands-on triumph of personally gunning down enemies.

Who could blame a CIA spymaster for pondering whether games could be used to demonize Iran or vilify Venezuela?

Michael Bauch [writes](#):

Governments are increasingly trying to twist the [video game] business into a brainwashing machine to promote their agendas, just as has been done with the movie industry.

Why are video games such a perfect tool for governments and why are governments stepping up their usage of them? Because the Internet generation now have easy access to all information and points of view. Governments don't want kids using the Internet to learn about these things. So governments need to keep kids distracted and under constant brainwashing. A typical American kid might go to school all morning learning about how great America is and how dangerous the rest of the world is, then come home and play some video games like Strategy 2012.

This game was free during the Presidential campaign and tells you who you should vote for and how political campaigns are run (or at least how the government would like you to think it's done). This is the official game description: "Help Mitt Romney win the Nomination

by beating his conservative rivals. Then choose Romney or Obama and fight for the presidency in Ohio.”

Not only are government-developed games spreading propaganda. Game developers are now accepting the norms set by the government like in Scribblenauts where the game set's a puzzle for you to solve by conjuring items. In one puzzle you get a mission called "Peacefully break up the Rioters!" What would a sane person try first? Well, I tried "Diplomat" and "Peacekeeper". Neither had any effect. So I tried "Tear Gas" and had the crowd crying and disbursing in seconds, immediately earning a gold star just as you would in school when you have done something right! You can watch the video ... of me playing the mission.

Now that the gaming industry have been infected by government propaganda they are now constantly sending the information they want to your kids.

You might assume that only foreigners are depicted as enemy targets in the propaganda video games. But remember that [peaceful protest and any criticism of the government is now considered potential terrorism](#).

As such, it should not be entirely surprising that the enemy target in the most popular video game series, **Call of Duty** – which is more popular than virtually [any movie](#) or [musical album](#) – is a Julian Assange like character who is the ["leader of the 99%"](#).

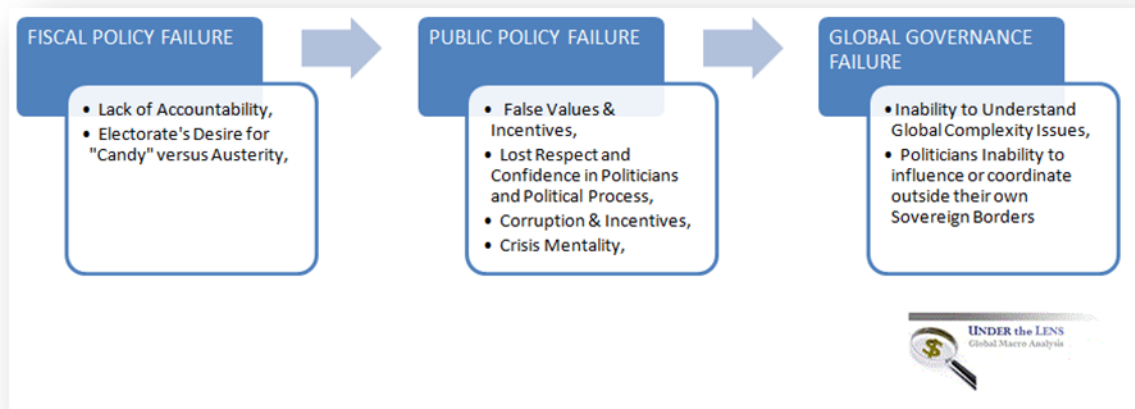
And see [this](#) and [this](#).



CATALYSTS

A FAILURE OF POLITICAL LEADERSHIP

Earlier in THESIS 2013 in the section on CORE PROBLEMS we outlined the reasons for failures in Fiscal/ Monetary Policy, Public Policy & Global Governance Policy.



The result has been:

FISCAL POLICY FAILURE

- Chronic budget deficits,
- Unsustainable Public Debt levels,
- Accounting that hides and avoids \$Trillions of Unfunded Entitlements,
- Tax policies that are crippling and hindering investment,

PUBLIC POLICY FAILURE

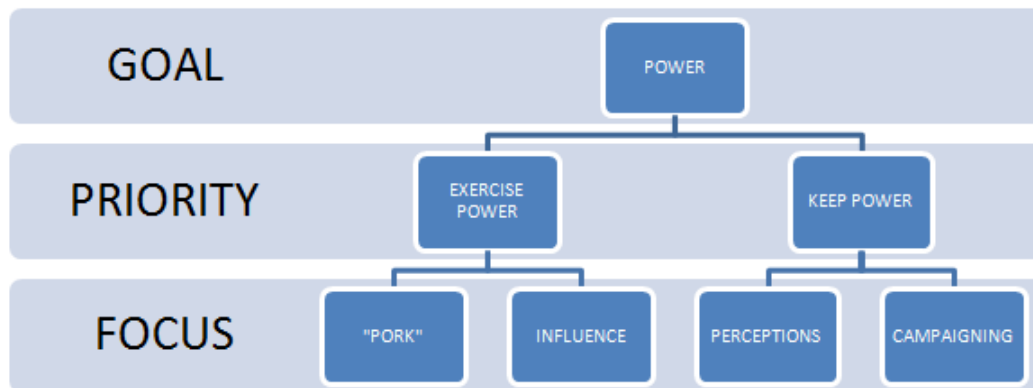
- Chronic Trade Imbalances,
- Chronic Unemployment,
- 47 Million on Food Stamps and 90 Million dependent on government transfer payments,
- Legislation & Public Policy which has instilled false Values & Incentives,
- Avoidance of Hard Measures (such as the insolvency of Entitlement Programs),

GLOBAL GOVERNANCE FAILURE

- Inability to deal with COMPLEXITY of Globalization
 - Complex Networks of Financial Systems & Instruments
 - Competitive Advantage of Emerging Nations
- Inability to "Rein In" Expansionary Monetary Policy & Malpractice
 - Politicians have become servants and the Banking & Credit Industry,
- Inability to Address the Global "Productivity Paradox"
 - The Internet has unleashed the greatest "Creative Destruction" in history with no understanding nor response from government leaders.

The above list could fill multiple pages and is a paper in its own right. The point here is that there is a recognizable failure by politicians and the political process to address the changing needs of society.

POLITICIANS



The inability of politicians and the political process to address and solve problems has destroyed the public's confidence in their elected officials and the system.

They question their goals, their priorities and their focus. All of which are becoming increasingly frustrating for the electorate.

Elections that change governments and parties on the promise of "change" are continuously seen to fail and to nothing more than more of the same.

What is seen is that the public and the individual have less and less power or influence.

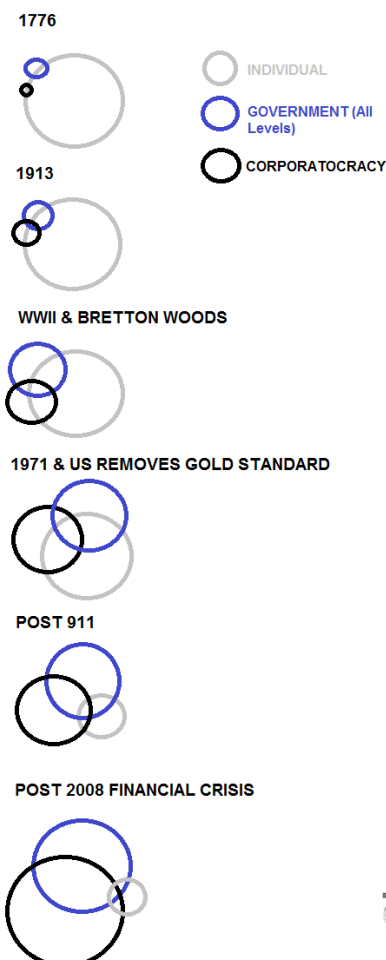
Influence is now the world of Corporatocracy, Crony Capitalists and Influence merchants.

All of this is masked behind the veil of complexity.

Obamacare and Dodd-Frank Legislation were so extensive that few if any politicians could testify they had read the bills. They voted party lines while the bills were prepared by the influence merchants.



