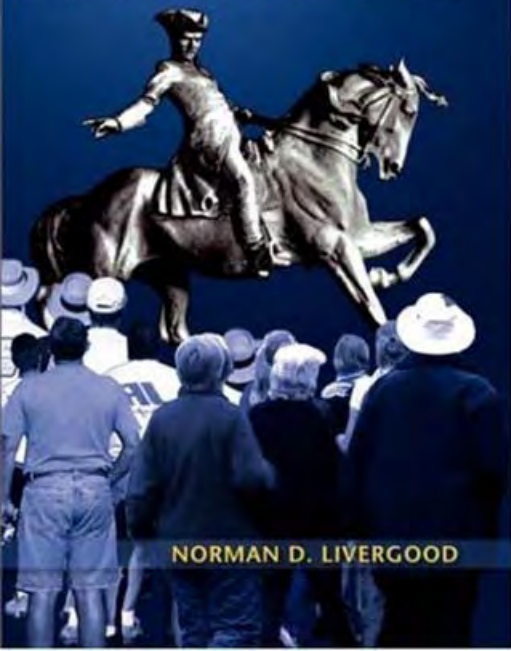


# America, Awake!

We Must Take Back Our Country



**NORMAN D. LIVERGOOD**

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## Preface

The entire content of this book is an expression of the author's opinions. Though some of those opinions are expressed as statements, all of the book is an expression of the author's personal convictions.

As much background research as possible has been carried out to provide a foundation for the book's material. However, in the final analysis, the content of the book is a compilation of the author's beliefs about critical topics.

When statements are made about specific persons, the intent is in no way meant to be defamatory, never intended to harm the reputation of that person. Statements about persons are merely statements of opinion and not in any manner meant to be insulting or offensive.

The author believes that the opinions he expresses in this book are a true and accurate representation of the facts to which they refer. In this book, the author does not express opinions that he knows to be false and he does not recklessly disregard the truth or falsity of his statements. Throughout the book, the author has acted with due care in providing the best information possible from his point of view relative to his research and analysis.



## Introduction

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.

– Declaration of Independence, July 4, 1776

America, awake and rescue yourself from the unprincipled cabal that has seized power and is now doing everything possible to destroy our way of life! Our task is all the more difficult because most Americans aren't aware that our country is in a struggle for its very existence. And many people in our nation aren't aware of the American tradition of democracy.

So we find ourselves in a situation where our country's fundamental principles are being decimated before our very eyes, but most Americans are too blind to see the devastation. Instead of a battle for our nation's existence, most people see the present times as nothing more than business as usual. And the principles of democracy and justice and equality on which our nation was founded seem prosaic and insignificant to Americans busy with just getting along.

For over two hundred years, Western nations have been living on the heritage of the eighteenth century Enlightenment. Our American Declaration of Independence and Bill of Rights were created by this revolutionary social and political movement, which attacked unjust laws and repressive customs.

These founding documents of our country only provided a framework for such principles as representative democracy, justice, and equality. But from the beginning America has been a plutocracy, rule of the wealthy. Any freedoms Americans enjoy today have had to be fought for and wrested from the moneyed rulers who have tried to make this country a dictatorship.

The hard-won freedoms Americans enjoy must not be taken for granted because they are perpetually under attack, as are the Enlightenment principles that gave them birth. Today in the United States, an affluent group has seized the reins of power and is systematically attacking American democracy and the Bill of Rights, stealing billions of dollars from hard-working Americans, deliberately destroying our way of life and the environment.

To rescue America from its would-be destroyers, we must institute a program of social and spiritual renaissance, a New Enlightenment, because our social, psychological, and spiritual predicament is not one of total collapse but of numbness and delusion. In short, we need awakening, awareness, enlightenment.

### **The Eighteenth Century Enlightenment**

We can agree with Muller and other scholars, that the earlier eighteenth century Enlightenment movement was a watershed in human history:

There can be no real question that the Enlightenment promoted the cause of freedom, more widely, directly, positively than any age before it. It not only asserted but demonstrated the power of knowledge and reason in self-determination, the choice and realization of human purpose... For the first time in history it carried out a concerted attack on the vested interests that opposed the diffusion of knowledge and the free exercise of reason... As thinkers the men of the Enlightenment were conscious revolutionaries, very much aware of a "new method of philosophizing" that amounted to a new living faith, the basis for a new social order.

— Herbert J. Muller, *Freedom in the Western World*, 1964



Because our forefathers embodied Enlightenment principles in such documents as the United States Declaration of Independence and the Bill of Rights, America still enjoys important freedoms. But even with those advances, we must be realistic, as was Rousseau, in recognizing that people still “are everywhere in chains”: chains of ignorance and delusion created by communication monopolies, and chains forged by class divisions in which the upper-class amasses obscene wealth, the middle-class suffers under wage and tax slavery, and the lower class toils under the ugly repressions of welfareism, poverty, and homelessness. In this book, when I speak of “Constitutional rights” I refer most specifically to those rights expressed in the Declaration of Independence and the Bill of Rights.

This book is intended as a wake-up call for Americans, as Paul Revere awakened the Lexington patriots to the British attack on April 18, 1775, and as Thomas Paine’s *Common Sense* roused apathetic American colonists to recognize and struggle against British oppression.

In the following pages I offer nothing more than simple facts, plain arguments, and common sense; and have no other preliminaries to settle with the reader, than that he will divest himself of prejudice and prepossession, and suffer his reason and his feelings to determine for themselves; that he will put on, or rather that he will not put off, the true character of a man, and generously enlarge his views beyond the present day.

— Thomas Paine, *Common Sense*, January, 1776

Our current situation is similar to that which American patriots faced in the 1770s: a country ruled by “foreign” and “domestic” plutocratic powers and a divided citizenry uncertain of their vital interests.

As we become aware of the Bush junta’s attacks on American values and institutions, there is no need for anxiety, hatred or hopelessness. This is simply the situation—no matter how unfortunate—and we need to face it and get on with the business of bringing about fundamental change in our

society. On the other hand we should not simply sit about idly theorizing or smiling at the devastation of human beings in our society and around the world. Something must be done. We must rescue America from its destroyers!

In this book, we will first establish a background for this rescue mission, a historical perspective from which we can operate, and examine some contemporary crises. We'll then investigate specific areas where the "High Cabal" is attacking the fundamentals of our American way of life. We'll conclude by exploring specific ways in which we can rescue America from the corrupt junta which has temporarily seized the reins of power.

These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph.

— Thomas Paine, *The American Crisis*,  
December 19, 1776



**Part I**  
**Background**



# One

## **America, Awake! Before It's Too Late**

We who live in the post-World War II period possess an immensely valuable symbol, even if we don't understand it or use it effectively: the example of Nazi Germany.

The German experiment, except to those who are its victims, is particularly interesting, and, like the offer of a strong man to let himself be vivisected, should make a great contribution to political science. For the Germans are the most gifted and most highly educated people who ever devoted the full strength of a modern state to stopping the exchange of ideas; they are the most highly organized people who ever devoted all the coercive power of government to the abolition of their own intellectual life; they are the most learned people who ever pretended to believe that the premises and the conclusion of all inquiry may be fixed by political fiat.

– Walter Lippmann, *The Good Society*, 1936

We've been conditioned to see Germany under Hitler as an unquestionably horrible example of dictatorial tyranny and inhuman barbarity – and to see our present American culture as completely opposite to that of Nazi Germany. And we like to think that if a tyranny such as that in Germany under the Nazi regime were present and growing in America we'd unquestionably be able to see it.

So it's a shock when we realize: most people living in Nazi Germany didn't see the tyranny! They thought it was the best time of their lives!

Milton Mayer's book *They Thought They Were Free*, concerns Germans still living after World War II who had been members of the Nazi Party. Mayer came to know them and studied their lives and attitudes:

As we know Nazism, it was a naked, total tyranny which degraded its adherents and enslaved its opponents and adherents alike; terrorism and terror in daily life, private and public; brute personal and mob injustice at every level of association...

These nine ordinary Germans [who lived in Nazi Germany] knew it otherwise, and they still know it otherwise.

An autocracy? [they say] Yes, of course... But a tyranny, as you Americans use the term? Nonsense.

How could Germans living under Hitler's National Socialism not have seen what it was? How did their lack of social and personal awareness make them blind to their reality? How could Americans now possibly be living under a creeping dictatorship and not know it? And how could we not only *not* see a police state condition but actually think we're living in complete freedom?

Because most of us don't WANT to know what's going on. We've lost the ability to think critically about political, economic and social dangers confronting us.

If we have a job—as most people did in Nazi Germany — the political-economic system seems stable—as it does in America — then that's all we want to know.

When [modern man] is completely infantile... he does not need and does not have an understanding of the outer world. It exists for him merely as gratification or denial.

— Walter Lippmann (1889-1973)

To the Germans in Mayer's study, each occasion of Nazi violence was worse than the last, but only a little worse. So

they waited for the one shocking event, thinking they would join with others if or when it happened. But as the violence escalated, no one rose up to condemn the concentration camps and general oppression. No one wanted to act alone, and when a mass uprising failed to occur, the common people just let events take their course. They progressively lost the ability to understand the horror of Nazism and the will to oppose it.

Similarly, we don't see the growing fascism in America and the world because we don't want to see it and because it happens somewhat gradually, which makes it almost imperceptible to those who don't think critically. Everything in your society—Nazi Germany or twenty-first century America—seems so ordinary.

### **The Progressive Loss of Freedom in the United States - A Few Examples**

- The American people lost the right to elect their president when the US Supreme Court committed a coup d'état by approving the stealing of the presidency by George W. Bush—in spite of major media companies paying millions to contrive a “recount” which they falsely claim proves Bush won the election.
- The 11/14/01 announcement that any person designated as a terrorist by the President is to be placed under the control of the Secretary of Defense and not allowed the aid of US or foreign courts—a giant-step in our march toward a total police state.
- Persons are being held in American prisons without being allowed to contact their attorney.
- The consultations between persons in American prisons and their attorneys are being monitored by “justice” officials.
- Men, women, and children can be murdered without compunction—as at Ruby Ridge and Waco—and the person ultimately responsible for these “police-state” atrocities will be promoted to become the head of the agency guilty of these crimes.
- Persons convicted of crimes are being appointed to critical positions in the Bush administration.

As 1930s Germans waited and twenty-first century Americans wait, believing things won't get any worse—it's finally too late. The imperceptible changes have totally transformed you and your society into a totalitarian state. Self-deception has infected almost everyone. One of the Germans in Mayer's study was only shocked into awareness when he heard his little boy say "Jew swine" and he suddenly realized that his whole society had degenerated into racism, leader-worship, violence, and depravity. By 1939, when Hitler had consolidated his power, most Germans citizens were incapable of recognizing their society's corruption, so few spoke out. Even fewer opposed the totalitarian nightmare.

By learning from the German Nazi tragedy, we can see—in twenty-first century America—that we could easily wait too long. For example, we must look at the interesting similarity of Hitler's use of the Reichstag Fire to seize dictatorial powers and Bush's use of the September 11 terrorist attack as his excuse to move us to a police state where Bush can simply "declare" that a foreigner is a terrorist and that individual's rights become non-existent. Without any necessity of presenting evidence, the president can now brand a non-US-citizen—OR A US CITIZEN—a "terrorist" and the suspect is brought before a secret military tribunal where the rules of evidence and prisoner rights are drastically attenuated.

Hitler was able to brand anyone he considered an enemy and see that that person was summarily executed. How long will it be before President Bush begins to brand as "terrorist" any US citizen who disagrees with him? The fact that Ivy League university professors and other supposedly intelligent persons think Bush's seizure of such police-state powers is okay, proves that the fascist mentality is rampant in our society.

In the United States and the world today, we still can stop this escalating descent into total tyranny. We can learn to face up to the political, economic, and social oppression that is rampant; learn to think critically about what our leaders are doing, and join together to safeguard and re-establish our freedoms. But we must not delay; we cannot simply do



nothing or we'll be plunged into the same terror that destroyed Nazi Germany.

Pastor Martin Niemoeller, a German clergyman under the Nazi regime, later confessed that when the Nazis attacked opposing groups such as the Communists, he was a little uneasy. But, he said, after all, he was not a communist, so he did nothing. When the Nazis began to attack the Jews he was even more uneasy, but he still did nothing. Then they attacked the Church, and because he was a clergyman he tried to do something, but it was too late.

We in the modern world are in exactly the same situation as the German people in the early days of Nazi totalitarianism. Daily, staring us in the face, is the unmistakable evidence of brutality, economic oppression, fear-ridden conformity, pleasure-deadened mindlessness, ignorant know-it-allness, and unashamed hatred of the "different," the "unpopular," the momentary devil-enemy.

But people totally blinded by their pursuit of pleasure or engrossed in destroying some enemy (the anti-abortionists killing their enemies, US leaders killing Iraqi civilians through embargoes to get even with Saddam Hussein) don't see the crises in the modern world.

The general intellectual incompetence of Americans at present leads directly to blindness to our current catastrophic situation. Without the learned ability to make decisive distinctions, people cannot discriminate between, for example, "economic downturn" and depression, or between "change of leaders through free elections" and *coup d'état* through moneyed interests buying and selling presidents and congresspersons. Our minds are so undeveloped that we lack the capacity to discriminate between the essentials and the changing, superficial forms.

"There couldn't be a police state in the US," says Joe American, "because we don't see men in uniforms with swastikas on their armbands goose-stepping down our streets!"

"We can't be losing our freedoms," says Jane American, because I didn't see anything about it in the *New York Times* and Tom Brokaw said nothing about it on the evening news."

We like to delude ourselves that the 1930s German citizen was some special case.<sup>1</sup> But Nazism didn't arise because a few maniacs somehow got into power and did something unique to the German people's minds. Those myths have been exploded once and for all by our more recent understanding that those same tactics have been used and are being used to enslave the minds of people in many different societies.

'Fascism' is only the organized political expression of the structure of the average man's character, a structure that is confined neither to certain races or nations nor to certain parties, but is general and international... 'Fascism' is the basic emotional attitude of the suppressed man of our authoritarian machine civilization and its mechanistic-mystical conception of life.

— Wilhelm Reich, *The Mass Psychology of Fascism*

So our present "enemy" is our own conditioned lack of *enlightened thinking*, our love of ease, our unwillingness to dispel our social and moral delusions, our headlong rush into the mindless attitude that "everything is okay."

Even though our society faces a truly alarming situation, people find ways to ignore the peril. One way to do this is to assume that such an episode as the 1930s-1940s Nazi terror is no longer a threat. But we have a number of horrible examples of what happens TODAY to a society when its people fail to develop *enlightened thinking* abilities, the most ghastly perhaps being that of the September 11 terrorist attacks.

Ever since this indefensible horror, few Americans have had the ability to ask the critical questions:

- What was the cause of the September 11th attacks?
- Was there prior knowledge of (or even complicity) by the US government in the terrorist attacks?
- Is there a hidden agenda in the wars on Afghanistan and Iraq?
- Is Bush setting up a police state?

Thus we return to the absolute necessity to learn how to think critically. And perhaps now we can begin to see why it

is essential to our very existence. Enlightened thinking is no longer an intellectual option for the few; it is a necessary tool for discovering what kind of people we have allowed ourselves to become.

Through self-study and change we must find out just what in us makes it possible for a new, more sophisticated "Nazism" to now be taking control, a more insidious brand of fascism, undetected because the blatant symbols and familiar catchphrases are indiscernible to our undeveloped minds.

We either learn to use *enlightened thinking* now, or we can passively watch while the new, disguised gas chambers and death squads are prepared for us.

### **Are You a War Criminal?**

"He who allows oppression shares the crime."

— Erasmus Darwin

You could, sometime in the future, be put on trial for FAILING to fight against the crimes against humanity that the Bush administration is now perpetrating! You certainly are complicit in the Bush administration's destruction of constitutional freedoms if you fail to speak out against:

- Their refusal of due process and *habeas corpus* to detainees in Cuba and the US
- Their allowing the CIA, the FBI, and other intelligence agencies to spy on American citizens (tapping phone lines, seizing property based on trumped-up charges, monitoring internet usage, etc.).
- Their deliberate, unabashed destruction of workers' rights and welfare in acting for big-money interests (e.g., Enron, Halliburton, agribusinesses, the Afghan pipeline) in every arena.
- Their lying about not having been informed prior to 9/11 about Arab men training in American flight schools and planning to hijack large airliners.
- Their use of their own failure to act on the warnings they had received to justify grabbing even more power, at the

expense of our civil liberties, by deceiving Congress and the American people.

In a democracy such as ours in America, it's the responsibility of citizens to inform themselves and to struggle against any encroachment on constitutional liberties. If some people are too unintelligent or morally deficient to see the tyrannous acts of the Bush administration, if some people are too cowardly to stand against those acts, it's still your individual responsibility as an American citizen to uphold the principles of democracy on which this nation is founded.

One of the most effective ways of *feeling* this is to view the 1961 Academy Award-winning film, *Judgment at Nuremberg*, and consider how you could, in the future, be considered as one of three classes of war criminals depicted in the film:

- Nazi villains such as Goering (though not directly depicted in this movie, the Nuremberg tribunals included Goering's trial and conviction as a war criminal).
- Ordinary criminals such as the German judges who took advantage of Nazi tyranny to feather their own nests.
- Germans who prided themselves on upholding the nation's principles, such as Emil Janning, former German secretary of justice (portrayed in the movie by Burt Lancaster) and the widow of a convicted German general executed for ordering the murder of American POWs (portrayed by Marlene Dietrich). These kinds of people were shocked when they found that the world held them responsible for what had happened in Nazi Germany.

Abby Mann's brilliant screenplay *Judgment at Nuremberg*, drives home several crucial points that we cannot afford to overlook:

- We're responsible for being aware of what's going on in our society; we can't plead ignorance. In the movie, the defense attorney argued strenuously that all those who supported or tolerated Nazis were guilty, not just those individuals then being tried.

- We must make sure we're aware of what kind of criminal trampling of our constitution and war crimes our government officials may be involving us in.
- American leaders (especially the Bush family), Britain (open letter to the *Times* by Winston Churchill in 1938 praising the strength of Hitler), the Vatican (concordat with the Nazis), and others were all complicit in creating the Nazi horror, as the defense attorney in the movie pointed out.
- We cannot legitimately try to excuse ourselves with catch-phrases such as:
  - ❖ "My country right or wrong."
  - ❖ "I'm only following orders."
  - ❖ "We don't make the laws, we merely carry them out."
  - ❖ "I'm only agreeing with the ideas of our leaders."
  - ❖ "If I'm critical of my country's leaders, I'm a traitor."

The Bush administration is currently and was previously, involved in war crimes in Iraq and Afghanistan and is complicit in encouraging Israel's war crimes against the Palestinian people (just as the Arab states are encouraging Palestinian terrorists to commit war crimes in their suicide bombings).

Former Secretary of State Henry Kissinger says he's too busy to answer a subpoena ordering him to appear before a Paris judge investigating crimes by the Kissinger-backed Pinochet regime in Chile.

Former President Bush and other United States leaders committed war crimes against Iraq (during and following the Gulf War) and Yugoslavia (in the invasion of Kosovo) and are still under indictment with the International War Crimes Tribunal. It's possible that American leaders *at any level* could at some time in the future be brought before an international war crimes tribunal for those criminal acts. None of the excuses above (the catch phrases) would be allowed as mitigating circumstances. In the movie, the defense attorney argued in support of mitigation the fact that all German judges during the Nazi regime were forced to swear to the Civil Servant Loyalty Oath of 1934.

Bush, Rumsfeld, Ashcroft and the other members of the current administration are trying to frighten Americans by

telling us we are traitors if we criticize their actions. On the contrary, they are traitors to the American principles of democracy in trying to suppress honest citizens' thought and dissent. It's possible the tables may be turned, as in post-World War II Germany: the leaders who forced obedience to criminal acts may be put on trial for crimes against humanity!

Imagine if you can a world in which truth is one general and something we will call blindness is the opposing general. These two simple factors one must choose between. There are no neutrals. We are frankly for or against and hold our positions by the force of the effort we put forth. The great struggle is not only to conquer our opposing forces, but to reclaim and form them into fighters for the truth.

– Stewart Edward White

You are not so much struggling *against* the Bush administration or any other form of tyranny as you are fighting for the inalienable democratic principles which make this nation free:

- The individual does not have a subordinate place in a divinely inspired hierarchy, in which kings, noblemen, political leaders and corporate executives are placed above him as "your highness."
- Free individuals through a willful act of contract voluntarily establish government, individuals rationally consenting to limit their own freedom and to obey civil authority in order to have public protection of their natural rights.
- Government's purpose is to serve the interests of the people, to enable individuals to enjoy peacefully their rights to life, liberty, and property.

We're facing a life-or-death crisis with the Bush administration's attack on our constitutional rights. On May 30, 2002, using their own incompetence as an excuse, they gave the FBI totalitarian state powers to spy on Americans.

We Americans must immediately wake up to the dangers facing us and begin taking back our country from the leaders who are misusing their power.

**Notes:**

- <sup>1</sup> Molly Harrower. "Were Hitler's Henchman Mad?" *Psychology Today*, July, pp. 76-80, 1976. Also see the review by Richard L. Rubenstein in the same issue of *Psychology Today* of the book, *The Nuremberg Mind*.





## Chapter Two

### Rescuing America from the Plutocrats

The United States constitution defines our form of government as a representative democracy. Informed, aware citizens elect congressional representatives, a president and vice-president who are to “establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our posterity.”

That’s the ideal the US constitution provides for us, and it behooves all thinking Americans to defend that ideal with our very lives. However, from the founding of the United States, our democracy has been subverted in actual practice.

“Let the people think they govern and they will be governed.”

– William Penn (1644–1718), founder of Pennsylvania

The de facto government of the United States is a plutocracy, the rule by the wealthy. America has never been a complete or true democracy, though it has achieved a large number of democratic features. A small group of wealthy people in America has always ruled the nation for its own benefit, not for the welfare of the people. William Penn and other founders of our nation realized that the American people could be fooled into thinking that we govern if our nation is called a democracy, rule of the people.

## The Subversion of American Democracy

American democracy has been subverted through:

- The take-over of federal and state governments by American plutocrats, resulting in a one party system.
- The Supreme Court coup d'état of 2000, resulting in a tyrannous Bush administration.
- The use of opinion polls for plutocratic goals.
- The American people failing to educate themselves to be able to institute a true democracy and take back their government from the plutocrats.

## A One-Party Government of Corporate Plunder

The “energy/natural resources” sector of the economy contributed almost a quarter of a billion dollars from the 1990 election cycle to the 2000 election. Of that total, more than half came from the oil and gas industry alone. It went overwhelmingly to Republicans by a ratio of 68 to 31%, but since the Republicans took over Congress in 1994, their share of the take has never fallen lower than 72%.

The Republicans maintain their lead in every industry or category within this sector except one: alternative energy. Here the Democrats enjoy a comfortable 69-31% advantage—but the \$1.3 million involved is barely 1% of what oil and gas gave, and just 0.6% of the sector totals.

Not surprisingly, unelected-President Bush was the big winner in the race for all this money in 2000. He got a whopping \$2.8 million—almost 9 times the piddling \$327,914 Al Gore got, coming in seventh after 5 Republican and one Democratic Senate candidates. (McCain and Bradley came in 15th and 18th respectively. Ralph Nader was nowhere to be seen—just like on TV.)

The decision of a commission of Democratic and Republican appointees to exclude former Reform Party presidential candidate Ross Perot and Green Party candidate Ralph Nader from the televised debates in the 2000 election reveals the hollow shell that American democracy has become. A candidate

who received 19 million votes in the 1992 elections is barred from participation by the decision of 10 unelected functionaries of the Democratic and Republican parties.

We knew from past elections that participating in the presidential debates, ruled by the Commission on Presidential Debates (CPD), was probably the best and only way to reach tens of millions of American voters. It was the Khyber Pass to the electorate. By contrast, a fifty-state campaign would only personally reach the population equivalent of several large football stadiums.

Although we planned and met our objective of campaigning in all fifty states—the only candidate to do so—by June 2000, only a small fraction of the audience was reached, compared to the forty to ninety million people who were expected to watch each of the nationally televised debates. The CPD was the barrier, and for obvious reasons. Organized as a private corporation in 1988 by the Republican and Democratic parties, this supposedly educational organization was actually an exclusionary mechanism to keep out third-party competitors. Funded heavily by companies such as Philip Morris, Anheuser-Busch, Ford Motor Co., and AT&T, the CPD decided all the rules, including the number of debates, their location, the format, and who would ask questions. No one close to this hybrid had any doubts that the two nominees were the final decision makers.

To make the barrier even higher, the CPD's co-chairs, corporate lawyers Paul Kirk (Democrat) and Frank Fahrenkopf (Republican), held a press conference in Washington on January 6, to announce that no third-party candidate would be invited if he or she did not reach a 15 percent average in five designated major polls by September 2000. This, of course, creates an intentional catch-22. Since all these chosen polling companies were owned by the major media, such as the television networks, the *New York Times*, the *Washington Post*, CNN, and the like, and if their editors and reporters did not cover third-party campaigns, there

would be little chance of rising in the polls. Moreover, if these candidates were not high in the polls, the media would say they were not important enough to merit regular coverage. So the media gives the CPD a monopoly, and the circle is complete. I made all these pointed criticisms at the time, but to no avail.

– Ralph Nader. (2002). *Crashing the Party: Taking on the Corporate Government in an Age of Surrender*

Even the window-dressing of two parties does not conceal the fact that both parties are controlled by the same money powers. If we look at the record of the Democratic and Republican parties over the last twenty years, there is very little difference, though the Democratic Party leaders have sometimes taken the side of the working class.

### **The Supreme Court Coup d’Etat of 2000**

The ruling by the US Supreme Court in 2000 marks a turning point in US history. Its placing George W. Bush into the presidency constitutes a fundamental and irrevocable break with democracy and the traditional forms of rule by law. There is no precedent for the action taken by the Court. After an election in which 100 million people voted, the result was determined by five unelected judges in a five-to-four split decision.