POWER VERSUS COMPLEXITY



UNGOVERNABLE DEMOCRACY

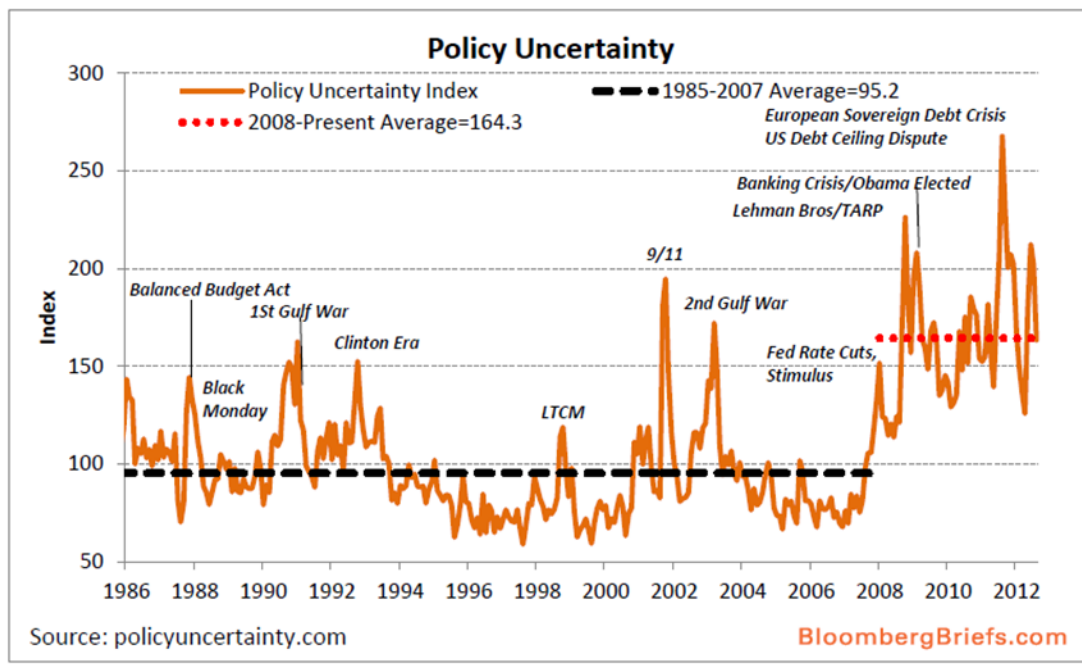
- Crisis of Trust,
- Broken Social Contract,
- Breakdown in Civic Responsibility,
- Austerity versus Entitled
- Values & Incentives

CONSTITUTIONAL CRISIS

- Rule of Law Corrupted
- bill of Rights and Civil Liberties being infringed in the guise of security and alien threat,
- Constitution evaded by Executive Order,

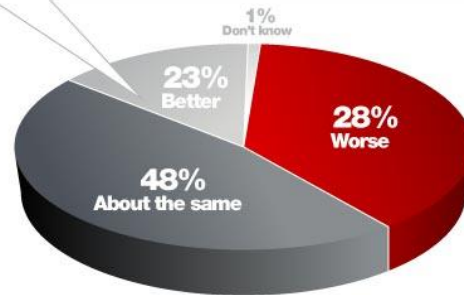
UNCE
RTAI
NTY & PUBLIC INSECURITY

Troubled by Policy Uncertainty



A rapidly growing lack of confidence in the political system to fix problems is now being further aggravated due to an increase in the electorate's sense of financial insecurity.

Compared to 12 months ago, how do you feel your **overall financial situation** today?

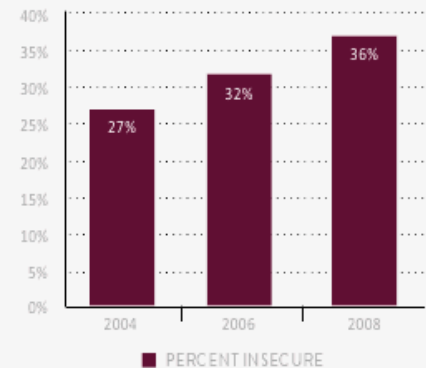


The electorate looks to the government to deliver certain specific needs.

In essence the government is responsible for Security in the form of personal safety and shelter. Shelter here refers to the abilities for the economic system under the governments guidance to supply the individual and their families with the ability to survive and prosper. There are increasingly being eroded as the middle class in America is 'gutted' and disposable income shrink and standards of living fall.

The second thing the public looks to the government for is equality in the form of the Rule of Law and Fairness of opportunity. Here to this is seen to be breaking down with government corruption, crony capitalism, failure to prosecute financial malfeasance and a moral malady discussed earlier.

FIGURE 1. ECONOMIC INSECURITY AMONG ALL SENIORS
2004-2008



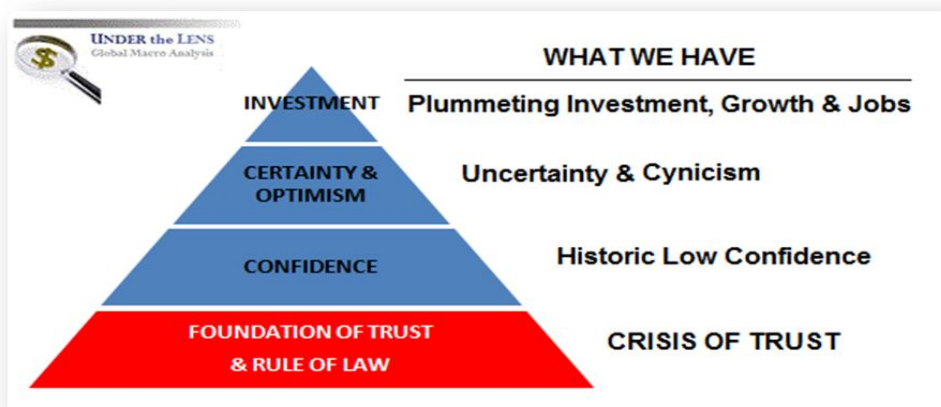
Lack of Confidence in Government

The CONFIDENCE between the people and its government and is breaking down and in fact is near the point of breaking. There is now however a Crisis of Trust. A Crisis of Trust in turn leads to what can best described as an economic "Death Spiral".

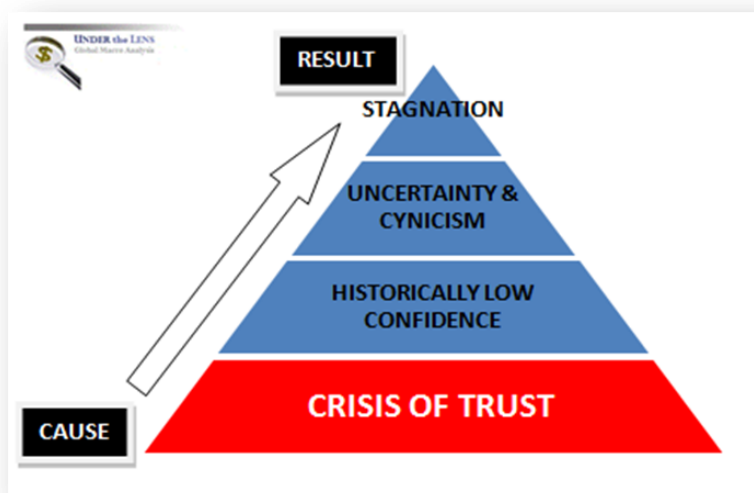
CRISIS OF TRUST

When respect and confidence is lost it leads to a **Crisis of Trust**

What we have:



Why We Have It:



AN UNGOVERNABLE DEMOCRACY

Our democratic society is quickly BECOMING Un-Governable

1. The Degree of political polarization,
2. Lost respect and confidence in the political process and its leadership,
3. Unwillingness to accept change,
4. The avoidance responsibility for matters that don't directly impact someone personally,
5. A lost sense of civic responsibility,
6. Entitlement expectations,
7. Lack of education and interest to properly understand economic and financial issues,

Crisis of Trust

As we have outlined earlier we have a major Crisis of Trust

Broken Social Contract

The social contract between the people and its government is rapidly breaking down because of the government's inability to deliver both what the people see as its needs and the basic reason for the governments existence. The government is seen as no longer being there to serve the people but rather the people being there to serve the government.

Breakdown in Civic Responsibility

A moral shift in society away from a strong family unit (over 40% of children are from single family or divorced families), the isolationism of internet technologies, bedroom communities & long commutes and a shortage of time has broken down the publics sense of civic responsibility. Additionally, for over 45% of America, the government is no longer their responsibility but rather the government is responsible for them.

Austerity versus Entitlement

As the chart to the right illustrates, the public is not interested in sacrifice for the better good. Politicians who do not get this are summarily removed.

Values and Incentives

Our materialistic consumer oriented society no longer has the tolerance for any public policies that does not deliver on what they see as their entitlement. value systems that are the foundation of a solid responsible democratic system are no longer as dominate.

We are left with a democratic society that is quickly BECOMING Un-Governable

SOURCE: GordonTLong.com Macro Analytics Video with John Rubino

Why We're Ungovernable

Once a country's debt exceeds a certain level the required interest payments become a headwind that makes growth impossible. Since growth is the key to political stability, excessive debt makes a society ungovernable. This is now the case in most of the developed world.

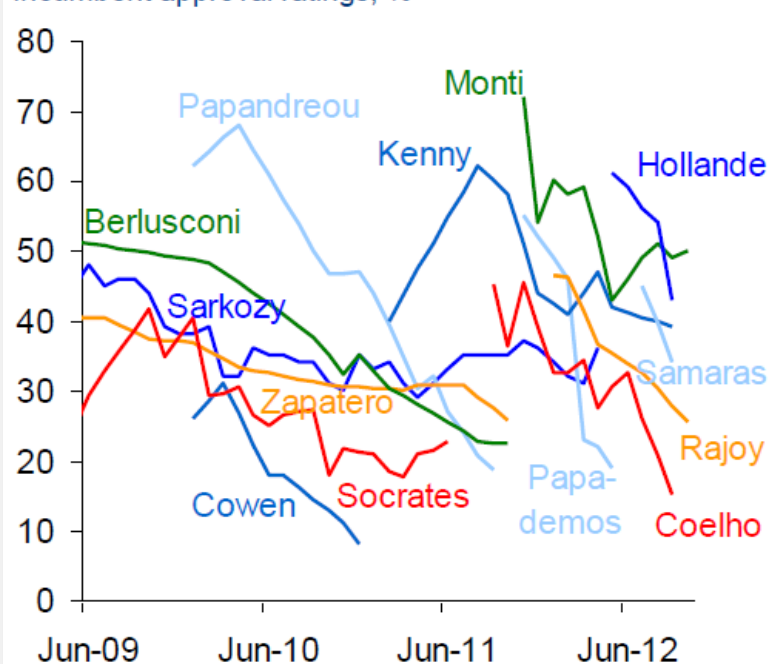
United States

We can create infinite amounts of the world's reserve currency out of thin air, which amounts to an unlimited credit card. Instead of controlling ourselves like adults, we've borrowed more money than any other country in history, and used it to:

- build a global military empire that costs

Austerity doesn't get you re-elected

Incumbent approval ratings, %



Source: Citi Research, national press, polling agencies

- about a trillion dollars a year
- create cradle to grave welfare state that costs a trillion dollars a year
- develop an aristocracy of bankers and politicians who, because they get first crack at those newly-created dollars, have become all-powerful. In today's America, Goldman Sachs, the Treasury Department, and the Fed are just divisions in the same profit-maximizing organization.

As a result both sides of the US political spectrum see the other as having won. The left looks at America and sees rapacious banks and military contractors impoverishing their workers and destroying the environment while they vacuum all the money.

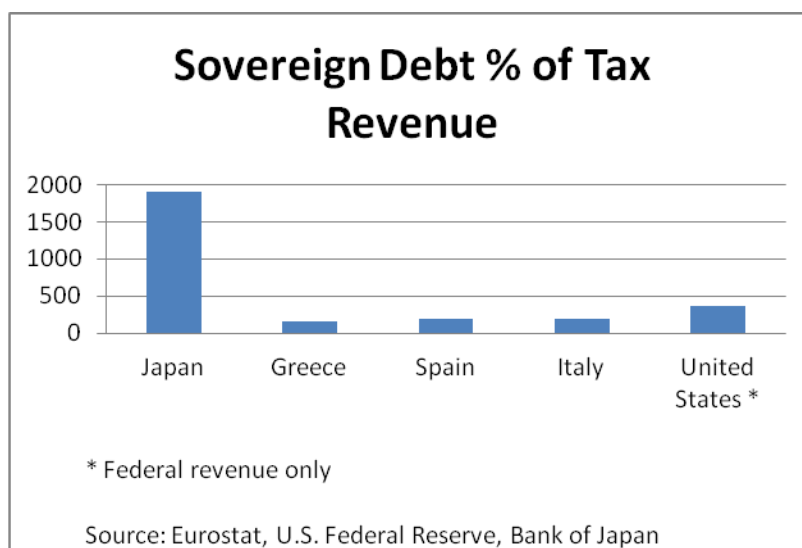
The right sees dependency expanding exponentially while public sector unions crowd out wealth creators and turn the US into a socialist dictatorship (read France).

Thanks to the magic of the printing press, they're both right.

- Each side is disgusted with the other and unwilling to compromise. They both insist on winning.
- The imbalances are so huge that no compromise plan would work in any event
- We're on auto pilot, heading for a financial cliff

Japan

Back in the 1990s, Japan had equity and real estate bubbles burst simultaneously. It responded by borrowing a lot of money and propping up its banks and builders. Which worked in the short run but required sustained deficit spending. Today Japan's public debt 200% of GDP and interest on its debt is now 40% of tax revenues.



Now that baby boomers are retiring, Japan will have to borrow money from abroad rather than from its own savers, so it will have to pay higher rates. If its average rate goes to just 2%, its interest costs will equal 100% of government tax revenues. In other words it will be bankrupt. There's no solution for this much debt, so Japan now goes through finance ministers about every six months. Its government just fell and was replaced by one of the old guard who promises aggressive monetary ease and has threatened to nationalize the bank of Japan to bring it under central government control.

France

France replaced the unpopular Nicolas Sarkozy with a socialist named Francois Hollande, who immediately lowered the retirement age for some workers and raised taxes dramatically. Now the

economy is imploding and Hollande's popularity is plunging – and there's apparently widespread nostalgia for the days of Sarkozy.

The point is that it doesn't matter who's in charge because there is no mix of mainstream policies capable of making France a functional, growing country again. These guys will probably be a bigger story than Spain or Greece in the coming year.

Conclusion

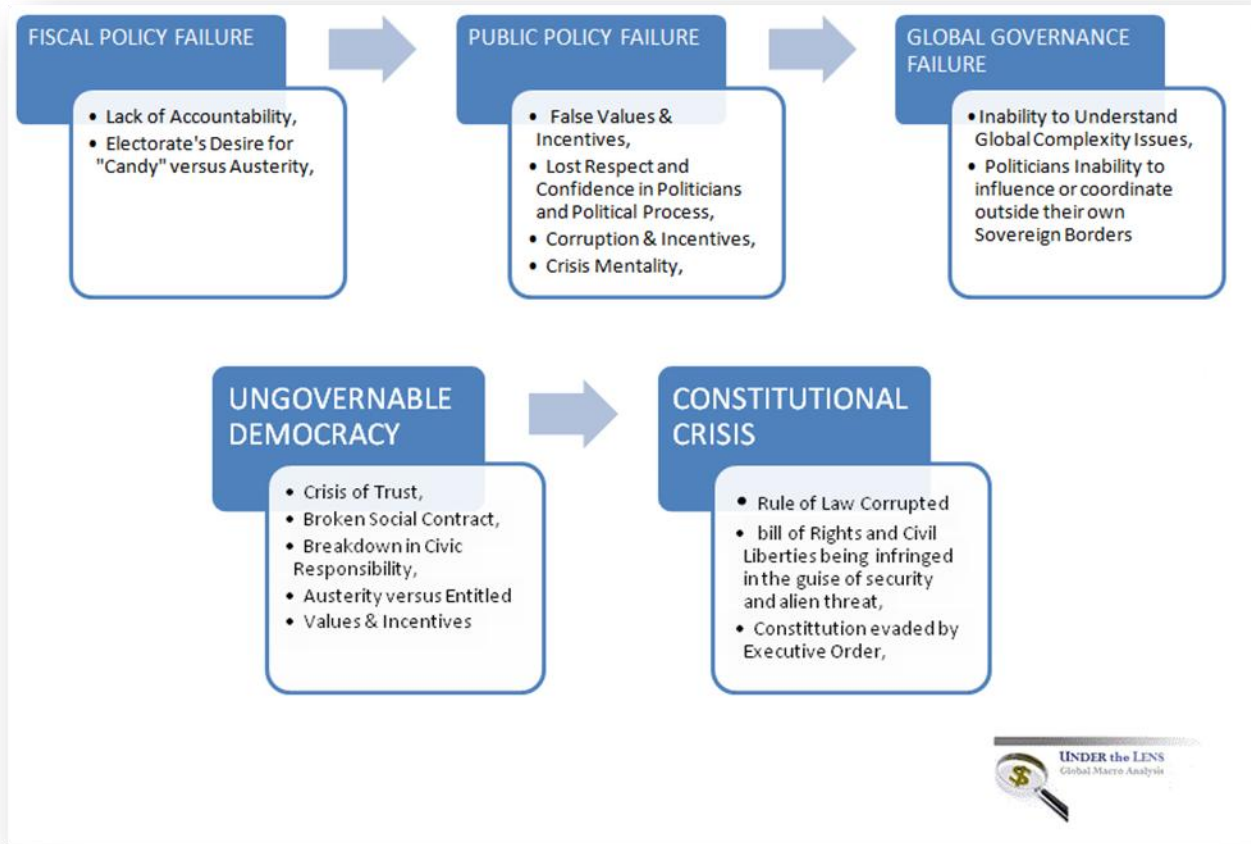
Excessive debt produces political gridlock, which makes fiscal policy impotent. This leaves monetary policy as the only remaining tool. Every major country will now have no choice but to monetize its debt going forward. The result:

- Currency wars
- Rising political instability
- Rising inflation (currency depreciation)
- Bond market debacle
- Crack-up boom followed by devastating collapse of the U.S., Europe, Japan

CONSTITUTIONAL PRESSURES

The above discussion has placed us on a roadmap to a Constitutional Crisis.

A crisis that may not be resolved by the people but rather by the emergence of a Statist Government.



We are seeing many clues of this possibility emerging.

We have outlined this in DETAIL in a six part video series:

6 PART VIDEO SERIES

[Unsound Money Jeopardizes Constitutional Rights](#)

[Constitutional Pressures](#)

[Inequality Precedes Social Unrest](#)

[Instability & Political Turmoil Lay Ahead](#)

[An Un-Governable Democracy](#)

[The Fiscal Cliff & Constitution in Crisis](#)



Rule of Law Being Corrupted & Called Into Question

SOURCE: [U.S. Government Claims – Just Like the Nazis – that the Truth Is Too Complicated and Dangerous to Disclose to the Public](#) George Washington on 01/15/2013

In the classic history of Nazi Germany, **They Thought They Were Free**, Milton Mayer [writes](#):

"What happened here was the gradual habituation of the people, little by little, to being governed by surprise; to receiving decisions deliberated in secret; to believing that the situation was so complicated that the government had to act on information which the people could not understand, or so dangerous that, even if the people could not understand it, it could not be released because of national security. And their sense of identification with Hitler, their trust in him, made it easier to widen this gap and reassured those who would otherwise have worried about it.