Our right to elect our leaders and representatives has been stolen from us, and whether we regain that right or not is an open question. The US Supreme Court and Florida Republican officials perpetrated a coup d’etat:

- Not all our votes were counted.
- Black voters were illegally removed from the list of voters.
- A total election count was never determined.
- A president was put into power through massive election fraud, partisan politics, and conflict of interest.

### **The Use of Opinion Polls for Plutocratic Ends**

An opinion on a point of conduct, not supported by reasons, can only count as one person’s preference; and if the rea-

sons, when given, are a mere appeal to a similar preference felt by other people, it is still only many people's liking instead of one. To an ordinary man, however, his own preference, thus supported, is not only a perfectly satisfactory reason, but the only one he generally has for any of his notions of morality, taste, or propriety, which are not expressly written in his religious creed."

– John Stuart Mill, *On Liberty*

We don't have opinion polls in the United States, because the majority of Americans aren't informed enough to have a genuine opinion. An opinion requires judgment or appraisal, which involves examining evidence and coming to a substantiated conclusion.

What we have instead are "popularity" polls—exactly like beauty contests in which people merely express their personal preferences. As John Stuart Mill says, a so-called opinion not based on reasons is merely a "liking," a purely subjective feeling.

The so-called opinion polls, therefore, are worthless. All they reveal are the ignorance and gullibility of a large number of American people. Yet these "opinion polls" are being used as the pretext for Bush's campaign to make the world safe for corporations such as Enron, Halliburton, and Carlyle.

During Bush's first year in office, it was claimed that he had a "high approval rating." Supposedly, a large percentage of people "polled" indicated that they approved of his performance as president.

Ignored were those unfavorable polls, such as the January 15, 2002 Fox News/Opinion Dynamics poll that indicated that only 49% of registered voters said they would "vote to re-elect President Bush," and 21% said they would "vote for the Democratic candidate." Another 14% said their vote would depend on the Democrat or that it is "too soon to say."

Using only the favorable "polls" and avoiding any possible analysis of whether polls are created and administered in a scientific manner, the Bush administration has run roughshod over American constitutional liberties and fought a war for oil in Afghanistan.

In most opinion polls, the sponsors' names are never mentioned. The polling companies and the news media describe the samples to some extent, but don't explain how the samples were targeted or if the questions were loaded. Never mentioned is the fact that the "major polls" are owned by the plutocrats.

In recent years, opinion polls have been used to influence voters. In many instances the polls are released when some voters have still not cast their ballots, adversely affecting the voting process.

Opinion polls in general are being used to sway the emotions of the population, encouraging them to fit their own ideas to the supposed "opinions" of the majority of Americans. So, if most Americans approve of increased military spending, who am I, says John and Jane Doe, to disagree?

How the opinion polls are used depends on what the plutocrats want to accomplish. In the Clinton/Lewinsky affair, a single banking billionaire, Richard Mellon Scaife, provided the bulk of the financial backing to Kenneth Starr, Paula Jones, and other legal and political campaigns directed against the White House. In this case, the plutocrats wanted to attack the institution of the American presidency, and the opinion polls became irrelevant to that criminal purpose.

The opinion polls during Clinton's administration showed two-thirds of the public thought Clinton's admission of a relationship with Monica Lewinsky should bring the Starr investigation to an end. But the attack on the presidency came first, public opinion be damned.

Americans in the twenty-first century must remember that a maniacal, murderous dictator like Adolph Hitler was remarkably popular with the German people in the 1930s. Popularity does not mean that a leader is right and in fact can mean that he is merely a devious manipulator of public feelings.

So a vicious cycle is at work here: the American rulers create an illiterate, uninformed citizenry, then use the baseless "opinions" of the citizenry as the excuse for implementing policies that destroy the American way of life.

The American media are to an appreciable extent responsible for the ignorance and unawareness of citizens. In a later chapter we'll examine how the gullibility and idiocy of a large number of Americans has been brought about by deliberate devastation of American education by American rulers. And in a separate chapter we'll see how vulture capitalism attacks the very lives of American working class citizens, forcing them into unemployment, loss of retirement funds, as with Enron, and marginalization.

It's bad enough that the Republicans are using opinion polls as the excuse for tyrannous policies, but the Democrats are allowing themselves to be hamstrung by those same polls to avoid any real program of needed reform. Dick Gephardt's reply to Bush's January, 2002 State of the Union speech, for example, was a wasteland of inanity and non-confrontation.

### **How Polls Are Supposed to Work**

There are about 195 million adults in America, of every imaginable background and circumstance. The polling agencies say that a survey of only 800 or 1,000 adults can indicate what the entire country is thinking. How can a thousand people speak for us all? They use what is called a random sample of the American population. Taking a random sample is similar to a blood test. We don't have the doctor take all our blood to test for a problem; we have him take a sample.

There are a number of potential problems with "opinion polls" which are seldom addressed. Polling agencies claim their sample audiences are a fair representation of American citizens, but seldom do they give precise details as to how the sampling was carried out.

As Neil Postman indicates in his book *Technopoly: The Surrender of Culture to Technology*, the public's "opinion" on almost any issue will be a function of the question asked. Unless we can actually examine the questions used in the poll and can determine that the questions were value-neutral and non-leading, then we have reason to question the poll results.

But all these potential difficulties with opinion polls are actually completely beside the point, because opinion polls are flawed at their core. We saw above that there really can be no opinion polling because most Americans don't inform themselves enough to have authentic opinions. Opinion polls merely record the subjective whims of the persons questioned.

What's wrong with that? Let's take an example. Suppose you're to be judged by twelve people as to your being guilty or innocent of a murder of which you're accused.

- Would you want to have a 12-person random sample of the community merely polled as to what they feel about your innocence or guilt without their having any real knowledge of you?
- Or would you want them to be informed in as complete a manner as possible as to the facts concerning the case? And would you also want their deliberations and judgment to be based on rules of evidence and other factors of critical thinking?

We compel [the members of the jury] to hear both sides before casting their vote. We compel them to hear those two sides according to some rational rule of evidence and advocacy; and then, having taken these precautions, we take the further precaution of having the evidence summarized by an expert in the shape of the judge, who shows its relation to the law. Only then have we some hope that their decision may be broadly a sound one.

— N. Angell, *The Public Mind*

Of course, any of us would choose the second option above. A mere survey of subjective feelings about critical issues is useless. And that's why opinion polling is useless; it merely reflects the uninformed opinion of people, degenerating into a popularity contest. We should not allow these polls to be used by our leaders as the excuse for their policies and actions.



## **The Failure of the American People**

The American people are failing to educate themselves to be able to institute a true democracy and take back their government from the plutocrats.

### **What We Must Do Now:**

- Actively support the few congresspersons who have been bold enough to speak out during this time of crisis:
  - ❖ US Senator Russ Feingold, D-WI, who forced the minimal debate that took place on the “Uniting and Strengthening America (USA) Act” by refusing to join in a routine “unanimous consent” vote on this dangerous bill.
- Join in activist programs to demonstrate against an imperialistic war and legislation to limit civil rights to take back our government.
- Know our rights and not allow them to be abrogated in any way.
- Make certain that our congressional representatives know that we will not re-elect them if they do not stand up to the current constitutional crises.
- Do away with the Commission on Presidential Debates (CPD) which makes it impossible for third-party candidates to get a fair hearing.
- Fight against the plutocrats’ attempts to plunder our hard-earned tax dollars and weaken our civil liberties.



## Chapter Three

### A People's Historical Perspective

In this book I encourage people to throw off illusions and overcome oppression in all forms. This requires a definite historical perspective, both cultural and personal.

“Man cannot fully master his present without reconquering his own history, repossessing the hidden heritage of the past.”<sup>1</sup>

My perspective in this book is to view history as humankind's search for freedom in all areas of life: spiritual, social, political, economic, technological and intellectual. My emphasis on historical perspective agrees with John Howard Lawson in seeing the people as the “makers of their own history” and viewing history as “an unceasing struggle between the oppressor and the oppressed.”

It is often the case that a person is his or her own worst oppressor, so self-knowledge is a major factor in developing a historical perspective. History is a *hidden heritage* because “we cannot understand the role of the people in history unless we also understand the historical illusions which misrepresent history in order to serve the interests of a privileged class.” We cannot afford to assume that the so-called objective histories of our culture, for example, provide us a sound basis for understanding and action.

“Words,” Idries Shah wrote, “are more often used to conceal information than to convey it.”<sup>2</sup>

What is needed in this age of other-and self-oppression by wealth-crazed rulers and inanity-obsessed consumers is a historical perspective for intelligent common people, along the lines of Howard Zinn's *A People's History of the United States*.

The treatment of heroes (Columbus) and their victims (the Arawaks)—the quiet acceptance of conquest and murder in the name of progress—is only one aspect of a certain approach to history, in which the past is told from the point of view of governments, conquerors, diplomats, leaders. It is as if they, like Columbus, deserve universal acceptance, as if they—the Founding Fathers, Jackson, Lincoln, Wilson, Roosevelt, Kennedy, the leading members of Congress, the famous Justices of the Supreme Court—represent the nation as a whole.<sup>3</sup>

In this age, humankind has been conditioned to think that the essence of life is *having*, possessing, which has led to one person or one group deliberately pursuing goals that result in the actual destruction of other humans. This homicidal epidemic has many names, all euphemisms: the new global economy, downsizing, necessary unemployment, the demands of the market economy, etc.

For the first time in history the physical survival of the human race depends on a radical change of the human heart. However, a change of the human heart is possible only to the extent that drastic economic and social changes occur that give the human heart the chance for change and the courage and the vision to achieve it.<sup>4</sup>

Thus a historical perspective becomes absolutely essential.

Without a map of our natural and social world—a picture of the world and of one's place in it that is structured and has inner cohesion—human beings would be confused and unable to act purposefully and consistently, for there would be no way of orienting oneself, of finding a fixed point that permits one to organize all the impressions that impinge upon each individual.<sup>5</sup>

How we create a historical perspective of the common people's struggle for freedom determines how we live our lives. Henry Kissinger has written that "history is the memory of states." Quite to the contrary, history should be seen as the memory of men and women in their struggle to achieve freedom *from* tyranny, both physical and mental, and freedom *to* pursue happiness, to achieve an understanding of the world to escape the imprisoning illusions of their "contemporary historians," the bought-and-paid-for scholastic mandarins who twist history into an account flattering to their masters.

We believe, with Santayana, that "those who cannot remember the past are condemned to repeat it." And unless we remember the past in terms of our ongoing struggle for freedom, we are condemned to remain victims of past and present tyrannies.

The purpose of a historical perspective, therefore, is to provide a foundation for understanding how humankind has both won and lost in our struggle toward the light of freedom and to gain insights into how we can now continue to work to achieve greater freedom in our time.

But a map is not enough as a guide for action; we also need a goal that tells us where to go. Animals have no such problems. Their instincts provide them with a map as well as with goals. But lacking instinctive determination and having a brain that permits us to think of many directions in which we can go, we need an object of total devotion, a focal point for all our strivings and the basis for all our effective—not only our proclaimed—values. We need such an object of devotion in order to integrate our energies in one direction, to transcend our isolated existence, with all its doubts and insecurities, and to answer our need for a meaning to life. <sup>6</sup>

Fortunately we have magnificently enlightening histories written by thinkers such as Idries Shah, Herbert J. Muller, John Howard Lawson, Howard Zinn, Carroll Quigley, and many others, which provide both effective maps of our social and metaphysical reality and goals for evolutionary human development.

Following the motif of the European and American Enlightenment of the eighteenth century, especially the French *Encyclopaedia* and the American activist writings by Patrick Henry, Thomas Jefferson, Thomas Paine and others, we want to assist in developing a clear, easily understood perspective of human history, accessible to a large number of people.

We must encourage citizens throughout the world to take the time to study the works of such thinker-historians as those mentioned above. Along with studying enlightening histories, we must also develop a concise, plain-speaking, non-academic *perspective* of humankind's victories and defeats in our struggle for liberty. Without an enlightening historical perspective the study of history – or any other subject – falls into the thought molds that we have allowed to be instilled in us by our culture.

This perspective should follow the theme of human freedom in its dynamic relationship with power. Within this perspective of the individual's struggle against tools of manipulation we can then put the details of historic events – which most often are the entire content of “sanctioned” histories – into their proper perspective. The examination, for example, of the period of the European crusades would not be merely a listing of the various campaigns against “the infidels,” but an assessment of the technologies of control used during this time that made it possible for rulers to manipulate people of all classes to participate in these self-destructive actions. What were the political, economic, religious, and psychological dynamics operating which by understanding we will be able to see the same kinds of manipulative, enslaving, and enlightening factors at work today?

One of our focal points in developing a people's historical perspective should be to highlight the often forgotten or de-emphasized victories that men and women have won in their struggle to throw off the chains of political, religious, monetary and psychological oppression. We also need to see how specific historic events – for example, the rise of the monetarist ideology – often contributed to both oppression and freedom, to various degrees, in different dimensions of human life.

A people's historical perspective allows us to examine all facets of humankind's struggle for understanding and free will, the ongoing battle against the elements which lead to mental and physical enslavement. Today, as always, there are those who, because of money and power, act in terribly oppressive ways to produce homelessness, poverty, illiteracy, and ignorance. Along with studying such instances of social tyranny, our effort must also be to understand how it is that *we allow ourselves to be manipulated and degraded* by elements in our culture and in our own psyches and how we can make radical changes which will lead to increased human freedom. For example, a good deal of our attention must be directed toward the tyranny of disinformation. In this regard, we attempt to carry out the same kind of endeavor as described by Idries Shah, though in no manner capable of involvement in what he points to.

Sufism may be viewed in one sense as struggling against the use of words to establish patterns of thinking whereby humankind is kept at a certain stage of ineptitude; or made to serve organisms which are ultimately not of evolutionary value.<sup>7</sup>

A people's historical perspective should allow persons of all educational levels to explore the entire spectrum of elements which bear on human freedom: political, economic, religious, intellectual, psychological and esthetic—in somewhat the same fashion as Muller.

I have looked to both the economic or material and the cultural or spiritual conditions of freedom. Among these are the gains in collective wealth and power, through commerce and technology, that have effectively enlarged the capacities of men and widened the range of choice. A related concern is creativity in art and thought, to me the clearest proof of the reality and the value of human freedom, and in any case a vital factor in its history. This in turn involves the history of ideas, especially ideas that promoted—or discouraged—freedom of mind, a confidence in man's

powers or potentialities, a belief in his dignity or his fitness for freedom. As for the most obvious topic, the social and political structure that mainly determines who shall enjoy such freedoms and to what degree, I have naturally dwelt on the extension of rights, opportunities, and incentives to larger numbers of men. It is always possible to argue that the primary social concern should be provision for the elite, the few who are capable of creativity; but since all societies offer privilege and power to some few, I assume that a society becomes objectively freer as it gives more of its members more chance for self-expression or self-realization, and some say in their rule.<sup>8</sup>

With an enlightening historical perspective, we can view humankind's past as: 1) the increasingly sophisticated development of technologies of manipulation by religious, political, psychological and economic rulers, and 2) the constant availability of a perennial tradition which assists people to develop understanding leading to physical and spiritual freedom.

The genius of a book such as Orwell's *1984* is that it both describes how rulers develop ever more powerful technologies of control while at the same time helping us understand how these technologies can be overcome through knowledge. The fact that such knowledge as is found in *1984* and Huxley's *Brave New World* is largely unknown in modern society does not mean that it has lost any of its power.

Tyrants, oppressing others and themselves oppressed by ideas and training, hardly ever have any humour. So seek to find and to encourage humour.<sup>9</sup>

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### Notes:

- 1 John Howard Lawson. *The Hidden Heritage*, NY: Citadel Press, 1950.
- 2 Idries Shah. *The Sufis*, London: Octagon Press, 1964.
- 3 Howard Zinn. *A People's History of the United States*, NY: Harper, 1980.
- 4 Erich Fromm. *To Have or To Be?* NY: Harper & Row, 1976, p. 9.



- 5 Erich Fromm. *Op. cit.*, p. 127
- 6 Erich Fromm. *Op. cit.*, p. 127
- 7 Idries Shah. *Op. cit.*
- 8 Herbert J. Muller. *Freedom in the Western World*, NY: Harper.
- 9 Idries Shah. *The Commanding Self*, London: Octagon Press, p. 308.



## Chapter Four

### **A Second Pearl Harbor? Implications of Prior Knowledge of Danger to America**

Just as the possibility of a Japanese attack in early December 1941 was known to US naval intelligence and to President Roosevelt, so the Bush administration had prior knowledge of the 9/11 attack. The American people have suffered a second Pearl Harbor!

In the wake of the horrible terrorist attacks on the World Trade Center and the Pentagon, we must consider that American political, intelligence and financial personnel may have had sufficient knowledge of terrorist cells in the US to require them to develop immediate safeguards of American lives. Evidence is now surfacing that indicates there was prior knowledge of the likelihood of attacks on American soil.

#### **Prior Knowledge by Intelligence Agencies**

In a September 12, 2001 *CounterPunch* article, "Sense and Nonsense about September 11," Alexander Cockburn and Jeffrey St. Clair indicated that *CounterPunch* had learned from two sources that:

- Three weeks before the attack of September 11, security at the World Trade Center was abruptly heightened, with sniffer dogs being introduced for the first time.

- Six weeks before the attack, a US army Arsenal at Picatinny, New Jersey was placed on top security alert, with some staff restricted to their offices for a period.

Since 9/11, the Bush administration has had to admit that it did have prior knowledge of possible terrorist activity. We'll examine a few samples of prior knowledge.

In May of 2001, US drug enforcement officials visited Afghanistan to celebrate the Taliban regime's success in limiting opium production. The *New York Times* headline blared: "Taliban's Ban on Poppy a Success, US Aides Say."

On May 17, 2001, Secretary of State Colin L. Powell announced a \$43-million grant to Afghanistan in additional emergency aid to Afghan farmers who had stopped planting poppies and to cope with the effects of a prolonged drought. Powell issued a statement that the US would "continue to look for ways to provide more assistance to the Afghans."

All this aid would have sent a strong signal to the Taliban that its support of bin Laden was somehow acceptable. It would also have allowed US intelligence operatives access to Afghanistan and to bin Laden.

The strange case of Khalid al-Mihdhar and Nawaf al-Hamzi:

- The two men used their own names to buy airline tickets and board American Airlines Flight 77, which left Dulles International Airport and slammed into the Pentagon.
- Intelligence officials said they alerted immigration authorities nearly two months ago that the men might try to enter the United States.
- When immigration records were checked, officials learned that the men had already entered the United States.
- Both arrived at Los Angeles International Airport on Saudi passports.
- Mr. al-Mihdhar had been seen in January 2000 at a meeting of suspected terrorists in Malaysia that was under surveillance by American intelligence.
- After the bombing of the Navy destroyer Cole last October, intelligence analysts began to review possible suspects from that meeting in Malaysia.

- In August, 2001, intelligence officials advised the Immigration and Naturalization Service to place Mr. al-Mihdhar on a watch list to bar entry into the United States, along with Mr. al-Hamzi, because the two men had traveled to the United States together in the past.
- The FBI was alerted after officials learned they were already in the country, but the agency could not find them.
- In 2000, Mr. al-Mihdhar and Mr. al-Hamzi rented rooms from a retired professor in suburban San Diego, the *Los Angeles Times* reported on September 19, 2001; the professor, Abdussattar Shaikh, told the newspaper that Mr. al-Hamzi had lived with him from September to December, 2000, and that Mr. al-Mihdhar had shared the room in September.

The amount of intelligence on these two terrorists is so extensive, it's difficult to credit the official line that the intelligence agencies were caught napping.

A September 23, 2001, *Los Angeles Times* report, "How Did Hijackers Get Past Airport Security?" indicated that at least five times in the last two years, violent passengers had burst into an aircraft's cockpit on a commercial flight, attacking the crew members and in some instances taking control of the plane.

In a September 23, 2001, commentary in the *Los Angeles Times*, "With No Lobby, the People Are Unheard," Arianna Huffington made an even stronger case for deadly prior knowledge. Ms. Huffington pointed to evidence that the Bush administration was aware of our country's vulnerability and did almost nothing to ensure our safety. She pointed to a recruitment video produced by Osama bin Laden, released less than three months prior to her article, in which bin Laden threatens to penetrate America. Because of the video, the Pentagon placed US forces on heightened alert but apparently the Bush administration did nothing to remedy the massive security defects at US airports.

Steve Elson, former Federal Aviation Administration special agent indicated that everyone, Congress, the entire government apparatus, knew something was going to happen. They were aware of the defective nature of our intelli-

gence-gathering capabilities. Elson went on to state that the nation is vulnerable to terrorist attacks because policies are decided not in response to public interest but to the lobbying efforts of interest groups.

### **Suspicious Trading**

On September 19, 2001, American and European law enforcement officials said they were examining whether or not any associates of Osama bin Laden may have tried to profit from the attacks by trading in put options or short-selling particular stocks (betting that a stock price will decline), like reinsurance companies or airlines.

German officials had contacted American securities regulators indicating they were examining short sales in three large European reinsurance companies whose stock plummeted inexplicably before the attacks.

Neither American nor German securities regulators have any hard evidence of insider trading but both have concluded that there should be a review of any significant and suspicious options trading or short-selling.

In September, 2001, something even more suspicious occurred. The Chicago Board Options Exchange, the world's biggest options market, joined a widening probe as to whether or not terrorists may have profited from bearish trades in airline, insurance and brokerage stocks prior to the attacks on the World Trade Center and the Pentagon.

The Chicago Board Options Exchange said they were investigating an unusually high volume of sales of "put" options on stocks such as UAL Corp. and AMR Corp., parent companies of United Airlines and American Airlines, in the days before their jets were used to destroy the World Trade Center and severely damage the Pentagon.

On September 19, 2001, SEC Chairman Harvey Pitt said the agency's enforcement division "has been looking into a variety of market actions that could be linked to these terrible acts."

In a letter dated September 16, 2001, New York Rep. John J. LaFalce, ranking Democrat on the House Committee on

Financial Services, urged Pitt to ask Congress “for any additional powers or resources you may require” to get to the bottom of the matter.

Even as early as the September 7-10, 2001 weekend, reports of suspicious trading activity began circulating in Europe, having to do with three big reinsurance firms—Munich Reinsurance, Swiss Reinsurance and AXA. Such reinsurers sell backup insurance to protect major insurers from big losses.

In a report September 18, 2001, *Bloomberg News* said that three trading days before the attack, the volume of put option contracts sold for UAL (parent company of United Airlines) was 285 times higher than average. The day before the two American Airlines jets were hijacked and used in a terrorist attack, the number of option contracts for AMR was 60 times the daily average.

Trading in put options for Morgan Stanley Dean Witter & Co., which occupied 22 floors of one of the trade center towers, was 25 times the usual volume, *Bloomberg* reported.

These suspicious market moves have now been covered up as the result of the economic slump which had been accelerating in the months since 9/11, the already decreasing price in airline industry stock, and the fact that brokerage stocks always fall when the market is down.

John C. Coffee, a Columbia University law professor opined that “if, indeed, terrorist groups were involved in market manipulation, it would mean they are trying to finance a campaign of terror against Western capitalism by using its very core institutions—the markets.”

### **No Warren Commission-Type Cover-Ups, Thank You**

America’s crying need at this hour is for a dedicated group of American legislative leaders who will actually carry through with a no-nonsense inquiry into the implications of the Bush administration’s prior knowledge of the likelihood of terrorist attacks.

A few intrepid investigators are examining the circumstances surrounding the events of September 11, 2001. Unfortunately,

the few public figures who have called for a congressional investigation have been met with invective, scorn and slander in the press, and stonewalling on the part of the FBI, the CIA and the Ashcroft Justice Department.

Congresswoman Cynthia A. McKinney was one of the few outspoken voices requesting a full investigation of the Bush administration's possible involvement in the 9/11 terrorist attacks.

McKinney's suspicions of Carlucci were substantiated by Geoffrey Gray's article: "The Carlyle Connection," *The Village Voice*, May 1-7, 2002.

### **Media Feeding-Frenzy**

The press finally went wild on May 16, 2002, when the Bush administration admitted the President had been informed prior to 9/11/01 of the possibility of terrorist attacks on Americans. This frenzy, however, soon dissipated amidst all the press sycophants cooing that the prior information was too vague and Bush would certainly have done something if he had known.

That this information of Bush's prior knowledge of terrorist attacks on America came to most press people as a shock is an indictment of the so-called radio and TV journalists. Charlie Rose, on May 17, 2002, in interviewing two members of a congressional investigating committee, blurted out his surprise that the FBI and the CIA were dragging their feet in supplying information about 9/11 to the investigating committees.

This information about the Bush administration's prior knowledge has been available to any discerning American since shortly after the terrorist attacks on 9/11/01.



## Chapter Five

### Blowback: Why 9/11 Happened

Ever since the indefensible, horrible terrorist attacks on New York City and Washington, DC took place, TV announcers have been asking: Why did this happen? Chalmers Johnson's book, *Blowback*, provides the answer:

The term "blowback," which officials of the Central Intelligence Agency first invented for their own internal use, is starting to circulate among students of international relations. It refers to the unintended consequences of policies that were kept secret from the American people. What the daily press reports as the malign acts of "terrorists" or "drug lords" or "rogue states" or "illegal arms merchants" often turn out to be blowback from earlier American operations.

In the context of Johnson's book, what possible actions "kept secret from the American people" brought about this horrible disaster?

- The Gulf War, staged in Saudi Arabia, which Bush's father foisted on the world in his speech to Congress exactly eleven years ago: September 11, 1990.
- The Camp David accords, which signaled the US buy-out of Egypt as countervailing force for Palestinian rights in the Middle East, which occurred on September 11, 1978.
- The continuing Israeli actions in the Occupied Territories that have included assassinations of Palestinian leaders and the slaughter of Palestinian civilians with the use of American aircraft.