*"This separation of government from people, this widening of the gap, took place so gradually and so insensibly, each step disguised (perhaps not even intentionally) as a **temporary emergency measure** or associated with true patriotic allegiance or with real social purposes. And all the crises and reforms (real reforms, too) so occupied the people that they did not see the slow motion underneath, of the whole process of government growing remoter and remoter.*

Similarly, America has - little by little - gone from a nation of laws to a nation of [powerful men making laws in secret](#). Indeed, even Congress [doesn't know](#) half of [what others are doing](#).

Secretive, unaccountable agencies are making [life and death decisions](#) which effect our most basic rights. They provide "secret evidence" to courts which cannot be checked ... and often withhold any such "evidence" even from the judges. [For example](#):

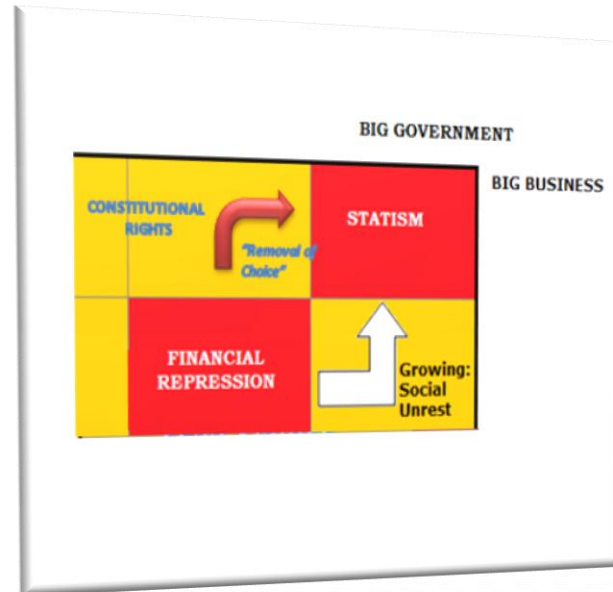
"I find myself stuck in a paradoxical situation in which I cannot solve a problem because of contradictory constraints and rules — a veritable Catch-22," the judge wrote. "I can find no way around the thicket of laws and precedents that effectively allow the Executive Branch of our Government to proclaim as perfectly lawful certain actions that seem on their face incompatible with our Constitution and laws, while keeping the reasons for their conclusion a secret."

The government uses "secret evidence" to [spy on Americans](#), prosecute [leaking](#) or [terrorism](#) charges (even against [U.S. soldiers](#)) and even [assassinate people](#).

And the government [goes after whistleblowers](#) ... and reporters who [say too much](#) (and [see this](#)).

U.S. government spokesmen pretend - just as the Nazis - that:

- The situation is so complicated that the government has to act on information which the people could not understand



- It is so dangerous that, even if the people could not understand it, it could not be released because of national security

As FireDogLake [notes](#):

Like the iron fist of the Nazis ... Americans must submit to "roving surveillance" and warrantless searches, without the requirement of a Judge's authorization. Surveillance laws are part of a larger arsenal of weapons against political dissidents and whistle blowers.

*Most Americans don't know the Patriot Act authorizes **secret charges relying on secret evidence and secret grand jury statements**. Under the Patriot Act, Americans have no right to know who has accused them of what criminal activities, or the dates of the alleged offense.*

They're not even told what law was broken. The government has power to lock up Americans on military bases or other prisons without a hearing or trial. We can be detained indefinitely without any rights of due process at all.

All of this happened in Germany - as in America today - because the governments [whipped up so much fear](#) of attack [by demonizing the enemy and declaring an open-ended war](#) that people became complacent and stopped thinking for themselves.

As Mayer notes about Nazi Germany, people were [too apathetic or scared](#) to stand up for others:

Pastor Niemöller spoke for the thousands and thousands of men like me when he spoke (too modestly of himself) and said that, when the Nazis attacked the Communists, he was a little uneasy, but, after all, he was not a Communist, and so he did nothing; and then they attacked the Socialists, and he was a little uneasier, but, still, he was not a Socialist, and he did nothing; and then the schools, the press, the Jews, and so on, and he was always uneasy, but still he did nothing. And then they attacked the Church, and he was a Churchman, and he did something—but then it was too late."

The [same is true in modern America](#).

Mayer points out:

"You see," my colleague went on, "one doesn't see exactly where or how to move. Believe me, this is true. Each act, each occasion, is worse than the last, but only a little worse. You wait for the next and the next. You wait for one great shocking occasion, thinking that others, when such a shock comes, will join with you in resisting somehow. You don't want to act, or even talk, alone; you don't want to 'go out of your way to make trouble.' Why not?—Well, you are not in the habit of doing it. And it is not just fear, fear of standing alone, that restrains you; it is also genuine uncertainty.

*"But the one great shocking occasion, when tens or hundreds or thousands will join with you, never comes. **That's** the difficulty. If the last and worst act of the whole regime had come immediately after the first and smallest, thousands, yes, millions would have been sufficiently shocked—if, let us say, the gassing of the Jews in '43 had come immediately after the 'German Firm' stickers on the windows of non-Jewish shops in '33. But of course this isn't the way it happens. In between come all the hundreds of little steps, some of them imperceptible, each of them preparing you not to be shocked by the next. Step C is not so much worse than Step B, and, if you did not make a stand at Step B, why should you at Step C? And so on to Step D.*

The same is happening to [Americans today](#). Indeed, the American government appears to be [following the Nazi playbook](#). The U.S. government - like the SS - may label anyone who disagrees with government policy as [crazy](#) or a [potential terrorist](#) ... and is claiming [more tyrannical powers](#) that [even Hitler claimed](#).

If you think we're exaggerating, just listen to what the prosecutors who convicted the Nazis of war crimes say ...

Benjamin Ferencz - a former chief prosecutor for the Nuremberg Trials against the Nazis - declared:

A prima facie case can be made that the United States is guilty of the supreme crime against humanity — that being an illegal war of aggression against a sovereign nation.

See [this](#), [this](#), and [this](#). In addition, he [said](#):

[A Nuremberg defendant said that he didn't feel bad for killing children and other innocent people] "because we relied on the head of state, Hitler. He had more information than I had, and he told us that the Soviets planned to attack, so it was necessary in presumed self-defense."

It's very disappointing to find that my government today is prepared to do something for which we hanged Germans as war criminals.

Another Nuremberg prosecutor, Henry King, Jr., said that the [Guantanamo trials violate the Nuremberg principles](#) and Geneva Convention.

Allowing [medical experimentation on prisoners](#) certainly violates the Nuremberg principles. And [leading constitutional law expert](#) Jonathan Turley notes that the government is violating the Nuremberg principles by [failing to punish those who created our recent policy of torture](#).

Note 1: Fascism also happened in Nazi Germany because [the taxpayers became responsible for the debts of big corporations](#), and the corporate sector and authoritarian government worked hand-in-glove. The same is [happening in the U.S. right now](#).

Note 2: For Dems who assume that things improved after Bush, please note that a former Obama security adviser says that [Obama is as "ruthless and indifferent to rule of law" as Bush](#). And [see this](#).

SOURCE: [The Lie that Prosecuting Bank Fraud Will Destabilize the Economy Is What Is REALLY Destroying the Economy](#) 12-22-12 [George Washington](#) via ZH

The Departments of Justice and Treasury are [pretending](#) that criminally prosecuting criminal bankers will destabilize the economy.

The **exact opposite** is true.

Failing to prosecute [criminal fraud](#) has been **destabilizing** the economy since at least 2007 ... and will cause **huge crashes** in the future.

After all, the [main driver of economic growth](#) is a strong rule of law.

Nobel [prize](#) winning economist Joseph Stiglitz says that [we have to prosecute fraud or else the economy won't recover](#):

The legal system is supposed to be the codification of our norms and beliefs, things that we need to make our system work. If the legal system is seen as exploitative, then confidence in our whole system starts eroding. And that's really the problem that's going on.

I think we ought to go do what we did in the S&L [crisis] and actually put many of these guys in prison. Absolutely. These are not just white-collar crimes or little accidents. There were victims. That's the point. There were victims all over the world.

Economists focus on the whole notion of incentives. People have an incentive sometimes to behave badly, because they can make more money if they can cheat. If our economic system is going to work then we have to make sure that what they gain when they cheat is offset by a system of penalties.

Nobel [prize winning](#) economist George Akerlof has [demonstrated](#) that failure to punish white collar criminals – and instead bailing them out– creates incentives for more economic crimes and further destruction of the economy in the future.

Indeed, professor of law and economics (and chief S&L prosecutor) William Black [notes](#) that we've known of this dynamic for "hundreds of years". And see [this](#), [this](#), [this](#) and [this](#).

(Review of the data on accounting fraud confirms that [fraud goes up as criminal prosecutions go down](#).)

The Director of the Securities and Exchange Commission's enforcement division [told](#) Congress:

Recovery from the fallout of the financial crisis requires important efforts on various fronts, and vigorous enforcement is an essential component, as aggressive and even-handed enforcement will meet the public's fair expectation that those whose violations of the law caused severe loss and hardship will be held accountable. And vigorous law enforcement efforts will help vindicate the principles that are fundamental to the fair and proper functioning of our markets: that no one should have an unjust advantage in our markets; that investors have a right to disclosure that complies with the federal securities laws; and that there is a level playing field for all investors.

Paul Zak (Professor of Economics and Department Chair, as well as the founding Director of the Center for Neuroeconomics Studies at Claremont Graduate [University](#), Professor of Neurology at Loma Linda University Medical Center, and a senior researcher at UCLA) and Stephen Knack (a Lead Economist in the World Bank's Research Department and Public Sector Governance Department) [wrote](#) a paper called Trust and Growth, [showing](#) that enforcing the rule of law – i.e. prosecuting white collar fraud – is necessary for a healthy economy.

One of the leading [business schools](#) in America – the Wharton School of Business – [published](#) an essay by a psychologist on the causes and solutions to the economic crisis. Wharton points out that restoring trust is the key to recovery, and that trust cannot be restored until wrongdoers are held accountable:

According to David M. Sachs, a training and supervision analyst at the Psychoanalytic Center of Philadelphia, the crisis today is not one of confidence, but one of trust. "Abusive financial practices were unchecked by personal moral controls that prohibit individual criminal behavior, as in the case of [Bernard] Madoff, and by complex financial manipulations, as in the case of AIG." The public, expecting to be protected from such abuse, has suffered a trauma of loss similar to that after 9/11. "Normal expectations of what is safe and dependable were abruptly shattered," Sachs noted. "As is typical of post-traumatic states, planning for the future could not be based on old assumptions about what is safe and what is dangerous. A radical reversal of how to be gratified occurred."

People now feel more gratified saving money than spending it, Sachs suggested. They have trouble trusting promises from the government because they feel the government has let them down.

He framed his argument with a fictional patient named Betty Q. Public, a librarian with two teenage children and a husband, John, who had recently lost his job. "She felt betrayed because she and her husband had invested conservatively and were double-crossed by dishonest, greedy businessmen, and now she distrusted the government that had failed to protect them from corporate dishonesty. Not only that, but she had little trust in things turning around soon enough to enable her and her husband to accomplish their previous goals.

"By no means a sophisticated economist, she knew ... that some people had become fantastically wealthy by misusing other people's money — hers included," Sachs said. "In short, John and Betty had done everything right and were being punished, while the dishonest people were going unpunished."

Helping an individual recover from a traumatic experience provides a useful analogy for understanding how to help the economy recover from its own traumatic experience, Sachs pointed out. The public will need to "hold the perpetrators of the economic disaster responsible and take what actions they can to prevent them from harming the economy again." In addition, the public will have to see proof that government and business leaders can behave responsibly before they will trust them again, he argued.

Note that Sachs urges "hold[ing] the perpetrators of the economic disaster responsible." In other words, just "looking forward" and promising to do things differently isn't enough.

Robert Shiller – one of the top housing experts in the United States – says that the mortgage fraud is a lot like the fraud which occurred during the Great [Depression](#). As Fortune [notes](#):

Shiller said the danger of foreclosuregate — the scandal in which it has come to light that the biggest banks have routinely mishandled homeownership documents, putting the legality of [foreclosures](#) and related sales in doubt — is a replay of the 1930s, when Americans lost faith that institutions such as business and government were dealing fairly.

Indeed, it is beyond dispute that bank fraud was [one of the main causes of the Great Depression](#). Economist James K. Galbraith [wrote](#) in the introduction to his father, John Kenneth Galbraith's, definitive study of the Great Depression, *The Great Crash, 1929*:

The main relevance of *The Great Crash, 1929* to the great crisis of 2008 is surely here. In both cases, the government knew what it should do. Both times, it declined to do it. In the summer of 1929 a few stern words from on high, a rise in the discount rate, a tough investigation into the pyramid schemes of the day, and the house of cards on Wall Street would have tumbled before its fall destroyed the whole economy.

In 2004, the FBI warned publicly of "an epidemic of mortgage fraud." But the government did nothing, and less than nothing, delivering instead low interest rates, deregulation and clear signals that laws would not be enforced. The signals were not subtle: on one occasion the director of the Office of Thrift Supervision came to a conference with copies of the Federal [Register](#) and a chainsaw. There followed every manner of scheme to fleece the unsuspecting

This was fraud, perpetrated in the first instance by the government on the population, and by the rich on the poor.

The government that permits this to happen is complicit in a vast crime.

Galbraith also [says](#):

There will have to be full-scale investigation and cleaning up of the residue of that, before you can have, I think, a return of confidence in the financial sector. And that's a process which needs to get underway.

Galbraith recently [said](#) that "at the root of the crisis we find the largest financial swindle in world history", where "counterfeit" mortgages were "laundered" by the banks.

As he has repeatedly noted, the economy will not recover until the perpetrators of the frauds which caused our current economic crisis are held accountable, so that trust can be restored. See [this](#), [this](#) and [this](#).

No wonder Galbraith has [said](#) economists should move into the background, and "criminologists to the forefront."

The bottom line is that the government has it exactly backwards. By failing to prosecute criminal fraud, the government is **destabilizing** the economy ... and **ensuring** future crashes.

Postscript: Unfortunately, the government made it [official policy **not** to prosecute fraud](#), even though [criminal fraud](#) is the [main business model](#) adopted by the [giant banks](#).

Indeed, the government has done everything it can to [cover up fraud](#), and has been [actively encouraging](#) criminal fraud and [attacking](#) those [trying to blow the whistle](#).

[On The Morality Of The Fed](#) 12/21/12 The Baupost Group via ZH

"Finally, **we must question the morality of Fed programs that trick people (as if they were Pavlov's dogs) into behaviors that are adverse to their own long-term best interest.** What kind of government entity cajoles savers to spend, when years of under-saving and over-spending have left the consumer in terrible shape? What kind of entity tricks its citizens into paying higher and higher prices to buy stocks? What kind of entity drives the return on retiree's savings to zero for seven years (2008-2015 and counting) in order to rescue poorly managed banks? **Not the kind that should play this large a role in the economy.**"

...

*"An environment where financial crises are seen to be a regular part of the landscape is one where **people might actually take more precautions.** People would maintain a margin of safety in all their decisions, investment and otherwise, regulations would be well thought out and diligently enforced, and the unscrupulous and the incompetent would quickly fail and disappear from the scene. **Modern day attempts to abolish failure only serve to ensure it, as moral hazard - the likelihood that people's behavior changes in response to artificial supports or guarantees - surges. Attempts to prevent or wish away future crises only make them more likely. Only by allowing, even welcoming, episodic failure do we have a chance of reducing the likelihood and magnitude of future financial crises.**"*

SOURCE: [Is American Justice Dead?](#) 01-10-13 David Galland, [Casey Research](#) via ZH

Every nation-state has a body of laws woven into the fabric of society. As Peruvian economist Hernando de Soto has commented on extensively, **the stronger the rule of law, the stronger the economy.**

And by "stronger" laws, I mean laws that are impervious to tampering for personal or political gains. The connection between a sound judiciary and economic health is readily comprehensible, except maybe to a politician... **businesses and individuals are far more likely to invest capital in a country with understandable laws that are impartially and universally enforced than if the opposite condition exists.**

That's because the lack of a consistent body of law breeds uncertainty and adds a huge element of risk for entrepreneurs. That is the case here in Argentina, where hardly a week goes by without **La Presidenta** and her meddlesome comrades cooking up some new hurdle for businesses to overcome.

Which brings me back to the matter at hand – **American justice on a slippery slope.**

Few recent cases make the contention clearer than the announcement last week by the US Justice Department that it had **settled its case against HSBC** for acting as the bag men for Colombian and Mexican drug cartels. The fine, \$1.9 billion, amounts to about **five weeks of revenue** for the bank.

And that was pretty much it.

Matt Taibbi of ***Rolling Stone*** magazine, who can run hot or cold when it comes to reporting, in my opinion, nails his column on the verdict, [which you can read here](#).

The basic setup is that **for years, at the highest levels of HSBC, the bank worked hand in glove with the drug cartels to launder their money.** So smooth was their relationship that the

drug gangs used special cardboard boxes for them to fill with cash – boxes that were designed to fit easily through the teller windows of the HSBC branches in Mexico.

Now, don't get me wrong – I am 100% against the so-called "War on Drugs." That there are hundreds of thousands of Americans in prison for the "crime" of voluntarily ingesting recreational drugs, or providing said drugs in a rare free-market transaction (there's a willing buyer and a willing seller and no regulations – at least none that anyone pays any attention to), is an abomination.

And so it is that the US has the highest prison population in the world, and by a wide margin: on a per-capita basis, it is 33% higher than the closest contender, Russia.

If you take into account everyone under "correctional supervision," 3.1% of the US population is either in jail or on probation (for blacks, it's a stunning 9.2%). According to Human Rights Watch, since 1980 the number of people in US jails for drug charges has increased twelvefold.

Yet, the money men for the murderous cartels that supply the stuff – the sort of fat-cat villains that serve as the centerpiece of every James Bond movie – get off with a hand slap.

How is this possible? The answer is that, just like the much-maligned "banana republic," the judicial system in the Anglo-Saxon world has been bifurcated into two systems – one for the politically favored and the other for the rest of us.