- Clinton's bombing of the Sudan, destroying half its pharmaceutical supplies and killing large numbers of people (no one knows how many for sure because the US blocked an inquiry at the UN and our corporate-dominated "news" agencies deliberately fail to pursue it).
- Bush administration renewal of attacks and sanctions against Iraq that have seen upward of a million people die, many of them children.

The thesis of Johnson's book is straightforward:

I believe the profligate waste of our resources on irrelevant weapons systems and the Asian economic meltdown, as well as the continuous trail of military "accidents" and of terrorist attacks on American installations and embassies, are all portents of a twenty-first century crisis in America's empire, an empire based on the projection of military power to every corner of the world and on the use of American capital and markets to force global economic integration on our terms, at whatever costs to others.

Beyond the tragedy of the attack on the World Trade Center and the Pentagon, what other examples of blowback can we trace?

It is now widely recognized, for example, that the 1988 bombing of Pan Am flight 103 over Lockerbie, Scotland, which resulted in the deaths of 259 passengers and 11 people on the ground, was retaliation for a 1986 Reagan administration aerial raid on Libya that killed president Muammar Khadafi's stepdaughter.

As Johnson illustrates, for decades United States leaders have supported dictators in national struggles for independence:

- Indochina against the French.
- Malaya against the British.
- Indonesia against the Dutch.
- Philippine guerrillas against American puppet Ferdinand Marcos.

- South Korea against American puppet dictator Syngman Rhee.
  - ❖ 1960: Koreans overthrew Rhee—Americans put in Park Chung-hee, first of 3 army generals who would rule from 1961 to 1993.
  - ❖ Americans tolerated a coup d'état by General Chun Doo-hwan in 1979 and covertly supported his orders that led to the killing of several hundred, maybe several thousand Korean civilians at Kwangju in 1980 (probably far more people than the Chinese Communists killed in and around Tiananmen Square in 1989).
- Chiang Kai-shek and his son Chiang Ching-kuo in Taiwan.
- Ngo Dinh Diem (assassinated on American orders), General Nguyen Khanh, General Nguyen Cao Ky, and General Nguyen Van Thieu in Vietnam.
- General Lon Nol in Cambodia.
- Marshals Pibul Songgram, Sarit Thanarat, Praphas Charusathien, and Thanom Kittikachorn in Thailand (where they were essentially caretakers for the huge American air bases at Udorn, Takli, Korat, and Ubon).
- General Suharto in Indonesia (brought to power with the help of the CIA and overthrown with the help of the Pentagon's Defense Intelligence Agency).
- 1981: US launched Vietnam-style operations in Central America, supporting insurgency against a Sandinista government in Nicaragua sympathetic to Castro's Cuba; US supported cocaine trade of Nicaraguan counter-revolutionaries, the "Contras."

Another factor more than likely to produce blowback is the economic policy which American leaders pursued in Asia. East Asian countries were encouraged to build their economies on foreign—largely American—demand, instead of domestic demand. But when too many Asian nations tried to duplicate Japanese-style high-speed growth, the house of cards began to fall in the 1980s.

Johnson indicates that America's economic imperialism may likely result in a world-wide economic blowback. American plutocrats opened up the East Asian economies, to

manipulate them as competitors and to control them through such international agencies as the World Trade Organization, the International Monetary Fund and the Import-Export Bank.

This deliberate campaign against Asian-style capitalism may very likely result in blowback toward America. American plutocrats pretended that the Asian Tigers' success was a victory for global capitalism, whereas it was merely a temporary ploy by the US financial corporations. This has destroyed the credibility of the plutocrats' economic ideology and betrayed its Cold War supporters.

The impoverishment and humiliation of huge populations from Indonesia to South Korea was itself blowback enough, even if the blowback for the time being spared ordinary Americans. But if and when the stricken economies recover, they will almost certainly start to seek leadership elsewhere than from the United States. At a bare minimum, they will try to protect themselves from ever again being smothered by the American embrace. In short, by refusing to reform its Cold War structures and instead insisting that other peoples emulate the American way, the United States gave itself an unnecessary, possibly terminal case of imperial overstretch. Instead of forestalling global instability, it helped make such instability inevitable.

But we must look to possible destructive effects which could result from the tragic 9/11 attack on New York City and Washington, DC. The people who killed the thousands of Americans in the World Trade Center and the Pentagon were persons who had allowed themselves to become so brain-washed by their leaders that they embraced their own death.

We must not become programmed by leaders who may try to turn us into unthinking, jingoistic pawns in a world war, indoctrinated dupes reacting to recent events in heedless retaliation. It's now necessary that we recognize and act on our solidarity with reasonable, freedom-loving people throughout the world.

It's clear that actions taken by our leaders have led to this horrible blowback situation of common people becoming vic-

tims in a war we didn't realize had been going on for decades. People in other countries were being murdered in this ongoing terrorist war that our leaders were carrying out, but it took people dying in the United States before we woke up to the reality of what was happening.

We should be encouraged by the fact that in this time when a variety of people are reacting in a deranged manner, many cool heads and reasonable voices are being heard:

- Robert Jensen's article in *CounterPunch*, "Why I Won't Rally around the President":

When we speak out against war in public, we will find support, but we also should expect hostility. We should expect the question posed by one of the people who wrote to condemn me: "Whose side are you on?"

The answers to that are simple: I am on the side of the people—no matter where they live—who will suffer the violence, not the leaders—no matter where they live—who will plan it.

I am on the side of peace, not war.

I am on the side of justice, not vengeance.

And most important, I am on the side of hope, not despair.

- Anthony Lewis's Op-Ed in the 9/15/01 *New York Times*, "Beware Unintended Results":

The danger in the current situation is that hasty, ill-targeted military action could arouse anti-Western sentiments right across the Middle East. That could threaten such important US friends as the governments of Egypt and Jordan — and Saudi Arabia, from which Osama bin Laden is an angry exile and which is at the core of his grievance. He would be delighted at a United States response that destabilized the Saudi regime.

- In Paris, French Prime Minister Lionel Jospin warned that a precipitous attack could unleash wider instability:

We should not start thinking in terms of a confrontation between the Western world and the Islamic world as such... We have friends and partners there. We must keep our heads. "I hope that the United States will not act rashly and [will] take international public opinion into account when weighing its response," former Turkish President Suleyman Demirel said. "I hope they will not try and pin this act on an entire region or an entire ethnic group, but that they will have the prescience to punish only those who were responsible for this act of terrorism."

One of the first things we must do to protect against further blowback is to regain our democracy, to make sure this crisis is not used as the excuse to destroy or limit essential civil liberties. Already, some disturbing actions have taken place to suppress our rights:

- Only hours after the attacks, the FBI reportedly began installing its controversial Carnivore system at some Internet providers to monitor and record electronic communications, particularly seeking accounts with Arabic names. On the day of the attacks, an ABC-*Washington Post* poll found that 66% of Americans would willingly give up some civil liberties to combat terrorism.
- On Sept. 12, Defense Secretary Donald Rumsfeld publicly cautioned that divulging classified intelligence could hinder the government's efforts to track down those responsible and could put military personnel at risk. His remarks heightened expectation that the "classified leaks" bill, which would criminalize intelligence leaks, could be swiftly revived after being shelved only in the previous week.
- On September 12, Vermont's governor, Howard Dean, said at a news conference that the crisis would require "a re-evaluation of the importance of some of our specific civil liberties."

- The US Senate approved legislation on September 12 that would make it easier for the FBI to obtain warrants for electronic eavesdropping.
- And Sen. Jon Kyl, R-AZ, saying that civil libertarians in the past had blocked legislation essential in a terrorism fight, vowed to push for laws to make search and surveillance easier in domestic intelligence-gathering efforts.
- Also on September 12, House Democratic Leader Richard Gephardt, D-MO., echoing earlier remarks by Senate Minority Leader Trent Lott, R-MS, warned that an erosion of civil liberties would be inevitable. "We're in a new world where we have to rebalance freedom and security," he said, according to *The Washington Post*.

Fortunately there are some sane voices who realize how important it is to keep our liberties intact. Senator Bob Graham seemed to capture in his statement [Sept. 12] precisely the proper tone — that if we sacrifice basic rights and liberties for security, then the terrorists will truly have prevailed. Acknowledging that the enormity of this disaster makes for an extraordinary time, we must keep First Amendment rights in focus.

Robert O'Neil, founding director of the Thomas Jefferson Center for the Protection of Free Expression, in Charlottesville, VA, put it another way: "The dilemma is balancing, on one hand, the undoubted need for better and more sophisticated intelligence gathering, against the imperative to preserve civil liberties despite the heightened threats of terrorism."

O'Neil predicts government action on "potential threats that were simmering before Tuesday and on which the heat may now be turned up, especially in view of Senator Lott's comment about civil liberties at risk in time of war. Those include," he said, "possible revival of the 'classified leaks' bill, renewed interest in installing Carnivore-like devices and maybe a new round of Clipper Chip," the encryption technology for digital telephones developed secretly with a "back door" key by the National Security Agency in 1993.

Civil liberties groups are already beginning to gather their forces. The American Civil Liberties Union of Northern

California has started a telephone hotline to monitor violations of civil liberties, particularly racial profiling.

Contrary to some of the extremists now trying to scare America into a lunatic reaction to its crisis, a time of tragedy is precisely the time to place renewed emphasis on civil liberties.

This horrific calamity which has befallen us can be a genuine wake-up call, making us aware of the necessity that we retake control of our government so that such catastrophes do not recur.

To protect ourselves from further catastrophic blowback, we must arouse ourselves to become once again an informed citizenry. We must demand that our executive and legislative leaders actually carry out due diligence in assuring that the people's interests are being served. No longer can we allow our leaders to act in ways that threaten our nation, our way of life, and our very lives.



## Chapter Six

### Daring to Think the Unthinkable About 9/11

Internet radio and print columnist Alex Jones of Infowar.com now states without equivocation that the Bush administration not only had prior knowledge of the September 11 terrorist attacks; they funded, trained, protected and directed the operation.

According to Jones, Bush and cohorts trained many of the terrorists at Pensacola Naval Air Station and forced the FBI two months before September 11 to stop its investigation of al Qaeda and bin Laden, threatening them with arrest if they didn't desist.

Before you dismiss Jones as a "conspiracy nut," I recommend you view his video, *The Road to Tyranny*, available online at: [http://www.infowars.com/video\\_clips.html](http://www.infowars.com/video_clips.html). I think you'll be surprised at how much documented evidence for his conclusion he's able to assemble.

Jones's claim about the Bush complicity in 9/11 is part of a much larger picture he paints:

- A history of governments creating catastrophes to galvanize their people into jingoism and compliant surrender of their liberties (Rome, Nazi Germany, the US in 1941).
- How 9/11 is part of a larger conspiracy to create a totalitarian police state in the United States.

## You Can't Bury Your Head in the Sand

But even if you don't think there's enough evidence to conclude that 9/11 was a Bush conspiracy, you need to review and *face* all the facts, consider carefully all the relevant hypotheses, and select that hypothesis which has the preponderance of evidence to support it.

In regard to 9/11, there are two main hypotheses, with sub-hypotheses branching out from them:

- The Bush administration was complicit in the terrorist attack on the World Trade Center and the Pentagon.
- The Bush administration was not complicit in the terrorist attack on the World Trade Center and the Pentagon.

The Bush administration, the rabid right, and even some reputedly left-leaning liberals are warning us that any serious consideration of the hypothesis that 9/11 was a Bush conspiracy is a flight into lunacy.

In an extraordinarily insightful essay, Bev Conover, Online Journal Editor and Publisher, asks the absolutely essential question: Has the Establishment Left become a Handmaiden of the Republican Right? She indicts the "self-appointed gatekeepers of the left" for smearing anyone as a conspiracy nut who doesn't agree with the Bush administration that 9/11 was only a grievous intelligence failure.

What Ms. Conover calls a "cabal of lily-livered leftists, ensconced in their ivory towers," includes such supposed "stars" as Norman Solomon, executive director of the Institute for Public Accuracy; David Corn, *The Nation's* Washington editor; Michael Albert, co-founder of *Z Magazine* and system operator of the magazine's Znet.org; Steve Rendall, FAIR's senior analyst; Chip Berlet, senior research analyst for Political Research Associates; Larry Bensky of Pacifica Radio's flagship station, KPFA; and Noam Chomsky, writer, philosopher, and professor of linguistics at MIT.

As Conover points out, the dread list of "conspiracy nuts" includes not only such usual suspects as Mike Ruppert of copvicia website notoriety, but also the newest "arch conspir-

acist," unseated Georgia Representative Cynthia McKinney, who had the temerity to call for an investigation into what the Bush administration knew before the attacks and the connection of Bush and the Carlyle Group, one of the largest corporations that is profiting handsomely from the "war on terrorism."

Ms. Conover ends her thoughtful essay with a salient suggestion that the cowardly "behavior of the lily-livered left" might best be explained if we followed the money. Yes, indeed it's time we started following the money to explain the gutlessness of the establishment "liberals" and also to follow the money in the entire 9/11 phenomenon to see who profited from this catastrophe and how.

### **Self-Informed Citizens Want to Know**

If you're going to make sense of the World Trade Center/ Pentagon catastrophe, you're going to have to dare to think the "unthinkable."

Certainly the "High Cabal" (as L. Fletcher Prouty depicted it), which has been the controlling power behind both Democratic and Republican administrations since the time of Kennedy, has no trouble thinking and carrying out the unthinkable:

- Forcing America into the Gulf War and the Afghanistan War to protect corporate oil interests, resulting in American soldiers being killed along with an uncounted number of enemy civilians.
- Creating a plan, *approved by all of the Joint Chiefs of Staff*, titled "Operation Northwoods":
  - ❖ A military operation involving the murder of American civilians as a way to create a pretext for a military operation against Cuba.
  - ❖ The plan included assassinations and bombings in American cities, blowing up American ships in Cuban harbors, hijacking American airplanes.
  - ❖ According to "Operation Northwoods," "casualty lists in US newspapers would cause a helpful wave of national indignation."

- ❖ The current Bush administration creating plans for nuclear first strike military actions.

None of us likes to think that our own government would deliberately carry out a murderous attack on its own people. But that hypothesis has to be given equal weight with the theory that the Bush administration was not complicit in 9/11.

We need to consider all relevant sub-hypotheses in coming to an informed opinion:

- The Bush administration was complicit in the terrorist attack on the World Trade Center and the Pentagon.
  - ❖ This is part of a larger conspiracy to change the face of government in the US
  - ❖ The 9/11 attack was a (CIA, FBI, military, ???) operation gone wrong.
- The Bush administration was not complicit in the terrorist attack on the World Trade Center and the Pentagon.
  - ❖ They did have prior knowledge of possible dangers and chose to do nothing.
  - ❖ They had no actionable prior knowledge of possible danger of a terrorist attack.

### **You Need to Form a Definite Opinion To Be Able to Act Intelligently**

In the coming months, you're going to have to respond to what the Bush administration does. You can only respond sensibly if you have at least a *working hypothesis* about what's really going on in the world. Intelligent behavior involves analyzing the problems and issues facing us to find an acceptable theoretical solution which we then test in practice.

Intelligent, critical thinking involves:

- Reviewing and *facing* all the facts.
- Considering carefully all the relevant hypotheses.
- Selecting that hypothesis which has the preponderance of evidence to support it.

Having outlined the viable, relevant hypotheses, you must now look at all the facts and see which hypothesis is support-

ed with the preponderance of evidence. In trying to figure out the 9/11 phenomenon, you're not going to find many "smoking guns" (though perhaps you will find more than you might suppose at first glance).

Once you've decided which hypothesis best fits the facts as you know them, you'll then have a firm foundation for forming your beliefs and selecting how you will respond to events in the future.

My purpose in this chapter has been to provide a framework for thought in trying to make sense of the 9/11 terrorist attacks, not to review the evidence which supports or disproves the hypotheses and sub-hypotheses.

I encourage you to dare to think the unthinkable wherever it may take you. Don't let either right-wing reactionaries or pseudo-liberals frighten you from making up your own mind as to just what happened on September 11, 2001.

It's up to us to consider these questions as if our lives depend on them – because they probably do.



## Chapter Seven

### Police State USA

“None are more hopelessly enslaved than those who falsely believe they are free.”

– Johann Wolfgang von Goethe

A police state exists when federal and state police mechanisms:

- Serve the central government instead of serving the citizens.
- Enforce the policies of the central government instead of responding primarily to criminal misdeeds.
- Spy on and intimidate citizens.

All these conditions now exist in the United States!

- In a free society, police agencies respond to evidence of planned and actual criminal activity.
- Police officers in a free society keep the peace; they do not investigate citizens and activities unless there is some reason to investigate.
- In a free society, police do not investigate citizens' attitudes toward the central government, only their action.
- Citizen dissent is lawful in a free society and police agencies do not investigate citizens' attitudes toward the criminal justice apparatus.

Those conditions no longer exist in the United States!

Under the former 1989 Guidelines, the FBI first had to obtain evidence suggesting some kind of criminal activity before its agents could begin investigating. Under the FBI's new May 30, 2002 revised Guidelines, FBI agents are authorized to carry out "general topical research" and retain files on this research. Specifically, agents may conduct "online searches" and visit "online sites and forums as part of such research."

The new Guidelines warn against searching "for information by individuals' names or other individual identifiers," but it's okay to search by names to locate "names of authors who write on the topic" the agent is researching.

Of course every citizen of the United States is a possible "author" of e-mail messages on a variety of subjects, so all US citizens are potential "terrorism suspects" under these new guidelines.

The new Guidelines now encourage the FBI to snoop around looking for people who might be suspicious, creating files on anyone who catches their fancy. Agents can now investigate people, organizations, websites, chat rooms and forums for any reason or for no reason at all. They can enter your home without a warrant and are not required to inform you that they have invaded your home if you are not present.

All the records they create in their investigations will be placed in national databases available to all agencies now under the new "Homeland Security" umbrella. Never in US history has there been such a monolithic surveillance mechanism with the terrible power to destroy American citizens' lives.

The 1989 and the new 2002 Guidelines expressly state that the FBI must not launch investigations "based solely on [citizens'] activities protected by the First Amendment or on the lawful exercise of any other [federal or Constitutional] rights." Do you see your local FBI agent as having a clear enough understanding of constitutional rights to keep him from investigating people whom he identifies as having "terrorist proclivities?"

Scores of US cities are now using surveillance television camera systems to spy on citizens—shades of 1984. With video



cameras perched atop buildings and poles, watching whatever Americans are doing, do you suppose there might be some potential for abuse in such systems? Christian Parenti's, article, "DC's Virtual Panopticon," in the June 3, 2002 issue of *The Nation* describes how "police in Detroit and DC have used CCTV [closed-circuit television] to stalk personal foes, political opponents and young women." Smile, you're on *Kandid Kamera*.

To justify its expanding obliteration of constitutional liberties, the Bush administration uses the most insane brand of logic – which should outrage American citizens:

- Why did the intelligence agencies fail to detect or prevent 9/11? Because they didn't have enough money. So we'll give them billions more.
- Why is the FBI still failing in its fight against terrorism? Because the rights of American citizens are preventing the agency from carrying out its job. So we'll set up new Guidelines and take away more constitutional rights of citizens.
- Why is it unnecessary for the Bush administration to provide records to Congress concerning Enron or prior knowledge of possible terrorist attacks? Because we're in a state of war and the executive branch must not be hamstrung by witch hunts or frivolous investigations.

### **The US Government Spying on and Lying to Its Citizens**

Between 1956-1971, the FBI conducted domestic "counterintelligence programs" (COINTELPRO) to spy on, intimidate, and radicalize political dissident groups. The FBI had carried out covert operations throughout its history, but the target of the COINTELPRO operations was radical political organizations. Since the FBI spied on American political dissidents, not foreign agents, "counterintelligence" was merely a cover name for the FBI activities.

FBI, military, and police forces have a notorious record of illegally quashing citizen dissent. Frank Morales's article, "US Military Civil Disturbance Planning," in the Spring-Summer, 2000 issue of *Covert Action Quarterly* exposed "Operation Garden Plot."

This plan originated in 1968 under the heading of “civil disturbance planning,” and involved training military and police personnel to suppress democratic opposition in America. The plan was activated in 1992 during the Los Angeles riots.

The American government has a habit of lying to its citizens when it wants to contrive a new war:

- In 1898, the sinking of the battleship Maine was the excuse for the Spanish American War.
- In 1915, the sinking of the ocean liner Lusitania was the excuse for World War I.
- In 1941, the attack on Pearl Harbor was the excuse for World War II.
- In 1964, the Gulf of Tonkin affair was the excuse for the Vietnam War.
- In 2001, the 9/11 attacks were the excuse for the “war on terrorism.”

### **Government By Coup d’Etat and Intimidation**

We know that the beginning stages of a police state exist in the United States when:

- A leader is brought into power through illegal means.
- A national catastrophe is used as the pretext to begin a war and institute extraordinary restrictions on constitutional liberties.
- Citizen dissent is held to be treasonous.
- The constitutional separation of powers is abrogated by a power-mad executive branch which controls or intimidates the other two branches of government.

The US Patriot Act was enacted by a Congress that had not actually read it. The only thing representatives and senators got was a two or three page compendium from the White House press office. Nobody was actually given the time to read the provisions of the act. The White House intimidated members of Congress into passing the bill by telling them if they refused to sign it, they’d be labeled as “unpatriotic” — something almost all members of Congress were frightened of at the time.

Congressional members Lieberman, Daschle and Gephardt later wrote a memorandum stating that Congress had effectively given the Bush Administration “near dictatorial powers.”

### **A Militarist Police State**

The signs are unmistakable; the Bush regime is waging a “war against dissent,” rapidly moving the United States to a total police state.

American citizens had assumed that the Patriot Act and the FBI Guidelines assured that only foreign aliens could be placed in military detention centers, unprotected by the US constitution. But on June 10, 2002, an American citizen was declared by Bush, without due process, to be an “enemy combatant” and to have no constitutional protections. This American citizen was thrown into a naval brig in South Carolina.

Of course, Abdullah al Muhajir, a US citizen also known as Jose Padilla, has been branded a “known terrorist” with ties to al Qaeda, so almost no one is speaking out against this abrogation of constitutional procedures. A reputed “terrorist” who is said to have been building a “dirty bomb,” Padilla, a New York-born man of Puerto Rican descent, is assumed to be beyond the pale, not worthy of judicial prerogatives. But what happens when Bush or the FBI brands you as a “terrorist” because you appear to be a dissenter, denying you your constitutional rights as a US citizen?

Attorney General Ashcroft has explicitly stated that terrorists do not deserve constitutional protections. All they deserve are “courts” of conviction, not justice. Unfortunately, in this creeping police state, who does and doesn’t receive justice is determined by Bush and his underlings.

The Bush administration wants us to believe that we are in an actual state of war—and therefore must operate under restricted wartime civil liberties. You can’t take a government seriously when it says we’re in a state of war and yet refuses to reduce the record-breaking number of immigrants it’s allowing into the country each day.

All the new oversight laws the Bush administration has passed concern domestic surveillance of the American popu-

lation, not restrictions on immigration or tightening the screening process to examine new arrivals in America. A man like Ashcroft is laughable when he bulldozes constitutional liberties yet refuses to allow gun ownership records to be used in the “war on terrorism.”

### **The New American Thought Police**

One of the most horrendous aspects of this incipient American police state is its portrayal as a benign patriotism. “We’re going to make our nation safe from terrorists,” Bush sneers. This is a part of the larger propaganda campaign to make Dubya appear a harmless dunce—someone who isn’t smart enough to be a villain.

As we’ve seen in a previous chapter, the parallels between Nazi Germany and the Bush administration are striking. Bush’s creeping police state is being ushered in through exactly the same means that Hitler used to overpower the German people. Along with the attacks of his brutal Gestapo thugs, Hitler achieved ultimate success when he got the people to spy and inform on one another.

So the Bush administration has recently given the new Neighborhood Watch Association and their new allies from the old AmeriCorp, \$3.8 billion in government funds to create what Bill Berkowitz has termed AmeriSnitch.<sup>1</sup>

The Bush regime’s Thought Police was inaugurated by Ashcroft and Ed McMahon on TV, with Ed portraying himself as a jolly buffoon.

But this is the farthest thing from a comedy. The American Civil Liberties Union quite correctly sees this new Neighborhood Watch initiative as part of an “ongoing pattern of erosion of basic civil liberties in America in the name of unproven security measures.”

“By asking neighborhood groups to report on people who are ‘unfamiliar’ or who act in ways that are ‘suspicious’ or ‘not normal,’ our government is unconstructively fear-mongering, and fueling the already rampant ethnic and religious scapegoating,” says ACLU President Nadine Strossen.

The most depraved aspect of this new initiative is the recruitment of young people into this reincarnation of the Hitler Youth. So in the upcoming months we'll see the buffoon-like pied piper, Ed McMahon, on TV enlisting youngsters into their friendly Neighborhood Watch Gestapo program.

In August, 2002, the Justice Department launched a new initiative called Operation TIPS, which stands for "Terrorist Information and Prevention System," a nationwide program giving millions of American truckers, letter carriers, train conductors, ship captains, utility employees and others a formal way to report suspicious terrorist activity," says the citizen-corps.gov web site.

TIPS will involve one million workers in ten cities during the pilot stage. Operation TIPS will be "a national reporting system... Every participant in this new program will be given an Operation TIPS information sticker to be affixed to the cab of their vehicle or placed in some other public location so the toll-free number is readily available. TIPS operatives' mission will be to "report suspicious activity and not to report suspicious-looking people."

Another Gestapo group jumping on the bandwagon is "Americans for Victory Over Terrorism," led by former Education secretary Bill Bennett. Representing themselves as crusaders for virtue and conservative values, this fascist group will wage holy war against those they brand as weakening America's resolve to fight terrorism. In his opening announcement, Bennett pledged to take this fight "to campuses, salons, oratorical societies, editorial pages and television."

"It's the height of paranoid insanity to claim we're moving toward a police state," the blissfully ignorant proclaim. "If there's a police state," they sneer, "where's the goose-stepping Gestapo in our streets?" You can see them if you look beyond the old manifestations of tyranny to the new forms. And staring you in the face are the civilian concentration camps that have already been set up.

Fortunately, we are only in the first stages of this new hellish police state and we can stop it in its tracks if we act now to form a unified, activist citizen taskforce.

There are many people in the world who support our efforts to preserve American freedom, including:

- The highest ranking UN human rights official: Mary Robinson, UN High Commissioner for Human Rights and a former president of Ireland
- A former presidential staff member: John W. Dean
- Even some conservatives: House Judiciary Committee Chair James Sensenbrenner

This isn't a matter of "if" ... we decide to stop this police state in its infancy; we either stop it now or it will inevitably germinate into a full-blown monster. Whatever we do, we must make certain that Bush does not serve a second term!

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### **Notes:**

- <sup>1</sup> Berkowitz, Bill, "AmeriSnitch," *The Progressive*, May 2002



**Part II**  
**What's Wrong**





## Chapter Eight

### US/British Oil Imperialism

The American and British ruling circles have been engaged in a policy of military imperialism for several centuries. The American Revolution was fought to bring the United States under new, non-British ruling circles, with the new regime sold to the public as a democracy. Since the beginning of the twentieth century, these American ruling elites have revolved around the Rockefeller, Brown, Harriman and Morgan family dynasties. The Bush family, beginning with Prescott Bush, have served as satraps of the Rockefeller, Brown, and Harriman interests.

The British and American ruling cabals decided that the energy of choice for the world would be oil and natural gas (not coal)—just as the drugs of choice would be alcohol and tobacco.

#### **How the Rockefellers Seized Power**

John D. Rockefeller's father, called "Doctor" Rockefeller, was a bogus physician who sold patent medicines and had once been indicted for rape. John D's mother, a devout Baptist, would tie him to a fence post and beat him when he disobeyed her.

Beginning in Cleveland, Ohio as a bookkeeper, John D. then went into partnership in a refinery with the Clark brothers and soon bought them out. When he secretly bought out rival oil

companies, the executives pretended to be Rockefeller competitors and reported what other rival company executives told them. By 1870 he established a joint-stock company, called the Standard Oil Company, with a capital of a million dollars, of which he owned 27 percent. Standard Oil was already producing one-tenth of the oil in America.

The oil industry has always been plagued with the problem of overproduction. The year after oil was discovered, for example, the price of a barrel was \$20. At the end of the next year the price had dropped to 10 cents a barrel because of overproduction.

In the 1870s, two groups vied for control of the oil industry:

- The producers and drillers
- The refiners

By 1875, Rockefeller, as president of the refiners' Central Association, had become the leader of the refiners. The refiners effectively took control from the producers and drillers. John D. formed the Standard Oil Trust in 1883, trading across the entire continent.

From the center of his web at 26 Broadway in New York City, Rockefeller bought oilfields as well as refineries as the industry moved from Pennsylvania to Ohio, to Kansas, and on to California. Standard Oil's income was larger than that of most states and it "bought" federal and state politicians to enhance its position. With its huge profits, Standard could finance its own expansion, remaining free from bankers, whom Rockefeller resented. Standard Oil was now exporting oil to the Middle East, the Far East, and Europe. By 1885, 70% of Standard's business was overseas. Standard now had its own network of agents throughout the world, its own intelligence service which provided information about its competitors and about political leaders in all the target market countries.

The ruthlessness of Rockefeller's tactics against his competitors and his own workers (when they dared to demand a living wage) became the focus for a number of muckrakers such as Henry Demarist Lloyd and Ida Tarbell.

Tarbell's *History of Standard Oil* aroused the public against the monopolistic excesses of Rockefeller.

The Sherman Anti-Trust Act was passed in 1890. The Act was only brought to bear during Theodore Roosevelt's presidency. In 1907 a report was published by the Commissioner of Corporations and a special prosecutor, Frank Kellogg, began to detail the evidence of Standard's monopoly and exorbitant profits—nearly a billion dollars in a quarter-century. The case was appealed to the Supreme Court, which in 1911 decreed that Standard Oil must divest itself of all its subsidiaries.

The total value of the assets of all living descendants of John D. Rockefeller was estimated in 1974 at 2 billion dollars—something like 2 trillion dollars in today's money.

The Standard Oil progeny included:

- Standard Oil of New Jersey (EXXON)
- Standard Oil Company of New York (MOBIL)
- Standard Oil of California (SOCAL)
- GULF Oil Company
- Texas Company (TEXACO)

The Rockefellers, under the leadership of David, have continued to control American politics through such organizations as the Council on Foreign Relations and the Trilateral Commission.

### **The British Side of the Equation**

British Petroleum (earlier Anglo-Persian and then Anglo-Iranian Oil Company) was started by William Knox D'Arcy in 1901 when he bought a concession from the Grand Vizier in Teheran for 480,000 square miles (nearly twice the size of Texas) in exchange for twenty thousand pounds in cash, twenty thousand one pound shares, and sixteen percent of the net profits. After three years of drilling and finding no oil, D'Arcy convinced the Burmah Oil Company to put up the extra capital needed to keep D'Arcy's venture afloat. After another two years of drilling they finally struck oil and Burmah Oil and D'Arcy formed the new Anglo-Persian Oil Company.

In 1914, three months before the start of World War I, the British government, through the insistence of Winston Churchill, First Lord of the Admiralty, bought 51 percent of Anglo-Persian for two million pounds, stipulating that the company must always remain an independent British concern and that every director must be a British subject. The British navy had converted to oil (from coal) in 1910 and during World War I, Britain needed more oil than the Anglo-Persian Company could supply. The remainder was purchased from Royal Dutch Shell.

## Oil Wars

In the early part of the twentieth century, there was fierce rivalry between the three largest oil companies: Shell, Exxon, and British Petroleum.

- Henri Deterding, head of Shell, bought:
  - ❖ Oilfields in Egypt (1908).
  - ❖ The Russian Ural-Caspian oilfields (1910).
  - ❖ Mexican oilfields belonging to Lord Cowdray (Weetman Pearson).
  - ❖ Venezuelan oilfields (which still produce a sixth of Shell's output).
  - ❖ American oilfields.
- Walter Teagle, head of Exxon
  - ❖ Secretly bought a prosperous Texas oil company misleadingly named Humble (1919).
  - ❖ Secretly bought out the Nobels' Russian oil interests for \$11.5 million (1920) – though the new communist regime seized the oilfields and paid Exxon nothing.
- British Petroleum
  - ❖ BP controlled not only Iran (Anglo-Persian Oil Company) but a quarter of the oil from the Iraq Petroleum Company. The Iraq Petroleum Company (earlier called the Turkish Petroleum Company) was formed following World War I, composed of British Petroleum (BP), Exxon, Gulf, Texaco, Mobil, and Calouste Gulbenkian, an Armenian entrepreneur.

In 1928, Teagle (Exxon), Deterding (Shell), and Sir John Cadman (BP) met in Achnacarry Castle in Scotland. They agreed on a price-fixing scheme that would stop the cutthroat competition that had been harmful to all of them. These three oil rulers controlled the pricing and supply of oil worldwide.

However, a huge new oilfield first drilled in Kilgore, Texas, released a gush of oil, resulting in the price of crude falling to ten cents a barrel. H.L. Hunt bought out the original Kilgore wildcat driller, "Dad Joiner." Hunt became a billionaire, the richest of all the Texans. But the problem of oversupply was so devastating, the governors of Texas and Oklahoma called in the National Guard and closed down oilfields, enforcing a system of rationing by which the demand in a particular month was shared among oil producers by a state body called the Texas Railroad Commission.

In 1926 Exxon signed an agreement with the German chemical combine, I.G. Farben, for an exchange of patents and research: Farben was to stay out of the oil business and Exxon would stay out of the chemical business. The agreement gave Nazi Germany hundred-octane aviation fuel and synthetic rubber. Exxon held back the research in synthetic rubber in the US. In 1941 the Justice Department bought two antitrust suits against Exxon: for conspiring to control oil transportation through pipelines and for making restrictive agreements with I.G. Farben. Exxon was forced to pay a fine of \$50,000.

The US was now involved in the World War II and Japan had just seized the Malayan rubber plantations, from which America had earlier derived its supply of rubber. Senator Harry Truman claimed that Exxon's failure to pursue synthetic rubber research in the US, while developing it in collaboration with the Germans, constituted treason.

Texaco, under the direction of its swashbuckling president, Torkild Rieber, provided six million dollars worth of oil to Franco, the Spanish dictator. Rieber also made contact through Spain with leading Nazis and agreed to supply oil from Colombia to Germany. Texaco continued to supply oil to Nazi Germany even after the outbreak of the World War II in 1939, receiving as payment three Hamburg tankers. Rieber

sealed the deal with Goering in Berlin. At Goering's insistence, Rieber put forward a peace plan to Franklin D. Roosevelt which would ensure Britain's surrender. Roosevelt told Rieber to get out of his dealings with Nazi Germany. Rieber ignored Roosevelt and financed the propaganda mission of Dr. Gerhardt Westrick, a German lawyer, to dissuade American businessmen from supplying Britain with arms. The head of British Intelligence in New York, the Canadian millionaire William Stephenson, learned of the Westrick fiasco and broke the story to the *New York Herald Tribune*. Westrick was forced to return to Germany on a Japanese ship. Rieber was discredited and Texaco shares plummeted.

Mexican oil was essentially controlled by a Britisher, Weetman Pearson, later to be titled Lord Cowdray. He began as early as 1901 to buy concessions in Mexico and by 1918 he was one of the richest men in the world, the nearest British equivalent to the American Rockefeller. His fortune laid the foundation for Lazards Bank, the *Financial Times*, *The Economist*, Longmans and Penguin Books.

In 1919, Cowdray sold out the majority of his company to Deterding of Shell. In 1938, Mexican President Lazaro Cardenas nationalized the seventeen foreign-owned oil companies and a monument to the nationalized company, PEMEX, was erected in Mexico City, at which diplomats were required to place wreaths. The American, Dutch, and British oil companies boycotted the nationalized Mexican oil interests and the incompetently run PEMEX was eventually forced to pay \$130 million in compensation for seizing the companies. During World War II, the big oil companies drained off much of Mexico's oil reserves, then switched their attention to Venezuela where they were in league with Gomez, the dictator.

### **Meanwhile, in the Middle-East**

In 1926, King Ibn Saud, the Muslim desert warrior, had conquered his rivals in Mecca and the Hejaz and named the whole territory, from the Persian Gulf to the Red Sea, Saudi Arabia, the only country to be named after its ruling family.

One of King Saud's principal advisors was Harry St. John Philby, the Arabist who had quit the British Colonial Service out of disaffection. Philby had become a Muslim and was close to Saud. King Saud needed money to finance his enterprises and Philby suggested that he exploit his land's oil resources. Philby assisted Socal in getting the concession in 1933. King Saud received an immediate loan of thirty thousand pounds, with another twenty thousand pounds eighteen months later, and an annual rent of five thousand pounds, all in gold. Socal paid Philby a salary of one thousand pounds a year.

Socal, short of capital and market outlets, sold half of its Saudi and Bahrain concession to Texaco's Cap Rieber. The joint venture was called Aramco. In May, 1939, King Saud turned the valve on the pipeline and the oil began to flow. Saud was so delighted with the money and gifts he received from Socal and Texaco, he increased the size of the concession to 444,000 square miles, a plot the size of Texas, Louisiana, Oklahoma, and New Mexico combined.

Kuwait, one of many small independent sheikdoms that had cut into the land mass of Saudi Arabia, had also discovered oil and the concession was purchased by Gulf in 1927 for \$50,000. In 1934 Gulf and BP signed an agreement with the Kuwaiti sheikh in a joint venture, and huge reserves were discovered in 1938.

During World War II, Britain advanced about twenty million dollars to King Saud to bribe him to renege on the Socal/Texaco concession and go with BP. Socal and Texaco appealed to Washington and Roosevelt sent lend-lease money to Saudi Arabia. Roosevelt and his advisors decided the United States should have a controlling interest in Aramco, to protect the nation's oil interests. In 1943, Roosevelt authorized the forming of a new corporation to acquire a hundred percent of Aramco.

Harold Ickes, petroleum administrator for War and Secretary of the Interior, was president of the new corporation, the secretaries of State, War, and the Navy among the directors, and Abe Fortas was secretary. Aramco would not immediately agree to sell its concession to the new federal

corporation, so Ickes said the corporation would build a thousand-mile pipeline to carry Saudi Arabian oil to the Mediterranean. In return, Aramco would guarantee twenty percent of their oilfields as a naval reserve which would be available to the navy at a cut rate. In the end, after much political bickering in the US and internationally, Texaco and Socal built the pipeline themselves, creating the Trans-Arabian Pipeline Company (Tapline). It was not until 1949 that Syria and Lebanon agreed to let the pipeline be built at a cost of \$200 million. Over the years, the pipeline was a target for guerrillas, a focus for boycotts, and a bargaining chip for Syria against America. In 1975 it was shut down.

In 1945, Franklin D. Roosevelt promised King Saud that the United States would not change its policy regarding Palestine — and a Jewish state — without consulting the Arabs. However, Harry Truman became US President two months later and gave full support to the establishment of the new state of Israel. Socal and Texaco worried about the political climate in Saudi Arabia. They decided to bring two other American oil companies into Aramco, Exxon (30%) and Mobil (10%).

King Saud continued to demand more money, and finally in 1950 the US State Department and Aramco agreed on a scheme whereby the money Aramco gave King Saud would be deducted from the company's tax bill, thus depriving the US Treasury of \$50 million or more in taxes each year. Under the US tax laws establishing double taxation, the oil companies would not be taxed inside the United States. All the major oil companies adopted the same tax dodge so that by 1973 the five largest companies were making two-thirds of their profits abroad and paying no US taxes on those earnings. This arrangement allowed oil companies to pay lower US taxes than any group of industries. The United States had essentially turned into a country operated for the profit of the oil rulers.

Reza Shah seized power in Iran in 1921 and soon took on the trappings of the Persian Peacock Throne. In 1941, when Hitler invaded Russia, the Shah refused to expel his Nazi allies, so the British and Russian armies invaded Iran to ensure oil and



supply routes. The Shah was exiled to South Africa, where he died. During the war, Britain and Russia ruled Iran, but at the end of World War II, the old Shah's twenty-one year old son was placed in power. Iran, like most oil-producing countries, resented the power its foreign-owned oil company wielded over it. A shrewd older politician, Dr. Mohammed Mossadeq, was appointed chairman of a committee on Iranian oil policy. By 1951, Mossadeq was calling for nationalization and when he was elected prime minister by the Iranian parliament, Iran immediately seized BP's oilfields.

Iran was placed under international boycott by BP. When a Panamanian ship, the *Rose Mary*, took on oil from Abadan, RAF planes forced it into Aden harbor and impounded its cargo. American oil companies joined the BP boycott of Iran. However, President Truman and the Secretary of State, Dean Acheson, were appalled by the naked imperialism of Britain, and when Mossadeq came to America to plead his case to the UN Security Council, Acheson befriended him.

However, antitrust fever had again overtaken the US. In 1952, the Senate Select Committee on Small Business released a report aptly titled "The International Petroleum Cartel." The report showed that the seven largest oil companies, nicknamed the Seven Sisters, controlled the majority of the oil-producing areas outside the United States, all foreign refineries, divided the world markets among them, shared pipelines and tankers among themselves, and fixed oil prices worldwide. But Eisenhower became President and John Foster Dulles was appointed Secretary of State, with the result that the oil cartel was forgotten and the new foreign policy mythology became anti-communism.

In 1953, the CIA, with British support, began a subversive action against Mossadeq. Mossadeq had taken control over the Iranian army. The Shah tried to oust him, failed, and was forced to flee the country. The CIA coup, led by the CIA's Kermit Roosevelt, spending about \$700,000, forced Mossadeq out of office and the Shah returned to Teheran triumphant. British and American oil companies formed an international consortium to buy and develop Iranian oil. BP received 40%

of the shares of the consortium, the five American sisters each got 8%, Shell received 14%, and CFP (Compagnie Francaise de Petrole) 6 percent. The oil cartel members congratulated themselves that they had shown the world that no puny nation, such as Iran or Mexico, could seize their assets and long flourish.

## OPEC

In 1961 the Organization of Petroleum Exporting Countries (OPEC) was established with members: Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela. Since that beginning, the following countries have attained membership: Qatar (1961), Indonesia and Libya (1962), Abu Dhabi (1967), United Arab Emirates (1974), Algeria (1969), Nigeria (1971), Ecuador (1973), and Gabon (1975). Their headquarters, originally located in Geneva, moved to Vienna in 1965. Policy is determined by delegates from members countries, which meet at least twice a year.

From the beginning of the oil energy monopoly there have been other sources of energy that are more abundant, more environment-friendly, and vastly cheaper. Steam-driven vehicles proved efficient but they were driven out by gasoline-driven vehicles. Since railway engines require less fuel than automobiles and trucks, they have been allowed to fall into disrepair, the decrepit US railway infrastructure now producing frequent calamities.

World oil prices are currently high because OPEC and the American and British oil companies manipulate the prices to gain the highest profits possible. It actually costs only about \$1 per barrel to pump oil from the ground, but the August 2002 price is \$26.41 per barrel. If the market demand for oil products were allowed to operate independently, gas prices at the pump could drop by 50 percent at least.

In 1973, OPEC raised oil prices by 70 percent as a political warfare tactic aimed at western nations supporting Israel in the Yom Kippur War of October 1973. That same year, in December, prices were hiked another 130 percent and a

temporary embargo was placed on oil shipments to the United States and The Netherlands.

By the early 1980s, however, OPEC's influence began to wane as Western oil corporations discovered new sources of oil and began to use political and subversive pressure to force OPEC to cut back production to keep prices artificially high. OPEC's power has been decimated by internal conflicts and the Iran-Iraq war that broke out in 1980. During the summer of 2002, the US again warned OPEC about its raising prices by threatening to open up our national strategic oil reserves. The US and British oil corporations insist on being the only ones to manipulate the price of oil.

The Gulf War was perpetrated by British and US rulers to:

- Warn Japan and the European countries (especially Germany) that the US controls the world's oil supply (by armed force if necessary).
- Control Iraq's oil production through the embargo resulting from the war.
- Conquer Iraq, since it threatens Israel's military hegemony in the Middle-East.

Even though Iraq is under an embargo at present, it's estimated that Iraq ships approximately 100,000 barrels of illicit oil (in excess of the U.N.-approved export quota) per day. At the end of the US rulers' war against Serbia in Bosnia and Kosovo, an embargo was slapped on Serbia. However, recently Serbia has been receiving black-market oil from Russia. That's why in the fall of 2002 US Navy SEALs boarded a Russian ship in the Gulf of Oman to warn the Russians not to continue selling oil to Serbia.

The world oil cartel continues to fix gasoline prices worldwide. As this chapter is being written, for example, prices in California have skyrocketed. During the past year, world crude oil prices have increased by approximately 340%. The April 1999 decision by OPEC to cut production quotas contributes to the hyperinflation of oil prices, but it's only a part of the problem. OPEC now produces about 40% of the world's oil supply. The real cause of the current rise in price

for oil is that speculators are now moving into what are called hard commodities: energy, base metals, and food. On March 8, 2000, Iranian Oil Minister, Bijan Namdar Zanganeh, pointed out in a speech on Iran State TV that speculation, rather than physical shortages in crude oil, lay behind the current surge in oil prices.

### **Oil Wars Continued**

World War I was the strategy of the world oil cartel (Standard, Shell, British Petroleum) to take over the colonies of France, Holland, Spain and Portugal. The engines of war now ran on petroleum-based products, so ownership of oil could now determine who won or lost a war – therefore who would rule the world. Oil, instead of gold, became the token of power.

By 1919, the Oil Empire, not based on countries or nations, but on private corporations, now ruled the world.

The Big Three oil cartel, which controlled oil in the Persian Gulf and southeast Asia areas, wanted to gain control over the vast oil reserves in the southern part of the Soviet Union. They financed the fascist regimes in Germany, Italy, and Japan with the hope that they would invade and control Russia. The Oil Rulers planned to defeat the German, Italian, and Japanese regimes and take control of the oil reserves in the Soviet Union. The Rockefeller circle also planned to take control of Persian Gulf oil from the British-Persian Oil cartel and seize control of southeast Asian oil from Royal Dutch Shell.

The United States was brought into World War II when, in July 1941, President Roosevelt signed an embargo to stop all shipping to Japan. This was said to be in retaliation for the recent Japanese invasion of French Indo-China. Roosevelt's US embargo cut off the Japanese oil supply, which would have quickly shut down Japan's entire economy. The Japanese in late November 1941 sent a written warning to Washington, through diplomatic channels, demanding that the embargo be lifted or they would attack American sites in the Pacific in retaliation. The US ignored the warning, making

no reply. Just two weeks later the Japanese bombed the American ships located in Pearl Harbor, the ships which were to have carried out the embargo.

In 1939 and '40, the Germans and Italians did not attack Russia as the Big Three had planned. Instead, German General Rommel rushed across North Africa to seize the Suez Canal and control all oil shipping through the canal. Rommel then planned to drive through to Persia and toss out the British from the British-Persian oil fields. Meanwhile, after a failed attack on Russia in 1939, the Japanese swept through Southeast Asia and seized all the oil holdings of Royal Dutch Shell. With the defeat of Japan in 1945, most of those Royal Dutch fields came under the control of Rockefeller's Standard Oil.

Hitler had planned to capture the oilfields in Romania by 1939 so Germany would have its own supply of oil. This was accomplished. Then Rommel was to have captured the oilfields in Persia by 1941, the oilfields in Russia by 1942. Only then would Hitler have sufficient fuel for carrying on a war with Britain and the United States.

But less than a week after the Pearl Harbor attack, the Japanese convinced Hitler to declare war on the United States. Hitler agreed only if the Japanese would attack Russia, since German troops were now bogged down in Russia and Hitler would gain strategic advantage if the Russians had to defend themselves from Japan on their eastern flank. When the Japanese failed to attack Russia, Hitler was driven out of Russia and now was without a fuel source. The Romanian oilfields in Ploesti were insufficient for Germany to carry on a war on two fronts, and Germany's war effort began to collapse.

The last major German campaign was the Battle of the Bulge, in which Field Marshal Gerd von Rundstedt was to attack the invading allies with his tanks, then capture the Allied fuel dumps. This would stop the American and British forces and obtain the necessary fuel for Germany to continue its war effort. But General Eisenhower ordered the Allied fuel dumps burned and Germany was defeated.

In 1979, the Standard Oil-backed Shah of Iran was thrown out by a British-backed coup and the long-time British asset

Ayatollah Khomeini put into power. The flow of oil from Iran suddenly stopped. So in 1979, in America and Europe, we suddenly experienced gasoline shortages and huge increases in the price of gasoline.

When the new British-controlled regime in Iran came into power, the Rockefeller-influenced US government immediately threatened to seize \$7.9 billion of Iranian assets located in the US. On November 4, 1979 Iranian "terrorists" captured and held hostage 65 Americans. Essentially, Standard Oil was being blackmailed by the hostage strategy. After lengthy negotiations, the Rockefeller-created President Jimmy Carter approved the electronic transfer of 7.9 billion dollars from US accounts to the Iranian regime on January 20, 1981.

On Wednesday January 27, 1988, as announced in the *Wall Street Journal*, Standard Oil merged with British Petroleum. This actually represents Standard Oil's buyout of British Petroleum. The name of the newly merged company was BP-America.

During the intervening years, BP-America has merged with, or controls, all of the old Standard Oil "mini-companies" that existed before the original breakup by the US government in 1911. The new Standard Oil regime is now known as BP-AMOCO, and few people in the world realize what has happened. It's now possible to understand why British Prime Minister Blair has become the spokesman for the new wars against terrorism (actually the war for Caspian Sea and Iraqi oil).

### **The Oil Imperialism Strategy**

The American and British rulers have a new imperialistic strategy by which they hope to gain total control of the world's energy supplies. First, they sell armaments to a regime (for example, Panama, Iraq, Yugoslavia/Kosovo, Afghan/Pakistan/Taliban Saudi Arabia). Then, they demonize the regime to which they sold the armaments and declare war on it (e.g., Panama invasion, Gulf War, UN Kosovo war, Afghanistan war, and upcoming Iraq war). After the war, they station permanent military bases in the

country and use the military bases to control the energy resources in the surrounding countries. Current US foreign policy is governed by the doctrine of “full-spectrum dominance”: the US must control military, economic and political developments everywhere.

This new strategy began with the Panama invasion, next created the so-called Gulf War, continued with the UN-sanctioned war in the Balkans, and now expands with the new wars against terrorism (Afghanistan, the Philippines, and beyond). On January 20, 2001, Defense Secretary Donald Rumsfeld said he was willing to deploy US military forces in “another 15 countries” if that is what it takes to combat terrorism. The so-called “war against terrorism” began in Afghanistan because it is critical to the US-British rulers’ plans to control the Caspian Sea area oil and gas and the Eurasian continent.

The UN-sanctioned war in the Balkans was all about oil and the pipeline easement for Caspian Sea oil to Western European markets through Kosovo to the Mediterranean Sea. When Yugoslavia refused to play ball with the International Monetary Fund, the US and Germany began a systematic campaign of destabilization, even using some of the veterans of Afghanistan in that “war.” Yugoslavia was broken up into compliant statelets, and the former Soviet Union was contained. The outcome: the de facto US occupation of Kosovo—where America built its largest military base since the Vietnam War.

The Caspian Sea area has proven oil reserves of fifteen to twenty-eight billion barrels plus estimated reserves of 40-178 billion, a total of 206 billion barrels—16 percent of the earth’s potential oil reserves (compared to Saudi’s 261 billion barrels of oil and America’s own 22 billion barrels). Even at today’s low prices, that could add up to \$3 trillion in oil. With the Saudi regime tottering—an aging king about to die, widespread internal corruption creating calls for revolutionary overthrow—and a new source of oil and gas in the Caucasus, the Standard Oil suzerainty is looking to create a new regime in Saudi Arabia and develop a new center of operations in Southern Asia.