In the case of HSBC, the **rationale for management being spared even a criminal trial, let alone years behind bars, is that the bank is too big to fail.** And that should anyone within the bank be collared for their colossal crimes, it could provide the trigger for the widespread collapse of the global financial system.

To which an Anglo-Saxon from the UK might retort, "**Bollocks!**" This is rather a case of the politically connected and their equally politically connected, high-priced law firms twisting the judicial system to their purposes.

Another recent case is that of the LIBOR fixing scandal.

As you know, in this case a group of banks clearly conspired to rig the rates on the interest-rate index used to underpin over \$300 trillion in loans. As the scandal was revealed, it was also revealed that top tax dodger and now US Treasury Secretary **Tim "Timmy" Geithner** was aware of the rigging as far back as at least 2007 when operating the Federal Reserve Bank of New York.

Yet **Geithner's elevated position in the Obama administration meant that this inconvenient revelation quietly faded into nothingness.** As did the clear implication that if Geithner knew about it, so did untold scores of others at the Fed and other institutions at the time.

Meanwhile, back in the present, instead of rounding up the heads of these institutions, it was announced this week that a handful of floor traders – the ever useful minions – have been [fingering to take the fall](#). For the sake of the public show, I suspect the fall will be pretty hard.

Hell, the last time I checked, even **Jon Corzine**, who as a former senator and governor of New Jersey is the über-insider, is still a free man despite being the lead actor in the bankruptcy of MF Global and the subsequent looting of billions in customer funds. No one, except maybe Corzine himself, thinks that he isn't criminally complicit, yet, at this writing, there isn't even a hint he'll be prosecuted.

As David Webb has so thoroughly documented, a spate of cases over the last decade has set a clear precedent that financial institutions – at least those of a size to count with the political class – are pretty much free to lie, cheat, misrepresent, and even use their clients' funds to trade for their own book.

And if things go wrong, they can pass the losses on to the clients, or in the case of Corzine simply shrug his Savile Row-clad shoulders, and feign ignorance about where said funds went.

It Goes On... and On...

And the conniving and criminality doesn't stop at the judiciary but has infested pretty much every corner of the government.

A personal recent favorite was **Hillary Clinton's** oh-so-convenient bout of fainting that kept her from testifying about the truly bizarre attack on the Benghazi consulate, thereby skipping the direct damage to her career that would have resulted from having to answer the unanswerable in front of television cameras.

Then there's the **sweetheart deal embedded in the soon-to-be-updated federal regulations related to mortgages**. Given all the abuses leading up to the housing crash, John Q. might posit that there will be strong teeth in these new regulations. Sure, there's a couple – but lookie what else is in the new regs; this from the [New York Times](#)...

As regulators complete new mortgage rules, banks are about to get a significant advantage: protection against homeowner lawsuits.

The rules are meant to help bolster the housing market. By shielding banks from potential litigation, policy makers contend that the industry will have a powerful incentive to make higher-quality home loans.

But some banking and housing specialists worry that borrowers are losing a critical safeguard. Industries rarely get broad protection from consumer lawsuits, and banks would seem unlikely candidates given the range of abuses revealed during the housing bust.

Mind-boggling.

Skipping across the pond, we have the truly incredible case of **Julian Assange**, who is now a prisoner, surrounded by upwards of 100 police officers, in the Ecuadorian embassy in London where he's been seeking asylum.

At one point, a senior British official suggested they were seriously considering throwing hundreds of years of diplomatic precedent out of the window by storming the embassy to get their man.

Yet **his purported crime, having consensual sex with two different women without a condom (in one case, he had one, but it apparently broke) would, at most, be treated as a minor offense in pretty much any court**, in pretty much every country in the world. Unless, of course, he knew he had AIDS and was deliberately trying to transmit it, which he wasn't.

Do your own research, and maybe you'll draw a different conclusion – here's [one fairly thorough story on the charges](#) against Assange – but that the UK government is willing to spend untold sums of money it can't afford keeping him penned up in the Ecuadorian embassy smacks of collusion and corruption.

What's really going on, of course, is that **Assange's WikiLeaks organization embarrassed the power elite by doing what the media no longer does** – getting to the truth, in this case releasing a stash of embarrassing diplomatic cables.

While **Assange is fighting the good fight, it's a fight against entrenched political interests, and so it's a losing battle**. Aided by the corrupt judiciary or, failing that, the malleable military, it's just a matter of time before he ends up in a cell next to Bradley Manning whose tortured corpus is now on trial for giving up [state secrets that were really not all that secret](#).

In economic policy, too, the evidence of two different systems is glaring. Look no further than the Fed's recent decision to light the afterburners on over a trillion in new **money creation** each year.

Whom does such a policy help? The politicians, of course, by allowing them to claim they "fixed" the economy that they broke in the first place... when all they are really doing is replacing the

capital formation and spending of a healthy private sector with the polluted effluence of government disbursements.

Whom does such a policy hurt? The population at large, by eroding the value of everything they own and eviscerating their ability to earn money on their money through a free market in interest rates... all the while fostering yet more malinvestment in the Potemkin villages of an uneconomic solar industry, electric cars, high-speed trains, etc.

Make no mistake, the Fed and the government are keenly aware of the damaging consequences of their actions – but, out of self-interest, take those actions nonetheless.

The enviro-socialists that have bought their way into the corridors of power provide another array of examples, using laughably bad science and arbitrary rulings to disadvantage key sectors of the economy such as energy and mining.

What's It Mean to You and Me?

There is little question that the vast majority of the public is ignorant or apathetic, or both, to the pervasive corruption of the political classes and their financiers.

But even if they were paying attention and outraged, the fact of the matter is that things have degraded to the point where **there is next to nothing John Q. can do about it**. Sure, you can write your Congressman; just be sure to be extra polite, or your letter will end up in the hands of zee Homeland Security.

Ditto if you write angry emails and send them to all your friends. Just don't make the mistake of thinking there is still such a thing as privacy or the right of free speech in the Anglosphere.

And **heavens forbid you try to organize a physical protest**. Next thing you know, you'll end up wearing a pair of [these bad boys](#) coming to your friendly police officer's belt soon.

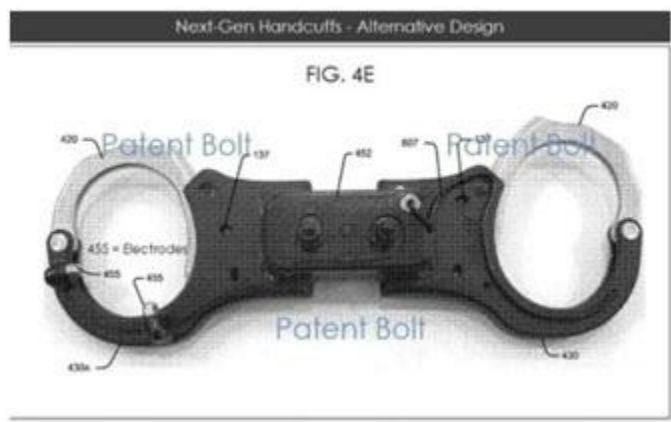
(Not only do these next-gen cuffs restrain you, but they allow the arresting officer to remotely deliver electric shocks and, if that doesn't do the trick, even inject drugs into you.)

Of course, if your company or industry wants to fight it out in the courts, you have to be ready and able to spend millions in legal fees fighting a government with unlimited funds (provided, of course, by your taxes and money borrowed from the Chinese or ginned up by the Fed).

What I'm trying to say is that, **regardless of what the popular corruption indexes show** – and those are typically based on fairly suspect surveys on matters such as transparency in corporate reporting or whether bribes are required to do business – **when you take into account the systematic skewing of the judicial and electoral systems to favor the entrenched politicos and their friends in high places, the level of corruption in the Anglosphere would make an African despot blush**.

It's not an accident that the Republicans and the Democrats, two sides of the same coin despite all the rhetoric, are never remotely at risk of losing their collective grip on power – the system has been carefully and thoroughly rigged to prevent that from happening.

Logically, if there is virtually nothing the public at large can do about the rigged game they are forced to live with, then it comes down to decisions we make as individuals.



Some general approaches for your consideration.

1. **Suck it up.** The Stoic approach is to recognize there are certain things you can't do anything about, so put the hypocrisy and self-dealing of officialdom and their enablers out of mind and live your life the best you know how.
1. **Profit from it.** While it may seem counterintuitive, the more challenging the environment for business creation, the more money an especially hard-charging entrepreneur can make. This is why Asian shop owners open up in ghettos and why the margins for "war profiteers" are so high – because they literally have to risk life and limb to collect them.

A successful acquaintance recently told me that, as the head of the Argentine branch of a major international electronics brand, his division was regularly able to pull down margins in excess of 40% while his counterparts in less volatile political environments were happy with less than 10%.

It just takes an extra measure of patience and fortitude to overcome the challenges that scare less determined individuals away.

1. **Move West... or South, but probably not North.** A combination of [#1](#) and 2 above, the brave minority might want to consider taking the show on the road.
1. **If you can't beat them, join them.** As Doug Casey has often pointed out, the effect of Pareto's Law operating over time on the large democracies has resulted in the worst sort of people controlling the levers of government at the federal, state and local level. If you happen to be a sociopath with control issues, then you might want to hop on the gravy train and worm your way into government, or into one of the many parasitic enterprises sucking the life from the body politic.
1. **Go outlaw.** Yesterday, a flash mob gathered in the southern Argentine city of Bariloche for the sole purpose of [looting a large store](#) of electronics, food and booze, and sundry other items that will make the Christmas holidays all the more festive.