The huge oil and gas reserves in the Caspian Sea must either be moved west to European markets or south to Asian markets. The western route is to move oil from Chechnya, across the Black Sea and through the Bosphorus to the Mediterranean, but the narrow Bosphorus channel is already clogged with oil tankers from the Black Sea oilfields. An alternate route would be to move the tankers from the Black Sea, bypassing the Bosphorus, up the Danube River and then through a very short pipeline across Kosovo to the Mediterranean at Tirana, Albania. However, that process was stopped by the Chinese, who have supplied and armed the Albanians, as a client state, since 1949.

The other difficulty with the western route is that Western Europe is a tough market, characterized by high prices for oil products, an aging population, and increasing competition from natural gas. Furthermore, the region is fiercely competitive, now being serviced by oil from the Middle East, the North Sea, Scandinavia and Russia. Western Europe is not a very attractive market, because substantial infrastructure would have to be developed to bring that oil from the Caspian to an already overly-competitive European market.

The only other ways to get Caspian Sea oil and gas to Asian markets is through China, which is too long a route, or through Iran, which is politically and economically inimical to US-Standard Oil objectives.

As soon as the Soviets discovered the vast Caspian Sea oilfields in the late 1970s, they attempted to take control of Afghanistan to build a massive north-south pipeline system to allow the Soviets to send their oil directly through Afghanistan and Pakistan to the Indian Ocean seaport. The result was the decades long Soviet-Afghan war. The Standard Oil-influenced US government saw the danger of a Russian north-south pipeline and the CIA trained and funded armed terrorist groups, including Osama bin Laden, who defeated the Soviets in the late 1980s.

The Russians then tried to control the flow of oil and gas through its monopoly on pipelines. The Southern Asian Republics of the former Soviet Union—Turkmenistan,



Kazakhstan, Uzbekistan, Tajikistan and Kyrgyzstan—saw through this Russian monopolistic ploy and began to consult with Western companies.

The Standard Oil-influenced US government now plans to thrust further along the 40th parallel from the Balkans through these Southern Asian Republics of the former Soviet Union. The US military has already set up a permanent operations base in Uzbekistan. The so-called anti-terrorist strategy is clearly designed to simultaneously consolidate control over Middle Eastern and South Asian oil, and contain and neutralize the former Soviet Union. With that strategy, Afghanistan is exactly where they need to be.

Russia, realizing its weaker position vis-a-vis the United States, has been making noises as if it fully agreed with the US incursions in Afghanistan. But Russia has joined the Shanghai Cooperation Organization (SCO) which includes China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. China is using the SCO to try to align Russia economically and politically toward China and northeast Asia. Russia's membership in the SCO is an attempt to maintain its traditional hegemony in Central Asia. The underlying rationale of the SCO is the control of its members' enormous reserves of oil and gas.

Despite the misgivings of Russia, China, India or any other nation, Afghanistan will now become the base of operations in destabilizing, isolating, and establishing control over the South Asian Republics and the Middle East. Now that the conquest of this area is complete and the permanent military posts have been set up, they have begun construction of a pipeline through Turkmenistan, Afghanistan, and Pakistan to deliver petroleum to the Asian market.

UNOCAL, the spearhead for Standard Oil interests, has been trying to build the north-south pipeline through Afghanistan and Pakistan to the Indian Ocean for several decades. In 1998, the California-based UNOCAL, which held 46.5 percent stakes in Central Asia Gas (CentGas), a consortium that planned an ambitious gas pipeline across Afghanistan, withdrew in frustration after several fruitless

years. The pipeline was to stretch 1,271 km. from Turkmenistan's Dauletabad fields to Multan in Pakistan at an estimated cost of \$1.9 billion. An additional \$600 million would have brought the pipeline to energy-hungry India.

In the spring of 2001, Halliburton, Vice President Dick Cheney's company, signed a major contract with the State Oil Company of Azerbaijan to develop a 6000-square-meter marine base to support offshore oil construction in the Caspian Sea. The base will be used to assist Halliburton's catamaran crane vessel, the Qurban Abbasov, in upcoming offshore pipe-laying and subsea activities, according to a statement the company released May 15, 2001.

UNOCAL cut off its earlier agreement with the Taliban in 1998 when it became clear that the Taliban could not control all of Afghanistan and provide a stable political environment for a north-south pipeline construction project. It was likely at this juncture that a new "war against terrorism" ploy was conceived by the Standard Oil-influenced US government. The "war against terrorism" in Afghanistan has come to a hiatus, with warlords once again ruling the country, and the Bush administration has put their own man, Karzai, in power to control Afghanistan.

Karzai was a top adviser to UNOCAL during the negotiations with the Taliban to construct a Central Asia Gas (CentGas) pipeline from Turkmenistan through western Afghanistan to Pakistan. Karzai is the leader of the southern Afghan Pashtun Durrani tribe. A member of the mujaheddin that fought the Soviets during the 1980s, Karzai was a top contact for the CIA, maintaining close relations with CIA Director William Casey, Vice President George Bush, and their Pakistani Inter Service Intelligence (ISI) go-between. After the Soviet Union left Afghanistan, the CIA sponsored the relocation of Karzai and a number of his brothers to the US.

The real motives for the Bush administration's war in Afghanistan are clear for all to see. The US Ambassador to Pakistan, Wendy Chamberlain, met with Pakistan's oil minister, Usman Aminuddin, in January, 2002 to continue plans for

the north-south pipeline, encouraging the construction of Pakistan's Arabian Sea oil terminus for the pipeline.

President Bush says our military will continue its presence in Afghanistan, which means that while the U.N. forces serve as a paramilitary police force, US soldiers will be guarding the construction of the north-south pipeline.

To assure that the pipeline project will proceed apace, the Afghani-American Zalmay Khalilzad, a previous member of the CentGas project, became President Bush's Special National Security Assistant. Khalilzad has recently been named presidential Special Envoy for Afghanistan. Khalilzad is a Pashtun and the son of a former government official under King Mohammed Zahir Shah. Along with being a consultant to the RAND Corporation, he was a special liaison between UNOCAL and the Taliban government. Khalilzad also worked on various risk analyses for the project under the direction of National Security Advisor Condoleezza Rice, a former member of the board of Chevron.

Now that the Afghanistan portion of the "war on terrorism" is concluded—with permanent US military bases in Uzbekistan and Afghanistan in place—where will the Standard Oil-influenced US government look to gain further control over oil in the world? Coincidentally, most of those places are in countries which have been branded as harborers of terrorists: Iraq, Syria, Iran, and South America, among others.

Bush Sr.'s Gulf War in 1991 resulted in securing access to the huge Rumaila oil field of southern Iraq by expanding the boundaries of Kuwait after the war. This allows Kuwait, controlled by Standard Oil, to double its prewar oil output.

Iraq, which recently discovered an oil field in its western desert, is widely regarded as having more oil than Saudi Arabia once its deposits are developed. Iraq is producing 3 million barrels a day, funneling most of it to world markets through a United Nations-monitored program that directs the proceeds to food and medicine for the Iraqi people. But Saddam Hussein is still exporting his oil to Syria, which is glad to resell Iraqi oil as if it were Syrian. The United States

is one of Syria's biggest customers, because it likes the low sulfur content of Iraqi oil, says Nimrod Raphaeli, publisher of the *Middle East Economic News*, a Washington-based newsletter. Iraq earns \$1.5 billion a year from oil smuggling and oil sales outside UN controls, through Syria, Turkey, and Jordan, as well as by ship down the Gulf.

Since 9/11/01, the Bush regime has threatened to include Iraq in its "war on terrorism." But any incursion into Iraq will have to deal with the reality that American companies, such as Cheney's Halliburton and G.E., are making billions in Iraq by selling them goods and services. Also, the eradication of Saddam would seriously compromise America's establishment of bases on the Arabian Peninsula on the pretext of protecting poor Arab sheikhs against the Iraqi Evil Monster.

Iraq is desperately trying to ingratiate itself with the Gulf Arab Cooperation Council (GCC) members: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE) to gain support for the lifting of the UN sanctions against it. Russia, Iraq's closest UN Security Council ally and a major beneficiary of contracts to purchase Iraqi oil and to sell Iraq humanitarian supplies, is demanding "a comprehensive settlement" of the sanctions issue, including steps leading to lifting the military embargo against Iraq. On January 24, 2002, Russian Foreign Minister Igor Ivanov made a formal statement that Moscow was opposed to any US military operation against Iraq.

Russia's Lukoil Oil Company and two Russian government agencies have a 23-year contract to develop Iraq's West Qurna oil field. By the terms of the contract, Lukoil gets one half, Iraq one quarter, and the Russian government agencies get one quarter of the oil field's 667 million tons of crude, potentially a \$20 billion deal. Iraq still owes Russia at least \$8 billion from the old cold war days when Russia armed Iraq, considering it a client state.

But because of United Nations sanctions on Iraq, Lukoil has not pumped a drop from West Qurna since it won drilling rights in 1997. In 2001, Saddam gave Russia \$1.3 billion in oil contracts under the United Nations oil-for-food program that

allows Iraq to sell oil to buy supplies to help Iraqi civilians. In September, 2001, Saddam announced plans to award Russian companies another \$40 billion in contracts as soon as United Nations sanctions were lifted.

In February, 2002, Russia's foreign minister, Igor S. Ivanov, said that Russia and Iraq saw eye to eye on questions of extremism and terrorism and that the American-backed sanctions against Iraq were counterproductive and should be lifted. He then emphasized that Russia solidly opposed "spreading or applying the international anti-terror operation to any arbitrarily chosen state, including Iraq."

Also to be considered in any plans to extend the Standard Oil/Bush oil imperialism is China's growing interest in supporting Middle-East nations in their struggle against the US. During Jordanian King Abdallah II's January 2002 visit to China, Chinese President Jiang Zemin said that China wants stronger ties with Arab countries to help promote peace between Israel and the Palestinians. Yeah, sure, that's the reason China wants to put its foot into the Middle East, to promote peace. China has supplied military weaponry to Pakistan and is ready to intervene in the Middle East if the Standard Oil/Bush imperialists attempt to attack Iraq as Bush, Sr. did in 1991.

But the Standard Oil/Bush imperialists probably won't concern themselves with the threat of China in the Middle East. They will likely try to seize control of all of Iraq's, Syria's and Iran's oil. Enter phase two of the war on terrorism: invading countries that Bush says harbor terrorists or weapons of mass destruction, with the real intent to seize those countries' energy sources. And since US-British a.k.a. Standard Oil imperialism now—since 9/11—results in the killing of American civilians, we can say that the next phase of the war on terrorism will soon be at a theater near you.

### **Oil Imperialism in South America**

US soldiers will soon be guarding the north-south pipeline as it's built in Afghanistan. In the meantime, the hypocrisy of Bush's "war on terrorism" is apparent for all to see in

Colombia where Bush proposes to spend \$98 million to protect Occidental Petroleum's 480-mile-long pipeline which runs from Colombia's second-largest oil field to the Caribbean coast. The \$98 million will follow the \$1.3 billion the US has already given to Colombia, ostensibly to fight the "drug terrorists." In 2001, the Cano Limon pipeline was closed for 266 days, due to holes blasted in it.

The Revolutionary Armed Forces of Colombia (FARC) rebels have blown holes in the pipeline for the past fifteen years, resulting in 2.5 million barrels of spilled oil oozing into Colombia's rivers and streams, about ten times the amount of the 1989 Exxon Valdez oil spill in Alaska.

If Bush enters this 38-year old conflict in Colombia which has resulted in 40,000 lives in the past decade, he'll be involving the US in a dead-end power struggle among FARC, the Cuban-inspired National Liberation Army (ELN), ultra-right paramilitary groups and the US-supported fascist government. The excuse for spending US taxpayers' money in Afghanistan was that bin Laden was responsible for the September 11 attacks. Now the only pretext for spending taxpayers' money in Colombia is to combat the FARC and ELN "terrorists" who only threaten US oil company resources, not American lives.

Invading Colombia follows the British-US oil imperialism pattern: going where the oil is. According to the US Department of Energy, Colombian oil production rose from only 100,000 barrels per day in the early 1980s to approximately 844,000 barrels in early 1999—an increase of nearly 750 percent. Colombian oil exports to the United States have also risen sharply, and today Colombia is this country's seventh largest supplier of petroleum.

Colombia harbors large reserves of untapped oil and natural gas, possibly as much as 20 billion barrels (and Venezuela has 73 billion barrels in proven reserves); hence Colombia—and its oil-rich neighbor countries—become one of many new oil imperialism targets. The United States imports more oil from Colombia and its neighbors, Venezuela and Ecuador, than from all of the Persian Gulf.

A revealing feature of the South American “war on terrorism” is that, unlike the Taliban and al Qaeda, the Bush administration is not destroying the numerous South American drug terrorists. Why? Because the Bush administration and its plutocratic controllers are at the center of the \$1.5 trillion per year in US cash transactions that result from the international drug trade.

A drug terrorist, like a Carlos Lehder, a Pablo Escobar, an Amado Fuentes, a Matta Ballesteros or a Hank Rohn, constantly has something like ten billion dollars of useless illegal money that he has to put in a cooperative bank or business venture that will launder it for him. The drug lord is then more than happy to lend the laundered money at five-percent interest to underwrite the large corporations and crooked politicians throughout the world.

Wall Street and the Bush administration depend on the South American drug barons for hundreds of millions of dollars for corporate income and election campaign finances. For every million dollars of increased sales or increased revenues that a company like Enron realized from a buyout, the stock equity of the one per cent who control Wall Street, increased twenty to thirty times.

In June, 1999, Colombia’s president Andres Pastrana arranged for Richard Grasso, head of the New York Stock Exchange, to meet with Raúl Reyes, the head of FARC finances, in the cocaine-producing DMZ of Colombia. The two were caught in an infamous embrace that saw very little exposure in the media.

Grasso, however, wasn’t the only American big-money representative to cozy up to Colombian drug terrorists. Several months after Grasso’s visit, two wealthy members of the American Council on Foreign Relations (CFR) captured world headlines by flying to a FARC redoubt in the Colombian jungles to palaver with the terrorists’ founder, 70-year-old Manuel Marulanda. After meeting with the communist drug terrorist, James Kimsey, co-founder and chairman emeritus of America Online Inc., and Joseph Robert, head of J.E. Robert Company, a global real estate empire, flew to

Bogota to consult with Colombian president Pastrana. On returning to Washington, the CFR representatives said they were convinced that Marulanda and FARC are sincere in their claims of wanting peace and economic reform.

It may seem hard to believe that US banks and corporations would be involved in laundering drug money from South American terrorists. Even the supine media have had to report some of this criminal behavior. A 1983 ABC News "Close up" on drugs and money laundering fingered Citibank, Marine Midland, Chase Manhattan and most of the 250 banks and branches in Miami. When Ramon Milian Rodriguez, a top accountant and money launderer for the Medellin Cartel, testified before a Senate subcommittee in 1988, he implicated a veritable "Who's Who" in US finance:

- Citibank
- Citicorp
- Bank of America
- First National Bank of Boston

"In every instance," said Rodriguez, "the banks knew who they were dealing with..." The evidence indicates that Rodriguez is right; the banks often play dumb, but they know what they're doing.

A 1998 investigation of Citibank by the US General Accounting Office (GAO) revealed that Citibank had secretly transferred between \$90 million and \$100 million of alleged drug money for a Mexican client, using many creative methods to camouflage the movement of the assets.

Oil imperialism rests on our continued dependence on oil, which not only threatens the future of humanity through prolonged and bloody conflict, but through another even more insidious threat—climate change and ecological collapse.

Currently, seven million hectares of Colombian land are occupied by oil operations, and ten million more have been awarded to oil companies over recent years. Thus, 17 million hectares of forested land are currently at the disposition of transnational oil companies.



## **Oil Imperialism's Current Political Connections**

In the presidential election of 2000, American citizens had a choice between two families with long-standing ties to Standard Oil and the other oil imperialism players.

Al Gore's connection to Big Oil and Big Money is no less notorious than Dubya's. His father, longtime Tennessee Senator Al Gore, Sr., maintained close relations with the infamous international wheeler-dealer and Kremlin favorite, Dr. Armand Hammer.

In his book *Dossier*, Edward Jay Epstein maintained that Gore, Sr. was Hammer's principal contact among the Democrats in the House. In 1950, Hammer made Congressman Gore a partner in a cattle-breeding business, from which Gore made a substantial profit. Hammer was Gore, Sr.'s guest at five presidential inaugurations, including that of John F. Kennedy. Senator Al Gore, Jr. invited Hammer to be his guest at Ronald Reagan's inauguration.

When Gore, Sr. was defeated for reelection to the Senate in 1970, after 32 years in Congress, Hammer appointed Gore president of Island Creek Coal, the nation's third largest coal producer and made Gore a vice president of Occidental Petroleum with a hefty \$500,000 annual salary.

Gore, Sr. was a very effective lackey:

- Arranging for President Kennedy to give Hammer his official approval for Hammer to travel to the Soviet Union where he met Soviet leader, Nikita Krushchev.
- Defending Hammer, on the floor of the Senate, against accusations of attempted bribery.
- Writing a letter of introduction to the American ambassador in Libya, asking the ambassador to arrange a meeting between Hammer and King Idris I of Libya.
- Accompanying Hammer to Libya when Hammer's Libyan oil pipeline opened operations.

## **Al, Jr.'s Russian Connection**

Junior struck up backroom alliances with Russian financial gangsters such as Viktor Chernomyrdin, who turned Russia's huge energy reserves into corrupt personal fiefdoms after the collapse of the Soviet regime. With Gore's support, Chernomyrdin became prime minister of the Russian Federation.

Chernomyrdin and his cohorts—backed by the Russian Mafia—stole Russia's natural resources such as oil, gold, timber and diamonds, hawking them on the black market in Russia and abroad. The proceeds were stashed in numbered bank accounts all over Western Europe.

An equal opportunity scoundrel, Al, Jr. became the "Solicitor General" for the 1996 Democratic campaign, dunning Big Money contributors at home and abroad, especially China. Al barely escaped indictment with some fancy verbal footwork: "I didn't do anything wrong and I won't do it again."

The Clinton/Gore administration decided to tap into the Strategic Petroleum Reserve. This was a key strategy in the Gore campaign:

- Bush is tied into foreign oil and any use of the US Strategic Petroleum Reserve lowers the price of foreign oil.
- US voters are fed up with high gasoline prices and Gore may be seen as the good guy who lowered those prices.

Energy Secretary Bill Richardson maintained that "this is not political," as he announced the release of 30 million barrels of oil from the Strategic Petroleum Reserve. It was no accident that Gore was campaigning in Vanport, Pennsylvania when Richardson made the announcement. Vanport is one of many US communities where the price of heating oil has doubled within a year. When a member of the audience said that since Bush was a "big oilman" he "isn't going to do too much" about rising oil prices, Gore merely said, "No comment."

## The Bush Connection

The Big Oil cartel connected with the Bush family is gambling billions in the Caucasus—not their own money, of course, but taxpayer subsidies—to strike it rich in the Caspian oil fields. These oil companies and their subsidiaries make money by creating new regional wars to which American troops are sent, with transportation and weaponry systems supplied by the same complex of corporations. Naturally, these ventures will be paid for by American taxpayers, with our money and the lives of our sons and daughters, while obscene profits will be realized by the oil rulers.

Now that Dubya got into office through a *coup d'état*, having raised the largest campaign war chest in American history from these very same oil and defense industry interests, the oil cartel will have an even tighter death grip on the United States. These corporations consider the Bush campaign an investment, looking to a huge payoff from the profits of the biggest oil bonanza in history. Now that Bush has made it to the White House, a new Cold War era is almost guaranteed.

As George Bush, Sr.'s hit man for the Gulf War, Dick Cheney bullied and coerced the middle-eastern countries into supporting Bush's War for Oil. As the senior Bush's Secretary of Defense, Cheney high-pressured Saudi Arabian officials in August 1990 after Iraq had invaded Kuwait. The Saudi monarchy, which maintains its power with the aid of US weaponry, agreed to cooperate after Cheney claimed Iraq planned to attack the country's border.

Cheney led similar missions to Egypt, Morocco and other Middle Eastern and North African countries to coerce military cooperation. Without this arm-twisting, the US military would have faced much stiffer opposition to its war on Iraq.

The 1991 Gulf War devastated Iraq's people and infrastructure, causing enormous social and personal difficulties.

However, Bush, Sr., Cheney and the Republicans didn't act alone in these war crimes. Democrats in both the Senate and the House gave the war their blessing on January 12, 1991.

The Clinton-Gore administration carried out aerial

bombardments on Iraq every week and the Democrats were heavily involved in the deadly sanctions against Iraq. On Aug. 2, 1990—before a single bomb was dropped or artillery shell fired at Iraq—“liberal Democratic” US Senators George Mitchell, Edward Kennedy and Joseph Biden stood next to right wingers Strom Thurmond and Jesse Helms to sponsor a resolution urging “a full economic blockade against Iraq.”

Democrats and Republicans alike continue to support this genocidal policy. Sanctions have taken a terrible toll on the Iraqi people. At least 1.5 million people, mostly children under 5, have died as a result of the US-imposed United Nations sanctions. Five thousand more perish each month.

Cheney later became CEO of the Dallas-based Halliburton Company, which over a five year period paid him a whopping \$65 million in salary and stock options. Halliburton gave Cheney a \$20 million farewell package when he became the Republican Vice Presidential nominee.

Brown and Root, a subsidiary of Halliburton, continues to enrich itself from the decision made by Cheney at the Pentagon to privatize the military’s logistical support facilities. Brown and Root were given lucrative Pentagon contracts in Kuwait and throughout the world exceeding \$3.8 billion a year. Joe Lopez, Cheney’s aide in the Defense Department, is now chief operating officer of Brown and Root.

A Campaign Study Group analysis of Federal Election Commission records showed that energy industry corporations gave \$1.2 million in 1996 and \$2.8 million in 2000 to the Republicans whereas they gave only \$0.6 million in 1996 and \$0.7 million in 2000 to the Democratic party candidates.

Of the two presidential candidates, Dubya was decidedly the choice of Big Oil.

### **Wake Up, America!**

Oil imperialism flourishes when a supine press cheers and a groveling Congress grants unconstitutional authority to the oil-saturated Bush dynasty. Despite our grief and rage over terrorist atrocities, a “war on terrorism” cannot be fought with bombs and missiles alone. Citizens throughout the

world must awaken to this new US-British imperialism and reclaim their governments. Once democracy is re-established, we can start a war on homelessness, poverty, and economic and political inequalities, and begin work to achieve ecological sustainability for our planet.



## Chapter Nine

### Military Dictatorship USA?

“If Tyranny and Oppression come to this land, it will be in the guise of fighting a foreign enemy.”

– James Madison, while a United States Congressman

We usually think of a nation being controlled by a military dictatorship when a military leader seizes control through a putsch, as in the case of General Pervez Musharraf in Pakistan or Saddam Hussein in Iraq. The previous government is overthrown and a military strong man places himself in power with few if any constraints from judicial or legislative oversight.

But we must look for the essence of a military dictatorship, those features which are present whenever this form of oppression occurs. In essence, a military dictatorship is a form of government in which absolute power is concentrated in a repressive ruler or a small clique who use military and police power to dominate the people mentally and physically.

Taking this definition as our touchstone, in the United States we know we’re living under a military dictatorship when we see:

- A leader put into power through a *coup d’etat*, not through democratic elections.
- The military used to control the civilian population in violation of the US Constitution.

- The president ordering a US citizen held indefinitely by the military.
- A shadow government being set up consisting entirely of executive branch officials in violation of the Constitution.
- Government informants spying on fellow citizens.
- The highest amount of government funds going to military initiatives:
  - ❖ Taxpayer money being used to subsidize and fund domestic and foreign “defense” corporations.
  - ❖ Taxpayer money being used to subsidize and fund domestic and foreign military operations: wars, embargoes, training, etc.
- A dictatorial ruling clique creating unnecessary, homicidal wars as a way of remaining in power.
- A dictatorial ruling clique committing crimes and assuming illegal powers and not being brought to justice because of manipulated, powerless legislative and judicial branches.
- The spread of militaristic values and the increasing power of the military in our society.

**All these conditions are now present in the United States.**

Naturally the common people don't want war: Neither in Russia, nor in England, nor for that matter in Germany. That is understood. But, after all, IT IS THE LEADERS of the country who determine the policy and it is always a simple matter to drag the people along, whether it is a democracy, or a fascist dictatorship, or a parliament, or a communist dictatorship. Voice or no voice, the people can always be brought to the bidding of the leaders. That is easy. All you have to do is TELL THEM THEY ARE BEING ATTACKED, and denounce the peacemakers for lack of patriotism and exposing the country to danger. IT WORKS THE SAME IN ANY COUNTRY.

— Herman Goering, President of the Reichstag, Nazi Party, and Luftwaffe Commander in Chief (from Gilberg, G.M.), *Nuremberg Diary*, New York: Signet, 1947.



Americans have been led to assume that war, as an institution, is merely a means that a society uses to achieve its ends when forced to by emergency or crisis. In actuality, the basic social structure of the United States consists of the production of armaments by the “defense industry” and the destruction of armaments in fabricated wars.

Wars are not “caused” by a crisis such as Pearl Harbor or 9/11; wars are contrived for political-economic purposes by those in power.

Although war is “used” as an instrument of national and social policy, the fact that a society is organized for any degree of readiness for war supersedes its political and economic structure. War itself is the basic social system, within which other secondary modes of social organization conflict or conspire. It is the system which has governed most human societies of record, as it is today.

– Leonard Lewin. *Report From Iron Mountain on the Possibility and Desirability of Peace*, 1967.

The current political-economic rulers in the US and Europe have duped the people into thinking that war is a last resort which “we” must adopt when our national or bloc sovereignty is threatened or when a ruthless leader engages in “ethnic cleansing” or some other unspeakable act.

The “National Defense State” scam works this way in the US:

- Congress sinks huge sums into the “defense” budget.
- Congress transfers the money to the Pentagon and the Pentagon distributes our tax money to the various defense industries.
- Corporate executives “buy” congresspersons and presidents.

This process gives controlling-interest owners of corporations outrageous profits and control over the government.

The making and destroying of armaments is the primary business of the US under the present regime of the “High Cabal.” Certainly, there is no need to spend the obscene

amounts of money on armaments when other nations are spending so much less in comparison.

The Bush-led military dictatorship is carrying out a policy of militaristic imperialism. The puppet Bush regime is now building the biggest-ever war machine:

- Military spending will rise to \$379 billion, of which \$50 billion will pay for its “war on terrorism.”
- Israel’s right-wing militaristic government will receive \$2.04 billion in US military aid.
  - ❖ US aid to the terrorist state of Israel will likely grow to \$2.4 billion by 2008.
  - ❖ During the past half century US aid to Israel has totaled a whopping \$81.3 billion (November 2001 Congressional Research Service report).
  - ❖ For 2003, the Bush administration is proposing that Israel receive \$2.76 billion in foreign aid, mostly in the form of military hardware.
  - ❖ An additional \$28 million will go to Israel for the purchase of US-manufactured counter-terrorism equipment.
  - ❖ In the past decade alone, the United States has sold Israel \$7.2 billion in weaponry and military equipment—everything from fighter planes and attack helicopters to machine guns and grenade launchers.
- Egypt, Jordan, and Saudi Arabia are among the next largest recipients of US military weaponry.
  - ❖ From 1999 to 2000, Egypt received \$1.3 billion in US military aid and Jordan got \$123 million.
  - ❖ Although Saudi Arabia receives no outright US military assistance, it has bought over \$33.5 billion of the most sophisticated US weapons systems (AWACS, F-15’s and more) over the past ten years; that’s more than US military assistance given to Israel and Egypt combined.
- Poor, developing nations bought 68 percent of US weapons output in 2000 (Congressional Research Service study).
- American weapons producers signed contracts for some \$18.6 billion dollars in 2000, up from around \$12.9 billion dollars the previous year.

- US contracts accounted for 49.7 percent of global sales in 2000 and the US controlled half of the developing world's arms market with \$12.6 billion in sales.
- The US routinely sells weapons to undemocratic regimes and gross human rights abusers (Saudi Arabia, Indonesia, Pakistan, Kuwait, Turkmenistan and Turkey), which the Bush junta views as "trustworthy allies."
- Because the US military budget is about 10 times as large as the next military budget, the United States has been able to out-compete all other countries in producing and selling weapons on the global market, running other countries out of business.
- In addition to controlling military technology, the United States gives an enormous amount of military aid:
  - ❖ In foreign aid.
  - ❖ In the form of subsidized purchases of weapons.
  - ❖ In guaranteed loans to countries to buy weapons.
  - ❖ To train the military in other countries (e.g. Indonesia) in dealing with civil conflict, civil unrest, insurgency, and emergencies.
- The US power elite not only recruits, solicits, consolidates and solidifies a monopoly relationship with the military elites in countries around the world, but also with the foreign policy elites, the people who work at institutes for strategic studies and in the Foreign Service—the people who develop concepts of the world and of international relations—which then drive and determine the kind of choice points that governments will make along the way on a wide variety of issues.

The essential act of war is destruction, not necessarily of human lives, but of the products of human labour. War is a way of shattering to pieces, or pouring into the stratosphere, or sinking in the depths of the sea, materials which might otherwise be used to make the masses too comfortable, and hence, in the long run, too intelligent. Even when weapons of war are not actually destroyed, their manufacture is still a convenient way of expending labour power without producing anything that can be consumed.

— George Orwell, 1984

## **The Military Dictatorship Budget**

The “High Cabal” lies to the American people about how much it spends on military expenses. The Bush puppet regime tells the American taxpayers that only about 17% of the federal budget goes to military expenditures.

However, in reality at least 58% of our tax dollars are going to the military!

## **World Militarism**

In Chapter 8 on oil imperialism in this book, we saw that a major part of the overall world dominance strategy is:

- First, they sell armaments to a regime (for example, Panama, Iraq, Yugoslavia/Kosovo, Afghan/Pakistan/Taliban Mujaheddin).
- Then, they demonize the regime to which they sold the armaments and declare war on it (e.g., Panama Invasion, Gulf War, UN Kosovo war, Afghanistan war, planned war with Iraq).
- After the war, they station permanent military bases in the country and use the military bases to control the energy resources in the surrounding countries.
- They impose the current US foreign policy doctrine called “full-spectrum dominance”: the US must control military, economic and political developments everywhere.

## **Militarism Gives Resistance to Tyranny a Bad Name**

The United States was in part created by a revolutionary war fought by American patriots against their British oppressors. Throughout much of American history, especially since the beginning of the twentieth century, US leaders have primarily perpetrated war on the people of the world instead of using war to free the people from oppression. Even in the Second World War, which has been called “the good war,” American and German industrialists collaborated with the Nazis for the purpose of making unconscionable profits.

Even so, we must remember that resistance, of all kinds,

against tyranny is sometimes the only or the best response to naked aggression and oppression.

The fact that the “High Cabal’s” Bush puppet regime has previously (under Bush I) and is now using war merely as a pretext for its imperialistic schemes does not destroy the principle that the people’s resistance against tyranny is sometimes necessary. It’s necessary to resist the current tyranny of the Bush puppet regime with whatever means are effective.

Certainly, in the present situation the “High Cabal” has a monopoly over violence (military, intelligence agencies, police) in the United States and the world. So it would be idiotic for ordinary citizens to use violence in our present struggle to create a New America where the well-being of all its citizens is the common goal. But we citizens must, nonetheless, do everything in our power to combat the onslaughts against our Constitutional liberties:

- Speak out against each instance of oppression that we see.
- Inform our national and state representatives that we want them to oppose the oppressive measures the Bush junta is carrying out, including the Iraq war.
- Avoid allowing ourselves to be duped by the call for a jingoistic, 200% patriotism that is part of the “High Cabal’s” scam to marginalize the people.
- Join with activist groups that are working to improve conditions and fight tyranny.

### **The Lexicon of Understanding**

In other chapters in this book I’ve exposed the various facets of the “High Cabal’s” overthrow of American democracy and control of the United States. In those chapters, I have used such terms as “fascism,” “High Cabal,” militarism, dictatorship, police state, world dominance, war crimes, war profiteering, state criminality, economic exploitation, and military dictatorship.

In each instance, I provide an immediate definition of these terms. Such terms as these cited sometimes possess connota-

tions that connect them with older ideological concepts.

For example, the term "imperialism" was used extensively in Marxist and socialist writings. I encourage readers to avoid being put off by these irrelevant connotations and concentrate on the precise meanings and relevant context. In the case of the term "imperialism," for instance, I define it as "the policy, practice, or advocacy of extending the power and dominion of a nation, especially by direct territorial acquisition or by gaining indirect control over the political or economic life of other areas."

My use of these terms should in no way be construed as my agreement with doctrinaire Marxist or socialist ideologies. As this book makes clear, I work within the American democratic tradition that issued from the Enlightenment and Illuminist traditions.

Such concepts as referred to above are essential terms of discourse in these times when the "High Cabal" and its Bush puppet regime engage in fearsome actions which can only be explained through concepts such as "fascism" and "dictatorship."

I do not enjoy having to use such extreme terms as "police state" and "military dictatorship," but in such extreme times as these, it's necessary to speak the plain truth to help the American people wake up to what's happening.

In a recent television program, Phil Donahue spoke with swindled employees of Enron, WorldCom and other criminal corporations. Many of the workers who had been fired, without severance pay, by these companies days after the senior executives had stolen millions, were still dazed. These were well-intentioned, hard-working people who had been completely savaged by corporate fat-cats. "What can we do?" they asked.

Well, certainly the first thing American workers must do is wake up to what the Bush regime is doing: fostering and allowing corporate crime to run rampant, destroying the life savings of thousands of people.

We must be aware that the Bush regime is actually a military dictatorship which will inevitably lead to the total

destruction of our civil liberties unless we make sure that doesn't happen.

It's easy to miss the unmistakable aspects of the "High Cabal's" dictatorship if we assume that tyranny in the United States will necessarily take the same form as in, say, Nazi Germany, the communist Soviet Union, Saddam Hussein's dictatorship in Iraq, or other instances of despotism.

The United States has a long and glorious history of civil rights and some amount of governance by the will of the people. So the "High Cabal's" puppet Bush regime must start from a different historical position in its insane drive toward a police state. Daily, we see the Bush-led junta demolishing Constitutional liberties with impunity. We must recognize that the old forms of military dictatorship – with jackbooted storm troopers – have been replaced with new "war on terrorism" military control of civilians.

9/11 was an unconscionable act of terror and whether the Bush regime planned and carried out that operation is still an open question. I would not be surprised if the "High Cabal" perpetrates a second terrorist act within the next year – to create a pretext for suspending all Constitutional liberties in the hysteria that would inevitably ensue. It's quite possible that the Bush-led junta will create a Weimar Germany style financial crash to usher in a complete Nazi-like police state.

One of Dubya's appointees to the US Civil Rights Commission told a Detroit crowd in July 2002 that America could "forget about civil rights" if there was another terrorist attack on the United States by "the same ethnic group that attacked the World Trade Center."

What the Bush regime is doing is so tyrannical that we must begin immediately to act as a people to stop its deliberate destruction of our nation.

"If any question why we died,  
Tell them, because our fathers lied."

– Rudyard Kipling





## Chapter Ten

### Global Economic Exploitation

To understand the criminal “High Cabal’s” global economic exploitation of workers, American and world citizens must wake up to the fact that we are at WAR against four enemies:

- The national governments—controlled and manipulated by the multinational and financial empires—the “High Cabal.”
- The multinational corporations—pursuing profits without concern for workers or environments.
- The Wall Street scam artists—bilking heedless investors of millions of dollars.
- The banks and financial institutions—funding only those corporations that play hardball globalism.

As Al Martin stated in “The Global Economic Meltdown”: “The relevant question to ask then becomes—how much deprivation do the American people have to suffer before they get their priorities straight?”

This grim reality of a struggle for existence against the very people who are supposed to be serving us is made clear by a number of courageous investigators:

- William Greider in his books:
  - ❖ *One World, Ready or Not*
  - ❖ *Who Will Tell the People?*
  - ❖ *Secrets of the Temple*

❖ *The Trouble With Money*

- Greg Palast in his book *The Best Democracy Money Can Buy*
- The World Socialist Web Site
- Mike Ruppert's Cop Vs CIA Web site
- Al Martin in his book, *The Conspirators*, and his articles on his Web site

In examining the background of this warfare of the people against its political-economic enemies, Greider reminds us that global economic exploitation (now called globalism) has been around a long time—since at least 1492—and has seemed to people in the underdeveloped part of the world as merely a part of the “centuries of conquest and economic colonization [that] were integral to the rise of industrial capitalism in Europe and North America.

“For them, the global economy long ago consigned most regions of the world to lowly status as commodity producers—the hewers and haulers, the rubber tappers, tin miners and cane cutters.”

In his essay “The Global Economic Meltdown,” Al Martin lays it out:

Two billion people, a third of the earth's population, live in post-economically collapsed nation-states. They live in circumstances where they wish they could afford the luxury of deciding where they stand on issues such as abortion, etc., when in fact their Only Concern becomes the most ultimate economics—how are they to find sufficient shelter and food clothing and medicine every day in order to survive?

### **How Global Economic Exploitation Works**

This is how the “High Cabal” exploits workers worldwide:

1. The top 1% of the population in the US controls 96% of the nation's wealth.
2. Eighty-eight percent of that top 1% are Republicans.
3. Under Bush I, the savings and loan industry was allowed to go bust so that Bill Seidman, the former chairman of the

Resolution Trust Corporation (where there were many allegations of fraud) could sell off most of the S&Ls at very favorable prices to well-known Republicans and Republican interests, resulting in a \$300 billion loss to taxpayers.

4. Bush I placed non-marketable, long-term, US Treasury Bonds with a 3% coupon rate into the Social Security Trust Funds, worthless paper (fortunately, this loss was redeemed during the Clinton administration).
5. Under Bush I, billions of deficit spending was placed “off budget.”
  - Money being spent currently was not being recorded as having been spent currently.
  - It was simply an accounting trick, like maintaining two sets of books, wherein you can spend money, say \$8 billion, but instead of putting it in the deficit column, it shows up as a zero figure and the \$8 billion deficit is transferred to your second set of books called “off budget financing.”
  - “Off budget financing” (the reason why the Treasury Department to this day is unable to balance its books) is money which still has to be raised through the regular sales of US Treasury bills bonds and notes; the sale of these bills, bonds and notes for off budget financing was put in a separate category, not as actual liability or actual debt of the US Government, but future contingent debt.
  - Future contingent debt is debt that is not immediately due, payable, or honorable by the US Government, only due and payable when said notes are presented for redemption — whenever their term or maturities run out.
6. There is a parallel between these criminal tactics of Bush I and the latest accounting tricks of so-called Enronomics, which use similar dodges to hide losses through offshore accounts and other fancy bookkeeping scams. Nearly \$25 billion was lost by people, pension funds and other institutional investors who purchased Enron shares at fraudulently inflated stock prices.
7. “The major houses of Wall Street play a double game with their customers—doing investment deals with companies in their private offices while their stock analysts are out front

whipping up enthusiasm for the same companies' stocks. Think of Goldman Sachs still advising a 'buy' on Enron shares last fall, even as the company abruptly revealed a \$1.2 billion erasure in shareholder equity. Goldman earned \$69 million from Enron underwriting in recent years, the leader among the \$323 million Enron paid Wall Street firms. Think of the young Henry Blodget, now famous as Merrill Lynch's never-say-sell tout for the same NASDAQ clients whose fees helped fuel Blodget's \$5-million-a-year income (Merrill has begun settling investor lawsuits in cash). Think of Mary Meeker at Morgan Stanley Dean Witter, dubbed the 'Queen of the Net' for pumping up Internet firms while Morgan Stanley was taking in \$480 million in fees on Internet IPOs. The conflict is not exactly new but has reached staggering dimensions. The brokers whose stock tips you can trust are the ones who don't offer any."

— William Greider, "Crime In the Suites," *The Nation*,  
February 4, 2002

8. With both Democrat and Republican presidents, the federal government follows a ruinous policy of "bailouts," which involves "American" financial institutions, such as Chase Manhattan or Goldman Sachs making bad loans in Mexico or Brazil or wherever and then receiving American tax money when their loans go south.
9. Under the Bush II tax cut, 93% of the tax benefits of this package go to those earning \$200,000 a year or more.
10. The Bush II tax cut is a ten-year program, a \$1.6 trillion tax reduction for the wealthy only.
11. The Bush II budget, spending plans and tax cuts over the next ten and twenty-five years, means that we will have an accumulated national debt by 2025 of over \$30 trillion.
12. Not a single corporate executive of a company proved to have carried out criminal practices has, as of 7/17/02, been convicted.
13. Dubya has no intention of creating or imposing fair financial standards, retaining Harvey Pitt, who was responsible for the criminal accounting practices at Xerox Corporation before becoming Bush's chairman of the Securities and Exchange Commission (SEC).

14. There is no countervailing military, political or economic power to keep the “High Cabal” in line. We cannot expect a supine, bought-and-paid-for Congress to bring fiscal or political responsibility to the United States.
15. Dubya and Congress will play a game—“Let’s pretend to create an atmosphere for investor confidence”—but the Bush administration’s same old criminal economic exploitation will continue. Soon, the “crisis” will have passed and the “High Cabal” will continue with its plan to bring a police state to the United States.
16. The “High Cabal” wants to recreate America into a totalitarian, fascist dictatorship, a banana republic where the rulers can simply carry out their economic, political, military exploitation schemes without any dissent on the part of an enslaved populace.

### **Global Economic Death Squads**

The hit-men for the multinationals and financial institutions are the executives of the International Monetary Fund (IMF) and the World Bank Group (WBG). The actual tactics of the IMF and the WBG have been verified by such investigators as Greg Palast, who interviewed the former chief economist, Joseph Stiglitz, who was fired by the World Bank. Palast was given a giant stash of secret documents by World Bank and International Monetary Fund workers. This is how these economic “death squads” operate:

- A nation applies to the IMF for a bank loan.
- The loan is contingent on the nation’s rulers signing secret agreements by which they will sell off the nation’s key assets to whatever corporation the IMF selects (the water systems, the railways, the telephone companies, the nationalized oil companies, gas stations, etc.).
  - ❖ According to a secret agreement, between the leaders of Argentina and Jim Wolfensen, the president of the World Bank, a pipeline that runs between Argentina and Chile was sold off to a company called Enron.

- ❖ According to that same secret agreement the water system of Buenos Aires was sold for a song to a company called Enron.
- ❖ Citibank grabbed half the Argentine banks.
- The rulers must sign a secret agreement, averaging one-hundred and eleven items, whereby they will run the economy according to the dictates of the IMF; if they don't follow those steps, they are cut off from all international borrowing; no nation can survive without borrowing.
- The IMF/WBG pay the rulers billions to their Swiss bank accounts when they sign the secret agreements stripping the nation of its assets.
- The secret agreements result in total slavery for the entire population, since the IMF "conditionalities" include such murderous facets as laying off huge numbers of workers and creating a general state of financial austerity.
- These criminal tactics are coming into the US

Greider's *One World, Ready Or Not*, warns that globalism is not merely a thorny problem for the academic economists – it is a life-or-death issue for every person. He points out that the same kind of runaway, unfettered finance capitalism has led in this century to two world wars.

### **Global Economic Exploitation: A Case Study – NAFTA**

NAFTA was huckstered by Clinton and a Republican Congress as a way to increase American jobs and benefit the great majority of people both at home and abroad through its realization of a free-market global capitalism.

- It has failed on all counts.
- American jobs have been lost.
- Workers throughout the world have suffered from the slave-wages paid by the relocated "American" corporations.
- ❖ Environmental protection measures have been totally ignored in the global economy countries such as Mexico.

Globalism's showcase nations are now in shambles:

- South Korea's economy has shrunk by 45 percent.
- Thailand's economy has decreased by 50 percent.
- Japan is in deep recession (read depression).
- Russia is in default of its loans, after following the dictates of the Harvard economic pundits.
- Indonesia's economy has shrunk by nearly 80 percent.
  - ❖ Even though Indonesia has been through four IMF "reform packages" and \$41.2 billion in IMF funds since October 31, 1997, five million of its people still face starvation.
  - ❖ The Indonesian currency, the rupiah, has collapsed 80%.
  - ❖ The Indonesian stock market has collapsed 50%.
  - ❖ On July 2, 1998, the Indonesian statistics bureau announced that 95.8 million people, 48% of the entire population, would sink below the poverty line by the end of 1998, and that 80 million people, 40%, will no longer be able to afford food and basic goods.

### **How Globalism Really Works - The Case of Russia**

1. In June of 1998, Russia's chief financial officer, Venianin Sokolov, conceded that all the IMF billions pumped into Russia had been stolen or wasted "at the highest levels" of what he called an "entirely corrupt regime."
2. The IMF went ahead to hand Russia another \$4.8 billion in July, most of the money coming from the pockets of American taxpayers. What happened to this money?
  - Sergei Dubinin, Russia's central bank governor, admitted that every last dime of it went to propping up the ruble, which Moscow finally had to cut loose and let fall.
  - Within days, the ruble fell 30% against the dollar, 40% against the German mark.
  - The Russian stock market collapsed.
  - Russian interest rates on US Treasury bill loans skyrocketed to 80%.
  - Even with this catastrophic loss, the IMF still went ahead to disburse the second tranche of its \$11.2 billion loan in September, 1998, to replenish the Russian central bank's reserves and control the slide of the ruble.

3. The “privatization drive that was supposed to reap the fruits of the free market,” writes Janine Wedel in *The Nation*, “helped to create a system of tycoon capitalism run for the benefit of a corrupt political oligarchy that has appropriated hundreds of millions of dollars of Western aid and Russia’s wealth.”
4. Patrick Buchanan, in an editorial, asked the important question: “Who got—and who stole—the scores of billions of dollars in Western loans sunk into Russia since 1991, because it surely was not the people of Russia, who are destitute and far worse off than in 1991.”

### **Some Recent Anti-Globalism Victories**

But all is not grim in this warfare of the workers against the economic exploiters; we’ve won a few victories.

1. Some corporations have volunteered to credit stock options as expense.
2. There is a general atmosphere of growing distrust of Wall Street and the “High Cabal.”
3. Anti-sweatshop campaigns have forced companies like Gap and Nike to reconsider some of their most reprehensible labor practices.
4. The Sanders-Harkin amendment bans the import of products made with child labor.
5. Legislation has been introduced that would end US financial support for IMF programs that degrade the environment and undermine workers’ rights, restrict the power of governments to regulate “hot money” capital flows, and give more bailouts to international bankers and investors.
6. Bernie Sanders, Independent US representative from Vermont, and other legislators are introducing legislation to create a “new populist architecture” for the global economy.
7. *Business Week* endorsed a global write-off by financial institutions of much of the debt strangling world production.
8. On September 2, 1998, Malaysian Prime Minister, Mahathir bin Mohammad, announced a policy to halt the usurious sys-



tem of globalism. His government is slapping on all-inclusive exchange controls to protect Malaysia's economy and crush stock and currency speculators. The Malaysian central bank will oversee which companies will be allowed to obtain Malaysia's currency, the ringgit, to exchange for dollars, or vice versa.

All purchases and sales of ringgit-denominated financial assets, such as stocks and property, must be transacted through a Malaysian-authorized depository institution. This stops speculators, such as George Soros, from obtaining ringgits to speculate with from off-shore banks in, for example, Singapore or Luxembourg.

9. Hong Kong and Taiwan have followed the example of Malaysia. Taiwan has banned George Soros or his companies from operating in Taiwan. Currency speculators, such as Soros, treat a country's currency as just another commodity. They bring ruin to a country's currency with absolutely no regard for the destruction they bring the nation and its people.
10. The peoples of the world are slowly waking up to globalism's disastrous repercussions.

*"Where justice is denied, where poverty is enforced, where ignorance prevails, and where any one class is made to feel that society is in an organized conspiracy to oppress, rob, and degrade them, neither persons nor property will be safe."*

— Frederick Douglass

### **A Way toward Victory in the Struggle Against Tyranny**

Greider offers some possible solutions to the challenge of globalism:

- Re-regulate finance capital by creating transaction taxes on foreign exchange.
- Set ceilings on interest rates.
- Get rid of offshore banking centers' ability to ignore national laws.

- “Refocus national economic agendas on the priority of work and wages, rather than trade or multinational competitiveness, as the defining issue for domestic prosperity.”

It’s now time for us to demand more equitable economic policies and practices worldwide. Our greatest power is our purchasing power and we should use it to make certain that governments and corporations serve the interests of the people, not the plutocrats.

### **The Insane “High Cabal”**

“Strange as it may seem, no amount of learning can cure stupidity, and formal education positively fortifies it.”

— Stephen Vizinczey, Hungarian novelist, critic

As we study the “High Cabal” in its current manifestation in the Bush II administration, it’s becoming clear that the people within this criminal junta are growing so bloated with their own illusions of power and “importance” that they’re becoming increasingly blind and insane. Their hubris is leading them to think they can do anything and get away with it:

- Run roughshod over Constitutional rights without provoking an uprising.
- Create militaristic wars anywhere in the world with the support of American citizens.
- Exploit the American people to whatever extent they want without having the people revolt.

A society tolerates tyranny and oppression in direct correlation with the actual intelligence of that society. So colonial America, remarkably intelligent for its time, tolerated a limited amount of oppression from Britain and then rose up and threw off the British tyranny.

“Power-worship blurs political judgment because it leads, almost unavoidably, to the belief that present trends will continue. Whoever is winning at the moment will always seem to be invincible.”

— George Orwell

“Powerful men in particular suffer from the delusion that human beings have no memories. I would go so far as to say that the distinguishing trait of powerful men is the psychotic certainty that people forget acts of infamy as easily as their parents’ birthdays.”

– Stephen Vizinczey, Hungarian novelist, critic

The “High Cabal” is correct in thinking that our current American society is composed of a people whose intelligence is debilitated by the ravages of criminal American elites. But this ruling junta has lost all sense of morality, proportion and purpose; it has lost its senses, especially its ability to see reality. What they are no longer intelligent enough to discern is that their excesses are increasingly awakening the mind-numbed American masses into full awareness of how oppressive this dictatorship has become.

Thus, we can help Americans become aware of how they are being oppressed by the current Bush regime, and study how the “High Cabal” is itself leading, through its overindulgence and intemperance, to its own downfall.

“No government power can be abused long. Mankind will not bear it. There is a remedy in human nature against tyranny, that will keep us safe under every form of government.”

– Samuel Johnson



## Chapter Eleven

### The Criminal “High Cabal”

#### The Reign of Lawlessness

The American “High Cabal” adopted criminality as their primary strategy when they seized control of the United States in the first two decades of the twentieth century.<sup>1</sup>

In 1922, Secretary of Interior Albert B. Fall illegally leased out the rich Teapot Dome oilfields of Wyoming to Rockefeller’s oil companies. President Warren G. Harding proclaimed Fall’s innocence: “If Fall isn’t an honest man, then I’m not fit to be President.”

Prophetic words for Warren Gamaliel when Fall couldn’t explain how he was able to spend \$170,000 for improvements on his ranch in New Mexico when his annual salary was only \$12,000. On June 30, 1924, a federal grand jury indicted Fall and two major oil company executives, Harry Sinclair and Edward L. Doheny. On November 1, 1929, five years later, Fall received a mild slap on the hand: a one year sentence and a fine of \$100,000 for taking bribes.