When I heard of the incident, I mentioned to my wife that this could very well be the proverbial first shot in the breakdown of civil society in cities around the world. And sure enough, as I was writing, the news broke that spontaneous mobs have formed in a number of cities around Argentina for the sole purpose of looting stores.

This is precisely the sort of thing one can expect in an economy laid low by political corruption, malfeasance and self-serving meddling. When people lose hope, and lose faith that the judicial system will protect them from the entrenched interests, then it is well within the range of some of those people to just say screw it and go outlaw.

I could be wrong, but I think what happened in Bariloche yesterday has the potential to be just as seminal as the self-immolation in Tunisia that set off the Arab Spring.

The implications of mobs deciding to come together to just take what they want are potentially huge. In the Anglo-Saxon world, it could provide exactly the excuse needed to bring down the stainless-steel curtain built with hundreds of billions of homeland security expenditures over the past decade.

In fact, while I am probably overstating it, the action of the mob in Bariloche yesterday could be the missing link between **Neil Howe's Third and Fourth Turning**, ushering in the next and most troubled era.

It's ironic that it's happening in here in my new retreat in Argentina, but it's of no personal import because our new hometown of Cafayate is rural, small and very successful, and the sort of place where everyone knows everyone else. And, besides, there are no large supermarkets to raid.

In addition, **despite the dark era of military rule (or perhaps because of it), Argentina is not a violent culture**, and the big cities are few and far between. The same can't be said of places like Chicago and Detroit, where flash mobs have been increasingly cropping up with the primary intention of committing violence.

How fast and how far things will spread from here is only a matter of conjecture, but the range of possibilities is wide.

Regardless of whether the rule of law continues to be diminished through the acts of corrupt politicians or a mob – or through the militarized arm of the politicians trying to control the mob – I fear the knock-on consequences on the economy and on society at large.

I really don't want to be a Chicken Little, but taking some basic precautions to protect yourself and your assets is only commonsense at this juncture.

Bill of Rights Under Attack

SOURCE: [Where Does The Hatred Of Constitutionalism Come From?](#)

The following from Brandon Smith of [Alt-Market blog](#) via ZH has been 'rebuilt' and modified by GordonTLong.com

Most of us know about the suggestions by media entities and political opportunists (including Joe Biden) for Barack Obama to bypass congress and the Constitution, implementing possible gun restriction, registration, and confiscation through "executive order" like a common dictator. There is an obviously brash and violent effort amongst political players today to mold our government into a godlike entity.

"The Constitution of the United States is an undeniably powerful document. So powerful in fact, that it took establishment elitists with aspirations of globalized governance over a century to diminish the American people's connection to it. It's been a long time coming, but in the new millennium, there is now indeed a subsection of the masses that not only have no relationship to our founding roots, they actually despise those of us who do!

There are a number of reasons for this dangerous development in our culture:



- A public school system that rarely if ever teaches children about the revolution, the founders, constitutional liberty, or the virtues of individualism in general.
- A mainstream media apparatus that has regurgitated endless anti-constitutional shlock for decades, attacking any person or group that presents a freedom oriented view.
- A governmental structure that has become so corrupt, so openly criminal, that they ignore all aspects of constitutional law without regard, rarely feeling the need to explain themselves.

As a people, we are surrounded daily by the low droning wash-talk of denigration and disdain for our principled foundations. The wretched ghosts of collectivism and tyranny mumble in our ears from birth to death. It's truly a miracle that every man and woman in this nation has not succumbed to the mind numbing hypnotism...

However, our propaganda soaked environment is not the ONLY cause of our self destructive society; many people are themselves to blame. Severe character flaws and psychological imbalances have left some open to suggestion, manipulation, and fraud. Their hatred, though fueled in part by the socialization of the establishment, is still theirs to own. The brutal ignorance on display in mainstream circles against the liberty-minded needs to be addressed. In my view, the American public is being conditioned to see us as a convenient "enemy" which they can use to project all their internal grief and woe. Our country is on the verge of collapse, economically, politically, and philosophically.

Corporatized elements of our government and the financial high priests of the international banking sector are behind this calamity, and of course, they don't plan to take responsibility.

Who better to demonize as the catalyst for all the pain that is coming than the only people who have the awareness and the means to stand against the catastrophe?

There is no doubt in my mind that a great conflict is near, between those of us who value liberty and constitutional protections, and those who would destroy them. This battle is unlikely to be solved with words. The anti-constitutionalist rhetoric is becoming so ruthless, so malicious, that it can only lead to a hardening of our own hearts, and an equally forceful response."

THE RULE OF CONSTITUTIONAL LAW

The Constitution is not just a legal document; it is also an emotional and spiritual document. If one does not have a relationship with his own conscience and the concept of natural law, then he will discover little in the founding ideals of America that he agrees with. Some people (usually corrupt politicians and judges) see the law as a weapon to be used against their ideological opponents, whereas constitutionalists see the law as a shield to protect us from such despots. The Constitution and the Bill Of Rights are both designed to protect our Absolute Freedoms. That is, freedoms that are inborn and which no person or government is qualified to give as a gift, or take as if they are a privilege.

Nothing angers those who seek power more than a legal framework which they are not allowed to touch, or shift, or "tweak" to suit their private ambitions.

Constitutional protections are not meant to be subject to the "buts" and "what ifs" common in the lesser legal world. They are not open to debate. Our rights are not subject to the demands of the so-called "majority". Our rights are eternal, and unchangeable. Anti-constitutionalists attempt to work around the absolutes of the document by implementing subversive law backed by flawed logic. But, a law which destroys previous constitutional rights is not a law which any individual American is required to follow. Even an amendment that undermines our civil liberties is not legally binding. The freedoms put forth in the Constitution and the Bill Of Rights are SET IN STONE (and this includes the right to bear arms in common use of the military of our day). They cannot be undone without destroying the very fabric of the republic.

INDIVIDUALISM versus FOLLOWING

Some people are predisposed to be followers. They do not want to take responsibility for their futures or even their own actions. They do not like questions. They do not like dilemmas. They want to be left to wallow in their own private prisons, where they are comfortably enslaved.

Constitutionalists are predominantly individualists. We do not cater to collectivist fairy tales. We do not seek to roll with the tide just for the sake of finding our "place" within the machine. We do not care about "fitting in" with the mainstream. This is often confounding and infuriating to those who have labored their whole lives to please "the group". They accuse us of being "isolationists" in response. What they do not comprehend is that illusion and delusion have isolated THEM, while the truth has brought constitutionalists together.

An ACTIVIST QUOTE:

I remember participating in an End The Fed rally in Pittsburgh in early 2008 which was, like most activist rallies, meant to expose the uneducated public to ideas they may not have heard before. I found it interesting that around a quarter of the people who strolled by our picket line automatically sneered, as if by reflex, even though they had probably never heard our position, or even heard of the Fed. It dawned on me that they were not angered by our political or economic views. Instead they were angered by the mere fact that we were there. We were vocal, and defiant, and a disruption to their daily robot-like routine. They hated us because we were ruining their fantasy of disconnectedness.

CANCER OF "POLITICAL CORRECTNESS"

For the past few decades our society has become engrossed with the idea of "proper language and behavior". Of course, their idea of "proper" usually involves ignoring the reality of a thing. For a Constitutionalist, a spade is a spade. They don't bother with superficial niceties that get in the way of legitimate debate or legitimate change. They are not "pleasant" and tolerant with those who would kill their freedoms. They do not pull punches. They are direct, and sometimes, brutal in our analysis.

In some parts of the Western world (especially the UK) language has become a game, a game of self censorship and deceit. This game has made its way to the United States in recent years, and Constitutionalists don't play. They understand that **every overtly collectivist society begins with the fear of open expression**. And so, our blunt honesty rattles those invested in the 'Politically Correct' culture. Their ultimate and ideal revenge would be to see Constitutionalists painted as social malcontents; like people who smoke in public, or wear a mullet...

COLLECTIVISM

Most people who seek to deny and destroy constitutional liberties tend to lean towards a collectivist philosophy. They are usually socialist, or a variation (Marxist, Fascist), and can be professed members of either major political party. Collectivists understand one thing very clearly; an America without the Constitution is destined to become a centralized country.

CONSTITUTIONALISM

There has never been and there will never be a better method of law and governance than that method which defends the individualism and freedom of the people. The most fantastic of human accomplishments, in technology as well as in philosophy, spring from the nurturing waters of liberty. Free minds and hearts create. They refuse to be contained, and the Constitution gives us license to ensure that they will never be contained, even to the point of revolution.

... the principles of the Constitution are not something we grasp at all times, but rather, something to which we aspire to, and grow into as our nation matures. They require patience, and wisdom. They force us to question our own "brilliance", and our own egos. They anchor us, preventing us from being swept away in the storms of fear.

To deny constitutionalism, is to endorse oppression.