This ruling junta not only committed criminal acts in the United States but also throughout the world. In 1937, William E. Dodd, US Ambassador to Germany, warned America of what was happening:

“A clique of US industrialists is hell-bent to bring a fascist state to supplant our democratic government and is working closely with the fascist regime in Germany and Italy.

“Certain American industrialists had a great deal to do with bringing fascist regimes into being in both Germany and Italy. They extended aid to help Fascism occupy the seat of power, and they are helping to keep it there.”<sup>2</sup>

In a separate chapter on war profiteering, I examine how on October 20, 1942, the US government ordered the seizure of Nazi German banking operations in New York City that were being conducted by Prescott Bush, the father of former president George Herbert Walker Bush.

A large number of American companies directly supported Adolph Hitler in his buildup of a German war machine:<sup>3</sup>

- Chase National Bank (Rockefeller)
- National City Bank (Rockefeller)
- Standard Oil (Rockefeller)
- Texas [Oil] Company
- Davis Oil Company
- SKF Industries
- General Aniline and Film
- Sterling Products
- Radio Corporation of America (RCA)
- Ford Motors
- General Motors
- International Telephone and Telegraph (ITT)
- Alcoa, the Mellon-Davis-Duke monopoly
- Hearst newspaper syndicate
- *Readers' Digest* magazine
- Du Pont
- *The Saturday Evening Post*
- Sullivan and Cromwell law firm (Allen Dulles)

Following World War II, the “High Cabal” made sure that its puppets resided in the White House and that its hirelings such as Allen Dulles were in positions of power where they could control important events.

President Eisenhower proved less totally compliant than most, and his parting speech warned against the military-industrial complex:

In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

– Farewell Address to the Nation, January 17, 1961

The CIA has engaged in criminal activities from its inception:

- 1948: The CIA corrupts democratic elections in Italy, where Italian communists threaten to win the elections.
- 1953: Overthrow of democratically-elected Mossadeq in Iran.
- 1953: Operation MK-ULTRA – Inspired by North Korea's brainwashing program, the CIA begins experiments on mind control. The most notorious part of this project involves giving LSD and other drugs to American subjects without their knowledge or against their will, causing several to commit suicide.
- 1954: Overthrow of democratically-elected Jacob Arbenz in Guatemala in a military coup –
  - ❖ Arbenz had threatened to nationalize the Rockefeller-owned United Fruit Company, in which CIA Director Allen Dulles also owned stock.
  - ❖ Arbenz was replaced with a series of right-wing dictators whose bloodthirsty policies killed over 100,000 Guatemalans in the next 40 years.
- 1957-1973: Laos – the CIA carries out approximately one coup per year trying to nullify Laos' democratic elections.
- 1959: Haiti – the US military helps "Papa Doc" Duvalier become dictator of Haiti.
- 1961: Dominican Republic – the CIA assassinates Rafael Trujillo, a murderous dictator Washington has supported since 1930.
- 1961: Ecuador – the CIA-backed military forces the democratically elected President Jose Velasco to resign.
- 1961: Congo (Zaire) – the CIA assassinates the democratically elected Patrice Lumumba.

- 1963: Dominican Republic – the CIA overthrows the democratically elected Juan Bosch in a military coup, installing a repressive, right-wing junta.
- 1964: Brazil – a CIA-backed military coup overthrows the democratically elected government of Joao Goulart, replacing him with a bloodthirsty junta.
- 1965: Indonesia – the CIA overthrows the democratically elected Sukarno with a military coup, resulting in the government killing of at least half a million people.
- 1965: Congo (Zaire) – a CIA-backed military coup installs Mobutu Sese Seko as dictator.
- 1967: Greece – a CIA-backed military coup overthrows the government two days before the elections.
- 1967: Operation PHOENIX – the CIA helps South Vietnamese agents identify and then murder alleged Viet Cong leaders operating in South Vietnamese villages.
- 1968: Operation CHAOS – The CIA has been illegally spying on American citizens since 1959, but with Operation CHAOS, President Johnson dramatically boosts the effort. CIA agents go undercover as student radicals to spy on and disrupt campus organizations protesting the Vietnam War. They are searching for Russian instigators, which they never find. CHAOS will eventually spy on 7,000 individuals and 1,000 organizations.
- 1970: Cambodia – The CIA overthrows Prince Sahounek, who is highly popular among Cambodians for keeping them out of the Vietnam War. He is replaced by CIA puppet Lon Nol.
- 1971: Bolivia – After half a decade of CIA-inspired political turmoil, a CIA-backed military coup overthrows the leftist President Juan Torres. In the next two years, dictator Hugo Banzer will have over 2,000 political opponents arrested without trial, then tortured, raped and executed.
- 1973: Democratically-elected Allende in Chile is assassinated.
- 1981: Iran/Contra begins – The CIA begins selling arms to Iran at high prices, using the profits to arm the Contras fighting the Sandinista government in Nicaragua.
- 1987: A cocaine cartel money launderer testifies before Congress that he sent \$10 million to the contras through CIA operative Felix Rodriguez (*Washington Post* 6/30/87).



- 1989: Panama – The US invades Panama to overthrow a dictator of its own making, General Manuel Noriega.
- 1991: Funding for the Haitian junta which overthrows democratically-elected President Aristide.

With the Nixon presidency, criminality became standard operating procedure. Either by accident or design (see Cologny and Gettlen, *Silent Coup*), the criminal behavior of the entire Nixon administration was exposed and Nixon was forced to resign.

When President John F. Kennedy threatened the "High Cabal" by toppling their Bay of Pigs invasion of Cuba, firing Allen Dulles as head of the CIA and making plans to take control of the Federal Reserve System, he was assassinated.

The US Secret Service, in violation of their own rules and procedures, in collusion with the ruling plutocrats, deliberately failed to protect President Kennedy. The Secret Service knowingly escorted him in an open car around a hairpin turn into the sights of paid assassins, who fired by military-style triangulation (see the movie *Executive Action*).

In the aftermath of the bloody assassination of President Kennedy in Dallas on November 22, 1963, over 200 eyewitnesses and sources were themselves murdered, obliterating possible testimony, contrary to the falsified Warren Report.

JFK was assassinated because the "High Cabal" wanted to regain its stranglehold on the country.

[The Kennedy] assassination has demonstrated that most of the major events of world significance are masterfully planned and orchestrated by an elite coterie of enormously powerful people who are not of one nation, one ethnic grouping, or one overridingly important business group. They are a power unto themselves for whom those others work. Neither is this power elite of recent origin. Its roots go deep into the past.

– L. Fletcher Prouty. *JFK: The CIA, Vietnam, and the Plot to Assassinate John F. Kennedy*

It is Colonel Prouty – with his background both as military

officer and international banker—who shows us concisely that Kennedy was removed not only for his skittish policy on Vietnam and Cuba but because he fundamentally was affecting the economic might of this nation-planet, USA., Inc., and its New World Order. Kennedy undermined, as Prouty fascinatingly outlines, not only the Federal Reserve Board but the CIA and its thousand-headed Medusa of an economic system (CIA: “Capitalism’s Invisible Army”), but most dangerously and most expensively (ultimately some \$6 trillion in Cold War money) the world—around economic lines of the “High Cabal” and its military-industrial complex so ominously forecast by Eisenhower in his farewell address.

— Oliver Stone’s Introduction to L. Fletcher Prouty’s book: *JFK: The CIA, Vietnam, and the Plot to Assassinate John F. Kennedy*

On March 30, 1981, President Ronald Reagan was shot and gravely wounded as he was leaving the Washington Hilton Hotel after addressing a labor convention. Reagan was the man who stood in the way of Vice President George W. Bush becoming President. For the remainder of Reagan’s term, Bush was the de facto president. The would-be assassin was John W. Hinckley Jr., who had strange ties to the Bush family. Hinckley was found not guilty by reason of insanity on June 21, 1982.

On November 13, 1986, the Reagan administration confirmed a flood of worldwide reports that it indeed had been sending Iran weapons—against both United States law and official policy—for some time. The arms deal was reportedly organized and carried out by a “crisis management” group within the 46-member National Security Council staff. In addition to Robert McFarlane, White House assistant, a prominent member of the team was marine Lieutenant Colonel Oliver North, a decorated Vietnam veteran and deputy director for political-military affairs at the Security Council.

After invoking the Fifth Amendment protection against self-incrimination for seven months, while conniving to get a grant of limited immunity, North finally testified before

Senate and House investigating committees in July of 1987. "I assumed that the President was aware of what I was doing and had, through my superiors, approved," he stated.

He claimed that he had sent five memoranda to the President through Admiral John Poindexter, Reagan's national security adviser, requesting permission to divert money from the Iranian arms sales to the Contras, a Nicaraguan rebel group.

North's testimony left the impression that the late director of the Central Intelligence Agency, William J. Casey, had masterminded the financing of the Contras with profits from the Iranian arms sales. Democrat Senator Daniel Inouye, presiding over the hearings, said the Iran-Contra arms-for-hostages operation was a naked attempt to create a "secret government within our government." The Senate-House investigating committee concluded that "the common ingredients of the Iran and Contra policies were secrecy, deception, and disdain for the law... The ultimate responsibility for the events in the Iran-Contra affair must rest with the President."

On May 4, 1989, Oliver North was convicted in federal court on three of twelve counts against him. He was fined \$150,000 and given a three-year suspended sentence and ordered to perform 1,200 hours of community service.

Lackeys of the ruling elite caught in criminal acts either spend a few months in a country club prison, receive a suspended sentence, receive an inconsequential fine, or are pardoned by the puppet president.

On September 16, 1991, a federal judge ordered all Iran-Contra charges against Oliver North dropped. And on December 24, 1991, President George W. Bush pardoned six officials charged with or convicted of misleading Congress in the investigation of the Iran-Contra affair. One of those pardoned was former Defense Secretary Caspar Weinberger, whose trial might have revealed that Bush was not, contrary to his claim, "out of the loop" on the deal.

The Iran-Contra affair was actually a gunrunning, drug smuggling operation run out of Mena, Arkansas, under the direction of Vice President Bush.<sup>4</sup>

Unless we can overturn a presidential decree by George W.

Bush to make all previous presidential and vice presidential papers unavailable except through legal action, the elder George Bush's papers will be unavailable for review to see what criminal action was committed.

The actions of the Reagan Administration during the Iran-Contra scandal revealed "a pattern of conduct and a state of mind among important people in this administration which must be described as an American style of fascism. I would prefer to avoid that term, but it is the only one in the modern political vocabulary that adequately describes the situation.

– William Pfaff, *Chicago Tribune*, March, 1987

During the one-term presidency of George H. W. Bush, lawlessness extended to the point of using military force to protect Bush's criminal behavior. As Director of the CIA, Bush had hired Manuel Noriega to be his man in Panama. When General Noriega threatened to expose Bush's complicity in gun running, drug trafficking, money laundering, and other crimes,<sup>5</sup> a US Federal court indicted Noriega on drug smuggling charges on February 5, 1988.

On December 20, 1989, 24,000 US troops attacked Panama to find Noriega and bring him back to the United States for trial. The military invasion operation, code-named "Just Cause," resulted in hundreds of innocent Panamanian civilians being killed.

The best way to understand this atrocity is the viewing of a courageous documentary video on Bush's terrorist attack against a foreign people titled *The Panama Deception*, the 1993 Academy Award winner for Best Documentary Feature.

Produced by the Empowerment Project and narrated by Elizabeth Montgomery, the documentary outlines in stark detail how Bush Sr. used the US military to invade a foreign country without the American press, the American Congress, or the American people raising their voice in protest at such an atrocity.

On January 4, 1990, Noriega was charged in a US court in Miami with drug trafficking and sentenced to 40 years. Before 9/11, Noriega was the only war criminal in an American prison.

## The Phony Drug War

The "High Cabal" is directly involved in the \$400-\$600 billion international drug trafficking activity. To understand the so-called war on drugs we must realize that this is a war that is deliberately being lost. Why?

Internationally, "the war on drugs"

- Provides a cover for US intervention in and control of other countries.
- Adds to the military budget.
- Increases foreign sales of US weaponry.
- Keeps the price of drugs up and the costs down.

Domestically, the "drug war" is not about decreasing drug use or drug supply. It is about:

- Incarcerating millions of felons on the basis of mandatory minimum sentencing.
- Providing profits for the privatized prison companies.
- Providing funds to US organizations and individuals through drug money-laundering:
  - ❖ Covert agencies who use it as a source of black funding.
  - ❖ Politicians and bankers who are hired to protect the drug revenues.
  - ❖ Politicians who receive drug money campaign contributions.
- Inflating police spending and revenues (seizing assets).
- Increasing repression in the inner cities.
- Masking the attack on civil liberties.

The number of people in America using illegal drugs is said to be down appreciably from the high in 1979.

However, the phony "drug war" which the ruling junta has carried out is responsible for little of this decrease, except insofar as they have put millions of Americans in prison on drug charges. Crack cocaine use is down, for example, primarily because people were smart enough to see its devastating effect on crack addicts.

There are two major approaches to mind-altering drugs:

- Large-scale incarceration for drug users and military action to stop drug production internationally.
- Decriminalization and treatment.

The American criminal junta takes the first approach because of all the monetary benefits.

Sixty years ago we solved the alcohol prohibition problem. Crime was rampant. Booze-smuggling gangs battled on our streets. Bootleggers sold their wares everywhere, even to schoolchildren. Police could do nothing. The vast profits of liquor smuggling fueled corruption and violence, and the booze scourge seemed poised to topple America. But on December 5th, 1933, we ended prohibition and made alcohol legal. We could do the same today with heroin, cocaine, and other hard drugs. But the "High Cabal" is making too much money from illegal drug trafficking; it doesn't want to stop the phony "war on drugs."

In South America, coca is as safe as coffee. But it's illegal in the United States so we have cocaine smugglers, dealers, and sellers. Opium is safer than tobacco in the East. Since it's illegal in America we have heroin smugglers who bring in heroin a hundred times more powerful than that used in the East. In our prisons, real criminals are let loose, while pot smokers waste their lives behind bars. So the single largest marketplace for illegal drugs continues to be the United States.

Europe's approach is legalized, regulated markets in soft drugs, making drugs like opiates available to addicts through various treatment programs, and a more humane approach to substance abuse in general. Part of our struggle against the Bush tyranny must be to see that a reasonable drug policy is established and order restored to our neighborhoods destroyed by the "drug war" scam.

### Other High Crimes of the "High Cabal"

One of the most devastating crimes that the "High Cabal" committed was the *coup d'état* in the year 2000, with Florida state officials and the Supreme Court conspiring to foist an unelected George Bush on the American people.<sup>6</sup>

Bush has done everything in his power to see that his corporate backers receive any and all assistance his administration can provide:

- Tax breaks for the obscenely wealthy.
- Failure of governmental oversight for any and all regulations.
- Non-prosecution for corporate crimes.
- Appointment of insider foxes to guard the federal chicken coops:
  - ❖ Harvey Pitt as head of the Securities and Exchange Commission (SEC), who was responsible for the criminal accounting practices at Xerox.
  - ❖ Vice President Cheney, who allowed Ken Lay and other corporate big-shots to create energy policies and appoint insiders to energy commissions.
- Appointed the racist, sexist John Ashcroft to be attorney general and appointed other criminals to positions of power, such as John Negroponte as UN ambassador and Otto J. Reich as assistant secretary of State for the Western Hemisphere.

These and other crimes of the "High Cabal" and their puppet president, George Bush, must be brought before the court of human reason and the people must rise up and demand that America once again becomes a nation of laws, not men.

For more than two thousand years, since western men first began to think about the social order, the main preoccupation of political thinking has been to find a law which would be superior to arbitrary power. Men have sought it in custom, in the dictates of reason, in religious revelation, endeavoring always to set up some check upon the exercise of force. This is the meaning of the long debate about

Natural Law. This is the meaning of a thousand years of struggle to bring the sovereign under a constitution, to establish for the individual and for voluntary associations of men rights which they can enforce against kings, barons, magnates, majorities, and mobs.

– Walter Lippmann, *The Good Society*

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### Notes:

- 1 George Seldes. *Facts and Fascism*.
- 2 Ibid., p.122.
- 3 Charles Higham. *Trading With the Enemy* and Webster G. Tarpley & Anton Chaitkin; *George Bush: The Unauthorized Biography*.
- 4 Terry Reed. *Compromised*; Mike Ruppert Web site; Al Martin. *The Conspirators: Secrets of an Iran-Contra Insider*.
- 5 Samuel J. Stoll. *Canalgate: A Panama Canal Brief for the American People*, 1989; Juan E. Mendez. *The Laws of War and the Conduct of the Panama*, 1990; *Invasion*, May 1990 (An Americas Watch Report); Luis E. Murillo. *The Noriega Mess; The Drugs, the Canal, and Why America Invaded*, 1995; Cindy Jaquith. *Panama: The Truth about the US Invasion*, 1991; Jane Franklin. "The US Invasion of Panama : The Truth Behind Operation 'Just Cause,'" Independent Commission of Inquiry, 1991.
- 6 Greg Palast. *The Best Democracy Money Can Buy*.



## Chapter Twelve

### The World Dominance Plot

“Democracy is inimical to imperial mobilization.”

Z. Brzezinski. *The Grand Chessboard*

Of the sixteen major civilizations which have existed in all of human history, ten are already dead, their cultures destroyed by their own defects. As Walter Lippmann reminded us:

“A regime, an established order, is rarely overthrown by a revolutionary movement; usually a regime collapses of its own weakness and corruption and then a revolutionary movement enters among the ruins and takes over the powers that have become vacant.”<sup>1</sup>

The barbarian invasions destroyed Classical Civilization in the period 350-700 A.D. Western Civilization created itself by drawing together elements from the barbarian tribes, the Roman world, the Saracen world, and the Judeo-Christian world. After passing through its period of gestation from 700-970 A.D., Western Civilization experienced four periods of expansion and conflict:

- 970-1440 – Core Empire: England, 1420
- 1440-1815 – Core Empire: France, 1810
- 1815-1945 – Core Empire: Germany, 1940
- 1945-2002 – Core Empire: United States, 2002

For the first time in history, Western Civilization now has a Universal Empire, with the United States attempting to dom-

inate most of the modern world. But, also for the first time in its history, Western Civilization is in danger of being destroyed internally by a corrupt, criminal ruling cabal which is centered around the Rockefeller interests, which include elements from the Morgan, Brown, Rothschild, Du Pont, Harriman, Kuhn-Loeb, and other groupings as well. This junta took control of the political, financial, and cultural life of America in the first two decades of the twentieth century.<sup>2</sup>

The Bush family, beginning with Prescott Bush, have served as satraps of the Rockefeller, Brown, and Harriman interests. President George W. Bush is simply a puppet of this powerful cabal, and its schemes will be carried out by whatever next president comes to power unless we the people can deflect them from this insane, murderous plot for global dominance.

There are several major reasons why this "High Cabal," as L. Fletcher Prouty referred to it, is moving the United States toward destruction:

- The current ruling elite does not have the intellectual capability to understand the operating dynamics of the American culture.
- This ruling echelon simply does not care if it pollutes the earth and destroys countless humans in its imperialistic drive for wealth and power.
- This cabal is obsessed to the point of blindness and criminality by egomaniacal greed.

To be an egoist refers not only to my behavior but to my character. It means: that I want everything for myself, that possessing, not sharing, gives me pleasure; that I must become greedy because if my aim is having, I am more the more I have; that I must feel antagonistic toward all others: my customers whom I want to deceive, my competitors whom I want to destroy, my workers whom I want to exploit. I can never be satisfied, because there is no end to my wishes; I must be envious of those who have more and afraid of those who have less. But I have to repress all these

feelings in order to represent myself (to others as well as to myself) as the smiling, rational, sincere, kind human being everybody pretends to be.

– Erich Fromm, *To Have or To Be?*

## Misunderstanding the Dynamics of American Culture

The American ruling elite maintains:

- That wealth and power are the most important human goals.
- That “public officials are the masters of the people and that only under official orders may they live, work, and seek their salvation.”<sup>3</sup>
- That fascism can be imposed on America without destroying it.

The “High Cabal” believes America is great because it allows a few to amass wealth without regard for other people or the earth.

On the contrary, the reason America has risen to its eminent position among nations is its dedication to Constitutional liberties. Living as free men and women, Americans have been extraordinarily creative in every area of human life, and the best among them have understood “how much of what they cherish as progressive has come by emancipation from political dominion, by the limitation of power, by the release of personal energy from authority and collective coercion.”<sup>4</sup>

No other nation on earth has institutionalized the freedoms that Americans enjoy.

The distinctive character of Western Civilization rests on its Christian heritage, its scientific outlook, its humanitarian elements, and its distinctive point of view in regard to the rights of the individual and respect for women rather than in such material things as firearms, tractors, plumbing fixtures, or skyscrapers, all of which are exportable commodities.

– Carroll Quigley, *Tragedy and Hope*

## Fascism Will Destroy America

As is shown in the chapter on the growing police state in the United States, the current Bush administration is rapidly attacking and undermining Constitutional liberties. Fascists of all stripes believe “that the great mass of mankind is naturally docile; that, by exterminating the minority and drilling the mass, significant dissent will disappear. Hence the claim of the fascist states to an absolute monopoly of all agencies of education, intelligence and culture.”<sup>5</sup>

Fascism involves the intense militarization of a people for war. Fascism, in essence, is martial law and as such is contradictory to and destructive of democracy. If the full force of fascism is brought to bear in the United States, the country will turn into a Nazi Germany.

American citizens need to know the grand imperialist scheme that the criminal “High Cabal” is carrying out. Only by understanding it fully will we be able to defeat this murderous plot of the plutocrats.

The imperialist schemers are so sure of themselves, they don’t hesitate to publish their conspiracy plot to conquer the world politically, economically, and militarily. Mandarins such as Kissinger, Brzezinski, Wolfowitz and a host of others draw up the blueprints for a world police state. By studying their imperialist designs we can understand just how the “High Cabal” plans to seize complete world dominance and maintain it.

In his book *The Grand Chessboard*, Brzezinski lays out the scheme in unvarnished terms:

To put it in a terminology that harkens back to the more brutal age of ancient empires, the three grand imperatives of imperial geostrategy are to prevent collusion and maintain security dependence among the vassals, to keep tributaries pliant and protected, and to keep the barbarians from coming together.

If you don’t recognize your place in that schema, you’re one of the barbarians. “Vassals” are people like Blair, Sharon, and Putin (among others) and “tributaries” are lesser facto-

tums such as the Saudi royals, Musharraf, Karzai, and the South American dictators the cabal puts into power.

The reason common citizens are considered by this junta to be “barbarians” is that we could prove recalcitrant and antagonistic to their plot to take away our Constitutional liberties. We might even rise up and speak out against their fascist plunder.

Just what is the first necessity for this grand imperialist scheme of world domination? The answer might surprise you.

“America’s global primacy is directly dependent on how long and how effectively its preponderance on the Eurasian continent is sustained.”<sup>6</sup>

Why Eurasia?

A power that dominates Eurasia would control two of the world’s three most advanced and economically productive regions. A mere glance at the map also suggests that control over Eurasia would almost automatically entail Africa’s subordination, rendering the Western Hemisphere and Oceania geopolitically peripheral to the world’s central continent... About 75 percent of the world’s people live in Eurasia, and most of the world’s physical wealth is there as well, both in its enterprises and underneath its soil. Eurasia accounts for about 60 percent of the world’s GNP and about three-fourths of the world’s known energy resources...

Eurasia is also the location of most of the world’s politically assertive and dynamic states. After the United States, the next six largest economies and the next six biggest spenders on military weaponry are located in Eurasia. All but one of the world’s overt nuclear powers and all but one of the covert ones are located in Eurasia. The world’s two most populous aspirants to regional hegemony and global influence are Eurasian. All of the potential political and/or economic challengers to American primacy are Eurasian.”<sup>7</sup>

Do you now see the significance of the Afghanistan war? The “War on Terrorism” is an important part of this world dominance plot.

You'll notice that Brzezinsky's "Eurasia" contains Europe, the Middle East, Asia, and the Far East.

If the middle space can be drawn increasingly into the expanding orbit of the West (where America preponderates), if the southern region is not subjected to domination by a single player, and if the East is not unified in a manner that prompts the expulsion of America from its offshore bases, America can then be said to prevail. But if the middle space rebuffs the West, becomes an assertive single entity [Russia-China], and either gains control over the South or forms an alliance with the major Eastern actor [Japan], then America's primacy in Eurasia shrinks dramatically. The same would be the case if the two major Eastern players were somehow to unite.

Finally, any ejection of America by its Western partners from its perch on the western periphery [NATO] would automatically spell the end of America's participation in the game on the Eurasian chessboard, even though that would probably also mean the eventual subordination of the western extremity to a revived player occupying the middle space."<sup>8</sup>

If Eurasia is the chessboard on which the struggle for global primacy is to be played, then who are the key players? As in chess, there is a distinction between the major pieces (King, Queen, Rook, Bishop, Knight) and the pawns. Brzezinsky calls the major pieces "active geostrategic players" and the pawns "geopolitical pivots."