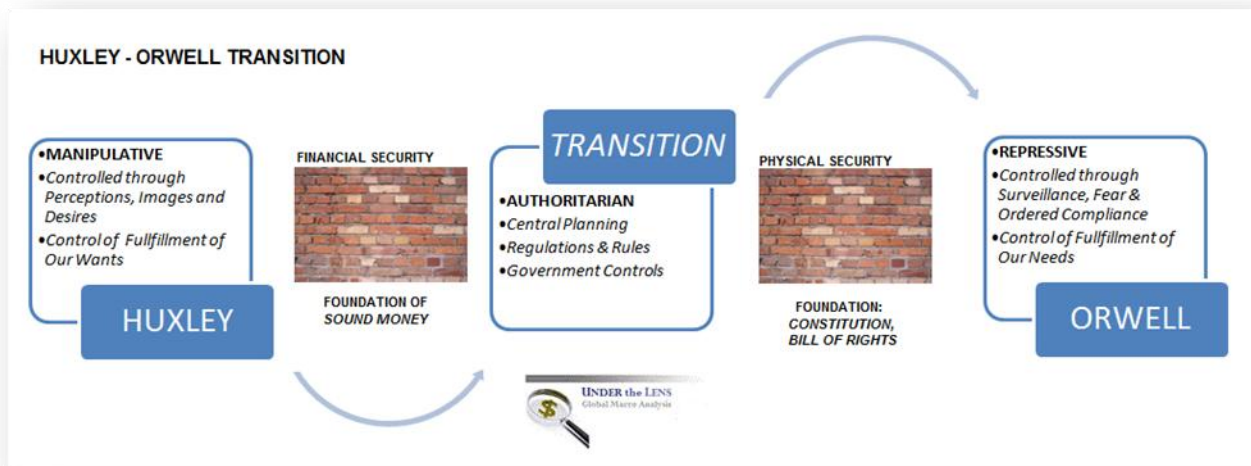
Constitutionalists LOVE liberty and the mechanics of freedom. They love the values of a sovereign republic and the opportunities that such a system provides when collectivists are removed from the picture. There is no question or doubt in their minds; they would fight and die to protect the pillars of the Constitution.

When confronted with this kind of passion, the average person is shocked and sometimes appalled. The idea of unshakable will is frightening to them. They are so used to compromising in every aspect of their lives that when they run into an uncompromising man, they reel in horror.

That which they see as "fanaticism" is instead an excitement, a boundless joy, a fervent desire to protect something universal and precious. What they see as "extreme", Constitutionalists see as essential.

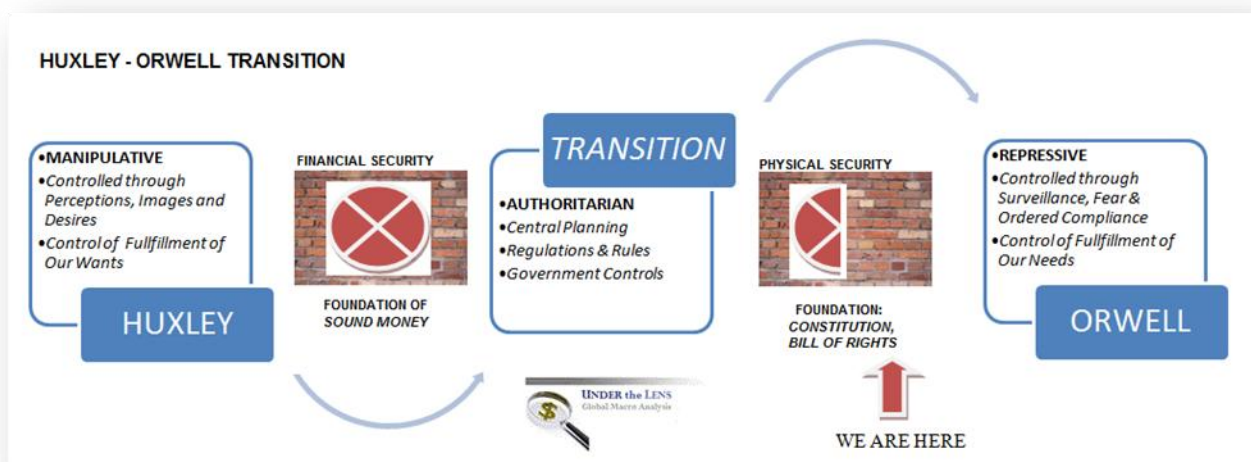
Insidious Removal of Protective "Walls" of Civil Liberties

- The Great Huxley-Orwell Transition
- From Manipulative to Repressive



ROADBLOCKS

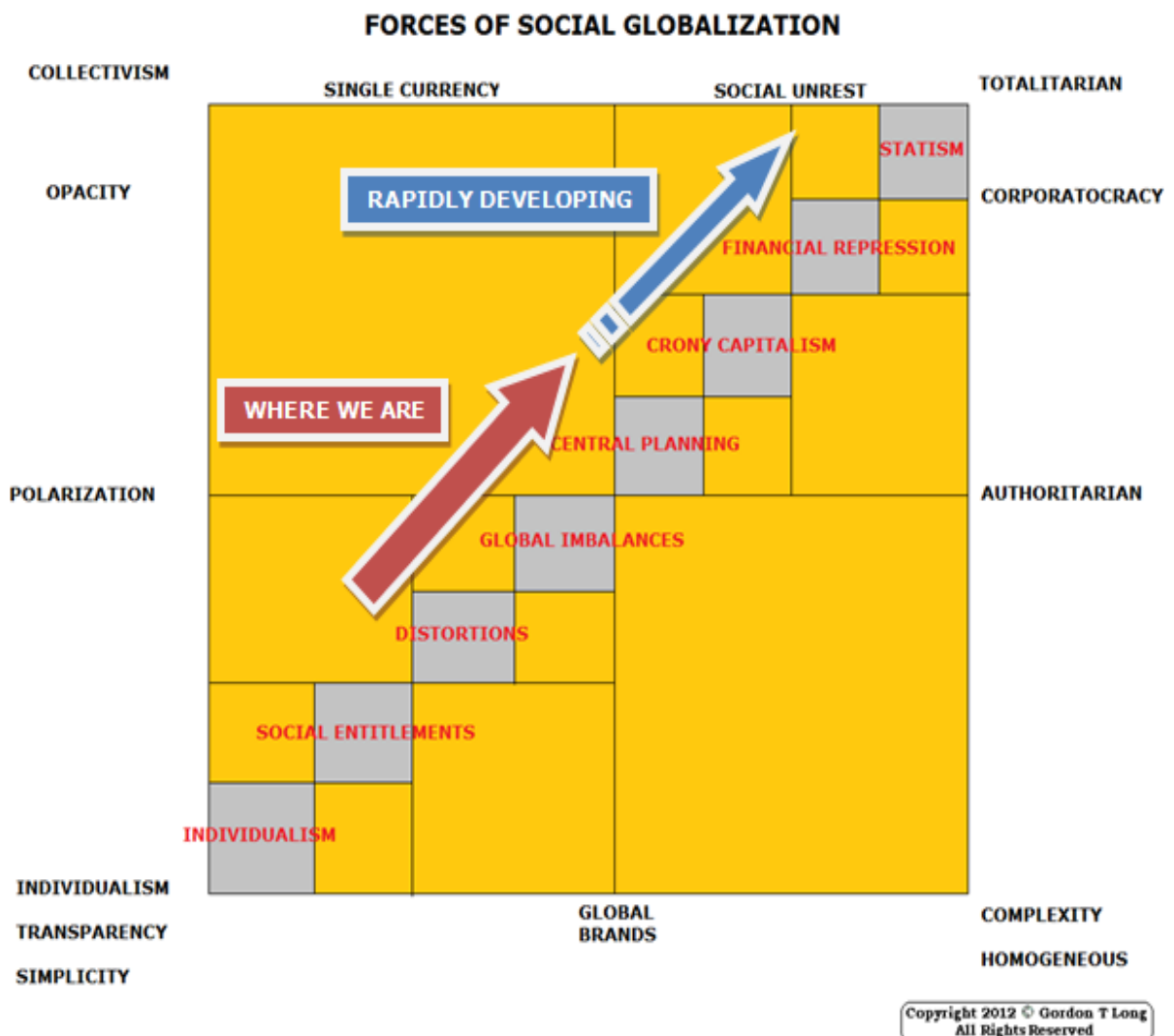
- Financial Security through Sound Money REMOVED
- Reduced Personal Freedoms through a Crisis Even PENDING
- Reduced Personal Security through a Constitutional Crisis FUTURE



DRIVERS

- Globalization & Complexity
 - Fragile versus Robust Systems
 - Interconnectivity and Counter Party Dependency
- The Productivity Paradox
 - Creative Destruction & Job Creation

ROADMAP



We are patriots.. We love the U.S.

Rather than trying to subvert the constitution, we are calling for its
enforcement.

We are not calling for lawlessness. We are calling for an ***end*** to lawlessness and
lack of accountability and a ***return*** to the rule of law.

We are NOT calling for ANY SORT OF overthrow of the government. In fact, we
are calling for the ***reinstatement*** of our government.

We don't seek to destroy or attack America ... we seek to restore her to strength,
prosperity, liberty and respect.

The nation's top legal scholars say that draconian security laws which violate the
Constitution ***should not apply to Americans.***



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