### **Active Geostrategic Players**

Active geostrategic players are the states that have the capacity and the national will to exercise power or influence beyond their borders in order to alter—to a degree that affects America's interests—the existing geopolitical state of affairs." [France, Germany, Russia, China, India (excluding Great Britain, Japan, Indonesia)]

## Geopolitical Pivots

Geopolitical pivots are the states whose importance is derived not from their power and motivation but rather from their sensitive location and from the consequences of their potentially vulnerable condition for the behavior of geostrategic players. [Ukraine, Azerbaijan, South Korea, Turkey, Iran]

As we examine their world domination plot, it becomes clear that the “High Cabal” considers all nations and people as mere pawns with which to play their game of global ascendance. No person or nation is important in their own right — only insofar as they contribute to or compete with the American imperialist junta:

Britain... entertains no ambitious vision of Europe’s future, and its relative decline has also reduced its capacity to play the traditional role of the European balancer. Its ambivalence regarding European unification and its attachment to a waning special relationship with America have made Great Britain increasingly irrelevant insofar as the major choices confronting Europe’s future are concerned. London has largely dealt itself out of the European game.”<sup>9</sup>

What Brzezinsky calls “geopolitical pivots” are pawns which serve some purpose in the “High Cabal’s” world dominance scheme:

South Korea is a Far Eastern geopolitical pivot. Its close links to the United States enable America to shield Japan and thereby to keep Japan from becoming an independent and major military power, without an overbearing American presence within Japan itself. Any significant change in South Korea’s status, either through unification and/or through a shift into an expanding Chinese sphere of influence, would necessarily alter dramatically America’s role in the Far East, thus altering Japan’s as well. In addition, South Korea’s growing economic power also makes it a more important “space” in its own right, control over which becomes increasingly valuable.”<sup>10</sup>

Upon examining the American plutocratic junta's "grand" scheme, we discover why the Bush administration established military bases in Kazakstan and Uzbekistan even before the Afghanistan war began:

Of the five newly independent Central Asian states, Kazakstan and Uzbekistan are the most important. Regionally, Kazakstan is the shield and Uzbekistan is the soul for the region's diverse national awakenings. Kazakstan's geographic size and location shelter the other from direct Russian physical pressure, since Kazakstan alone borders on Russia.

In *The Grand Chessboard*, Brzezinski reveals how the global dominance plot required something like 9/11: "As America becomes an increasingly multicultural society, it may find it more difficult to fashion a consensus on foreign policy issues, except in the circumstances of a truly massive and widely perceived direct external threat."<sup>11</sup>

This sounds strikingly similar to a statement made by David Rockefeller: "We are on the verge of a global transformation. All we need is the right major crisis and the nations will accept the New World Order."

As we examine this world dominance plot of the ruling American junta, it becomes clear why Bush attacked Afghanistan, is now planning a second war with Iraq, how Bush plans to contain Russia, China and Japan, and what this junta has in store for American citizens. The plan entails Americans losing their constitutional liberties because of the necessity of absolute control of the population.

The pursuit of power and especially the economic costs and human sacrifice that the exercise of such power often requires are not generally congenial to democratic instincts... Democracy is inimical to imperial mobilization."<sup>12</sup>

Another lackey of the "High Cabal" earlier explained why loss of liberty by Americans is necessary to their schemes:



Now let us suppose that the exigencies of the future, as we shall trace them out, point to the conclusion that only an authoritarian, or possibly only a revolutionary, regime will be capable of mounting the immense task of social reorganization needed to escape catastrophe. Might it not then be argued that the quasi-military devotion and sacrifice of such a task would be vitiated if the masses were exposed to the disagreements and diversions of intellectuals who strayed from, or opposed, the official line?

– Robert L. Heilbroner, *An Inquiry into the Human Prospect*, 1974

In the world police state envisioned by the “High Cabal” the masses are not to be exposed to the disagreements and diversions of intellectuals who stray from or oppose the official line.

This is not the first time that rulers of a nation have created insane schemes for world domination. The hubris of the Bush administration seems unbounded, as Dubya tells the Palestinians to make a “regime change” or else American aid will be cut off. To the world, Dubya’s “Axis of Evil” is laughable, while he and his underlings make plans to invade Iraq a second time.

We must make certain we do everything in our power to see that they fail in their scheme to destroy American Constitutional liberties and impose a world police state.

The road whereby mankind has advanced in knowledge, in the mastery of nature, in unity, and in personal security has lain through a progressive emancipation from the bondage of authority, monopoly and special privilege.

It has been through the release of human energy that men have lifted themselves above the primeval struggle for the bare necessities of existence; it has been by the removal of constraints that they have been able to adapt themselves to the life of great societies; it has been by the disestablishment of privilege that men have risen from the status of slaves, serfs, and subjects to that of free men inviolate in the ways of the spirit.<sup>13</sup>

“But what more oft, in nations grown corrupt,  
And by their vices brought to servitude,  
Than to love bondage more than liberty –  
Bondage with ease than strenuous liberty.”  
– Milton, “Samson Agonistes”

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**Notes:**

- 1 Walter Lippmann. *The Good Society*
- 2 Carroll Quigley. *Tragedy and Hope*
- 3 Lippmann. *op. cit.*, p. 5
- 4 *Ibid.*, p. 5
- 5 *Ibid.*, p. 58
- 6 Zbigniew Brzezinski. *The Grand Chessboard*, p. 30
- 7 *Ibid.*, p. 31
- 8 *Ibid.*, p. 35
- 9 *Ibid.*, p. 42
- 10 *Ibid.*, pp. 47, 48
- 11 *Ibid.*, p. 211
- 12 *Ibid.*, pp. 210 and 36
- 13 Walter Lippmann. *op. cit.*, p. 16

## Chapter Thirteen

### War Crimes and War Profiteering

All Americans should constantly remind themselves that the George Bush who is now being touted as a great leader:

- Has approved a “security” bill which limits basic civil liberties in America, resulting in the complete abrogation of the rights of a peace activist: a Green Party USA coordinator was detained at the Bangor, Maine airport and prevented by armed military personnel from flying to a political meeting in Chicago.
- Came to power through a racist miscount of the votes in Florida and a *coup d’etat* with the connivance of a corrupt Supreme Court.
- Appointed the racist, sexist John Ashcroft to be attorney general and appointed other criminals to positions of power, such as John Negroponte as UN ambassador and Otto J. Reich as assistant secretary of State for the Western Hemisphere.
- Gave the rich a trillion-dollar tax break at the expense of the workers, the poor and the lower middle class.
- Is raiding Social Security and endangering the retirement funds of millions of workers.
- Approved special protection to be given to congresspersons while allowing postal workers to be exposed to anthrax.

- Pushed through a plan for oil drilling in the Arctic wilderness.
- Pulled out of the Kyoto Agreement, threatening the entire planet with pollution and global warming so his corporate buddies can be saved the cost of anti-pollution measures.
- Is overseeing a plutocratic regime where corporate fat cats are ensured obscene profits while workers suffer from unemployment, homelessness, anthrax infection, death from terrorist attack, and general distress.

We should be aware that current president Bush isn't the first in his family to engage in war profiteering. *George Bush: The Unauthorized Biography*, by Webster G. Tarpley and Anton Chaitkin, reminds us that on October 20, 1942, the US government ordered the seizure of Nazi German banking operations in New York City that were being conducted by Prescott Bush, the father of former president George Herbert Walker Bush.

### **Other Revelations in *George Bush: The Unauthorized Biography***

Under the Trading with the Enemy Act, the US government took over the Union Banking Corporation, in which Prescott Bush was a director. The US Alien Property Custodian seized Union Banking Corporation stock shares, all of which were owned by E. Roland Harriman, Prescott Bush, three Nazi executives, and two other associates of Prescott Bush.

President Franklin Roosevelt's Alien Property Custodian, Leo T. Crowley, signed Vesting Order Number 248 seizing the property of Prescott Bush under the Trading with the Enemy Act. The order, published in obscure government record books and kept out of the news, explained nothing about the Nazis involved; only that the Union Banking Corporation was run for the Thyssen family of Germany and/or Hungary, nationals of a designated enemy country.

This act by the US government made it clear that Prescott Bush and the other directors of the Union Banking Corp. were in essence front men for the Nazis. By keeping news of this seizure quiet, the American government avoided the more important issue: in what way were Hitler and his Nazi cohorts set up, armed and supported by the New York and London cartel of which Prescott Bush was an executive manager?

On Oct. 28, the government issued orders seizing two Nazi front organizations run by the Bush-Harriman bank: the Holland-American Trading Corporation and the Seamless Steel Equipment Corporation.

Nazi interests in the Silesian-American Corporation, long managed by Prescott Bush and his father-in-law, George Herbert Walker, were seized under the Trading with the Enemy Act on November 17, 1942. In this action, the government announced that it was seizing only the Nazi interests, leaving the Nazis' US partners to carry on the business.

These were actions taken by the US government during wartime, but Prescott Bush and his collaborators had already played a central role in financing and arming Adolf Hitler for his takeover of Germany. Harriman, Bush and the others in the cabal had financed the buildup of Nazi war industries for the conquest of Europe and war against the USA. They had also helped in the development of Nazi genocide theories and racial propaganda, with the slave labor and extermination camps as the result.

### **Rob the Poor and Give Billions to the Rich**

While working class people were burying the 9/11 victims in New York City, GM, GE, IBM, Enron and other Fortune 500 companies who put Bush into power were paying off their lackeys in Congress. The so-called "Economic Stimulus" bill gives tax cuts to the corporate fat cats to the tune of \$70 billion a year.

But this soak-the-poor-to-give-to-the-rich scam wasn't just for one year to stimulate the economy. It's RETROACTIVE FOR 15 YEARS! So IBM will get \$1.4 billion, GM \$833 million, GE \$671 million, etc. Enron, the Houston energy company and a major Bush supporter, would get \$254 million. Guess what ordinary workers get!

Bush has already given away \$40 billion of our hard-earned tax dollars to war profiteering CEOs. But the Congressional Budget Office has estimated that the 2001 House-passed bill would provide only \$2.3 billion in supplemental unemployment benefits by the end of next September, 2002. The airline industry alone got a \$15 billion bailout package, and they have laid off 100,000+ Americans with families to support.

In 2002 CEOs gave themselves, through a board vote (with other CEOs sitting on these boards), on average a 22% raise. Executive pay jumped 571% between 1990 and 2000. If the minimum wage, which stood at \$3.80 an hour in 1990, had grown at the same rate as CEO pay over the decade, it would now be \$25.50 an hour, instead of \$5.15 an hour.

### **Bush Senior in Collusion with the Bin Laden Family**

Since he left office, ex-President and ex-CIA Director George Bush, working as a consultant, has been using his influence and contacts for the Washington-based Carlyle Group, a \$12 billion private equity firm and eleventh largest defense contractor in the US. Carlyle's portfolio is heavily invested in defense and telecommunications firms. The bin Laden family had large investments in Carlyle.

The *New York Times* has reported that former President George Bush met with the bin Laden family in Saudi Arabia in 1998 and 2000.

Bush senior's Carlyle connection means he is on the payroll of corporate interests that receive defense contracts from the US government while his son is president.

Charles Lewis of the Washington-based Center for Public Integrity, indicated that "in a really peculiar way, George W. Bush could, some day, benefit financially from his own administration's decisions, through his father's investments."

Bush Senior specializes in Saudi Arabia and therefore has a personal interest in the corrupt Saudi regime's survival and continued profitability. The public-interest law firm Judicial Watch strongly criticized Bush senior for his ties with the bin Laden family, pointing out in a March 5, 2001 statement that it is a "conflict of interest [which] could cause problems for America's foreign policy in the Middle East and Asia."

In a Sept. 29, 2001 statement, Judicial Watch added that "this conflict of interest has now turned into a scandal. The idea of the president's father, an ex-president himself, doing business with a company under investigation by the FBI in the terror attacks of September 11 is horrible." Judicial Watch demanded that President Bush make his father pull out of the Carlyle Group.

The *New York Times* on October 26, 2001 reported that "the Saudi family of Osama bin Laden is severing its financial ties with the Carlyle Group, a private investment firm known for its connections to influential Washington political figures, executives who have been briefed on the decision said today." Some of those influential figures include George H.W. Bush and his son, President Bush.

George junior is no slouch when it comes to shady deals with the bin Laden family and other crooked interests such as drugs.

In 1979, Bush's first business, Arbusto Energy, obtained financing from James Bath, a Houstonian and close family friend. One of many investors, Bath gave Bush \$50,000 for a 5 percent stake in Arbusto. At the time, Bath was the sole US business representative for Salem bin Laden, head of the wealthy Saudi Arabian family and a brother (one of 17) to Osama bin Laden. It has long been suspected, but never proven, that the Arbusto money came directly from Salem bin Laden. In a statement issued shortly after the September 11 attacks, the White House vehemently denied the connection, insisting that Bath invested his own money, not Salem bin Laden's, in Arbusto.

In conflicting statements, Bush at first denied ever knowing Bath, then acknowledged his stake in Arbusto and that he was aware Bath represented Saudi interests. In fact, Bath has extensive ties, both to the bin Laden family and major players in the scandal-ridden Bank of Commerce and Credit International (BCCI) who have gone on to fund Osama bin Laden.

BCCI defrauded depositors of \$10 billion in the '80s in what has been called the "largest bank fraud in world financial history" by former Manhattan District Attorney Robert Morgenthau. During the '80s, BCCI also acted as a main conduit for laundering money intended for clandestine CIA activities, ranging from financial support to the Afghan mujahedin to paying intermediaries in the Iran-Contra affair.

– Bush Watch web site ([www.bushnews.com](http://www.bushnews.com))

## **The Way the World Operates**

While Americans are being brainwashed by TV and presidential rhetoric to become mindless cult followers of jingoistic militarism, the movers and shakers are making their billions. Some of them even give strong clues as to what's really going on.

Catherine Austin Fitts, a managing director of the Wall Street investment bank Dillon Read, raised more than \$100,000 in 1988 for the Bush presidential campaign. Her boss at Dillon Read, Nicholas Brady, a Bush confidant, was appointed Secretary of the Treasury in the Bush administration. Fitts was appointed Assistant Secretary at HUD.

In 1999, in numerous radio and print interviews, Fitts connected the dots as to what's happening in the world:

- California, Florida, Texas and New York are, far and away, the states where most illegal drugs enter the United States.



- California, Florida, Texas and New York are also the states responsible for laundering most of the \$200-250 billion dollars of drug money that pass through the US economy and banking system every year.
- Eighty per cent of all Presidential campaign contributions come from California, Florida, Texas and New York.

So we can see that since the Bushes control Texas and Florida, the Democratic Party, the Clintons and other party leaders desperately need to control New York and California.

Carl Levin (D-Mich.) has documented that 300 billion dollars a year in drug money moves through the US banking system. \$300 billion laundered results in \$1.8 trillion dollars per year in US cash transactions resulting from the drug trade. No wonder all the largest corporations are in the money-laundering business – along with whatever else they do.

### **We Must Change the Present System Before It Destroys Everything**

The present system is based on international criminal activity as the business paradigm, with collaboration between governments, multinational corporations, and mafias. This system will collapse unless the economic model is turned upside down – so that it becomes profitable to engage in legitimate enterprises. The present crime-based international system – with its dependence on drug capital – can only be sustained ultimately by a police state.

New “war on terrorism” and “law and order” programs involving the Department of Justice and HUD, such as Project “Safe Streets,” “Weed and Seed,” and the almost hysterical “Uniting and Strengthening America (USA) Act,” butcher the Constitution and are harbingers of an already emerging police state. The Congress, the Supreme Court and the press fail to condemn the current Bush administration’s onslaught against Constitutional rights. Bush/Ashcroft defenders claim that secret trials for any person deemed to be a terrorist are legal. The earlier congressional and White House investigations into the CIA drug connection also

demonstrate the heedless arrogance and blatant criminality of a system out of control.

The insanity of the present system is indicated by such run-away crises as:

- A monstrous derivatives bubble, to the tune of about 20 trillion dollars, that's about to burst.
- A stock market that will almost inevitably crash and burn—even beyond its recent gargantuan losses.
- A resultant economic crash.
- The Bush regime's mad plan:
  - ❖ To blame the economic crash on the "terrorist attacks."
  - ❖ To further cannibalize the American economy:
    - \* \$40 billion for the military
    - \* \$60 billion in tax cuts
    - \* \$12 billion to the airlines
    - \* \$20-\$40 billion to beef up the intelligence agencies
- To cover its fascist police-state regime with Reichstag fire-type propaganda: "We have to fight against terrorism by giving up our freedom."

It behooves us to remember that the current Bush administration stole the election in 2000. It is a reincarnation of the Bush senior regime that brought us:

- The savings and loan crisis, which stole \$500 billion dollars from US taxpayers.
- Iran-Contra.
- Desert Storm.

These are experts in looting an economy.

## **Chapter Fourteen**

### **The Wall Street Scam**

This chapter exposes the Wall Street scam, the fixed casino where the insiders take the money of the uninformed investor. By understanding how the Wall Street con game operates, you can at least avoid being taken to the cleaners and perhaps go on to study enough to profit from this knowledge.

#### **The History of the Stock Market**

In March, 1792, twenty-four of New York City's leading merchants met secretly at Corre's Hotel to discuss ways to bring order to the securities business and to wrest it from their competitors, the auctioneers. Two months later, on May 17, 1792, these merchants signed a document named the Buttonwood Agreement, named after their traditional meeting place, a buttonwood tree. The agreement called for the signers to trade securities only among themselves, to set trading fees, and not to participate in other auctions of securities. These twenty-four men had founded what was to become the New York Stock Exchange. The Exchange would later be located at 11 Wall Street.

A century before, Dutch settlers had built a wall to protect themselves from Indians, pirates and other dangers. The path had become a bustling commercial thoroughfare because it joined the banks of the East River with those of the Hudson River on the west. The path was named Wall Street. Early

merchants built their warehouses and shops on this path, along with a city hall and a church.

New York was the US national capitol from 1785 until 1790 and Federal Hall was built on Wall Street. George Washington was inaugurated on the steps of this building.

The first stock exchange in America was actually founded in Philadelphia in 1790. The New York merchant group, realizing that their stock exchange was now in decline after the early tumult of revolutionary war bonds and stock in the Bank of the United States, sent an observer to Philadelphia in early 1817. Upon his return, bearing news of the thriving Philadelphia exchange, the New York Stock and Exchange Board was formally organized on March 8, 1817.

The exchange rented a room at 40 Wall Street and every morning the president, Anthony Stockholm, read the stocks to be traded. The exchange was an exclusive organization. New members were required to be voted in, and a candidate could be black-balled by three negative votes. In 1817 a seat on the exchange cost \$25, in 1827 it increased to \$100, and in 1848 the price was \$400. Members wore top hats and swallowtail coats.

The early 1900s saw the rise of huge fortunes made on Wall Street. In 1901 J.P. Morgan astounded Wall Street by creating a billion-dollar merger resulting in the US Steel Corporation. In 1907 a wave of panic hit Wall Street. Eight hundred million dollars in securities were unloaded within a few months. Stock prices plummeted and runs on banks became a daily occurrence. When the Knickerbocker Trust Company was forced to close its doors a panic swept banks throughout the country. Morgan pressured the leading New York bankers to forestall a total financial collapse of the country. They set up a single banking trust, with most large banks across the US contributing to its financing. Morgan's own group, as you might imagine, had controlling interest.

The first of the two largest Wall Street panics occurred in 1929. The Wall Street con game, already working full tilt, had convinced millions of Americans that the country was riding on an upward spiraling wave of financial glory. Both rich and

poor put their money into stocks and bonds. The Wall Street myth, broadcast by the Insiders' newspapers and magazines, spotlighted stories of shopkeepers and workers making fortunes in the stock market overnight.

Stock prices were pushed up beyond any relationship with the actual worth of the companies. In 1929 stock prices were 400% higher than they had been in 1924. The Insiders had made their fortunes and could no longer sustain the con, so on October 23, 1929, the market fell 31 points. Stock prices fell an additional 49 points on October 28 and on the 29th the entire market fell apart. Some brokers and investors jumped out of their office windows. The 1929 crash hit the US even harder than the one that was to come in 1987. The fallout from the '29 crash devastated the country, leading to a long-time economic collapse and depression that was to continue until the start of the Second World War in 1941.

The Wall Street crash of 1987—"Black Monday"—occurred on October 19th. The Dow Jones fell an astounding 508 points, the largest one-day loss in the stock market's history. The Insiders running the con game landed on their feet and quickly misdirected the public's attention, laying the blame on computerized (program) trading. Though the cascade of sell orders from large institutions had clogged the system, leaving many individual investors stranded while prices fell, the '87 crash was created by the same Insider specialist group that controls every fact of the stock market for their own profit.

As with so many elements of our American way of life, such as the federal and state governments, the stock market is an essential, positive ingredient and has become deleterious only because certain rapacious people have taken control of it and twisted it to their purpose. The latest chapter in the Wall Street scam is the attempt by these same wealth-crazed people to try to convince American workers that they should put their retirement savings in the stock market. The pressure for this insanity is coming from the White House, Congress, the "Federal" Reserve, and anyone else for sale by these monetary rulers.

## The Hapless Investor

Mr. Smith purchases stocks and bonds because he has been encouraged to believe that he can get rich through investing. "The investor," says Richard Ney, "is like a chicken unaware he is about to become a broiler."

Decade after decade, he continues to attribute his losses either to unpredictable economic circumstances or to his own incompetence. Yet in reality the investor's losses are caused by the infinitely elaborated controls exerted over the investment process by the big-money insiders of the Stock Exchange. The scandal of the age is that mass education turns investors into puppets, the media fasten the strings, and the Exchange then hangs them.<sup>1</sup>

In referring to Wall Street, I include the various US and foreign stock exchanges, the banking establishment, the major investment houses, and the regulatory agencies that ensure the Con Game is played by the Insider's rules.

A person who "plays" the Wall Street game should be aware that it is precisely the same as playing in a Las Vegas casino—the game is stacked in favor of the people who control the system.

Some investors erroneously believe they can make a "killing" by investing in "growth stocks," stocks of new companies with unproven track records. Pumped full of fantasies of windfall profits, these uninformed investors reject those stockbrokers who recommend sticking with the Dow stocks (of 30 leading companies with proven track records). Such heedless investors almost force stockbrokers to play the con game of "I've got a really hot new stock that can't lose."

Investors are manipulated to believe they can "read the crucial indicators" — such elements as the rise or fall in inflation rates, raising and lowering of interest rates, wholesale price index fluctuations, and whether or not the head of the Federal Reserve Bank sneezed during the last twenty-four hours.

As is made clear in this chapter, the "reasons" given for the rise and fall in the Dow Jones each day is part of the Con Game,

intended to make the uninformed investor believe that the stock market really isn't rigged, but reacts to "natural" causes.

## **Stocks**

A stock is an ownership share in a company. Companies issue stocks to raise money. The primary offering of the stocks is called the primary market and occurs during the initial public offering (IPO). Subsequent sales of those stocks are referred to as the secondary market. A share gives the stockholder a vote in the election of the company's board of directors. Some shareholders receive payments—dividends—periodically when the company realizes a profit.

Growth companies use their money to pay for new factories, new employees and new technologies, rather than pay cash dividends to investors. Growth stocks are expected to have above-average increases in earnings and consequently increase in price.

Preferred stockholders receive cash dividends before common stockholders receive theirs and usually receive a higher cash dividend than do common stockholders. Preferred stock is usually higher in price. If a company is forced to liquidate, preferred shareholders will sometimes receive their investment back before the common shareholders receive theirs. In return for the advantages of preferred stocks, their owners, however, only receive a fixed dividend, while common stockholders receive dividends relative to profits.

Companies sometimes split their stocks to reduce the price so more people will buy the stocks. If you had 10 shares worth \$20 each, when the stock is split 2 to 1, you have 20 shares each worth \$10.

One of the most widely used indicators of the stock market's movement is the Dow Jones Industrial Average (DJIA), the figure you hear about on your evening TV news. The DJIA is expressed in points, not dollars, and is determined by adding up the prices of all thirty Dow stocks on any business day and then dividing by a special divisor which is changed when one of the companies splits or increases its

stock. The divisors for each of the averages can be found in the fine print below the Dow charts in the *Wall Street Journal*.

## **Bonds**

Companies also raise money by selling bonds. A bondholder makes a loan of money to a company and the company promises to repay the purchase price of the bond plus an extra amount called interest. A bond's "term-to-maturity" is the length of time the bondholder must wait to get their lent money back.

## **The Corporation**

A company that raises money by selling shares is usually organized as a corporation. This financial structure protects the initial developers and investors from later financial claims that might be made. If the company fails, the creditors usually have the right to take the company's assets as payment for the money they put into shares. In a corporation, the financial risks for owners and shareholders are limited to the amount of money they have invested — no more.

The corporation forms a board of directors to oversee the company's business affairs. When the company decides to sell stocks, it hires an investment banker from an investment firm to assist with this process of stock offering. The investment firm studies the company and the current market to determine a fair price for the stock, then buys all the stock from the corporation for resale to the public. This process is called underwriting.

Before stock can be sold, the corporation must file a registration statement with the Securities and Exchange Commission (SEC) disclosing the company's financial condition. This data is usually presented in a published prospectus which is made available to prospective investors. Companies let investors know about their stock offerings by placing ads (called tombstones) in the financial press, such as the *Wall Street Journal*, the *New York Times* and *Barron's*.



The corporation board sets company policy and elects a president and other officers to run the company on a day-to-day basis. Most boards meet once a quarter to hear reports from the management team concerning the company's financial status and its strategic plans. Once a year the corporation holds an annual meeting which all stockholders can attend. At this meeting the management team gives its annual report to shareholders. Stockholders are sometimes required to vote during these annual meetings on matters important to the corporation.

Most corporations are controlled by a single person or group that holds a large number of the company's shares. They effectively determine who will sit on the board, what the company policy and strategy will be, and make certain they receive the largest share of the company's profits. Nearly half the total value of the stock market is held by the wealthiest 1% of the population.

### **The Stockbroker**

To buy stock it's necessary to have a stockbroker, since you cannot buy stock directly from the company that issues the stock. The stockbroker is an account executive (AE), or registered representation, at a brokerage firm. The firm may be a member of the New York Stock Exchange (NYSE), which will sometimes mean that the broker has completed a training course and passed NYSE and National Association of Securities Dealers tests before being approved by the Securities and Exchange Commission.

Account executives, according to the Wall Street mythology, are supposed to follow a strict code of ethics and obey a number of SEC and NYSE rules. For example, a broker is not supposed to guarantee a client against a loss. The AE is not supposed to share in the profit from a client's account. And the broker is not supposed to rebate any of their compensation to clients. All these rules are honored much more in the breach.

The brokerage firm charges a commission each time stock is bought or sold, the broker receiving a percentage of that

fee. Brokerage fees have been negotiable since May, 1975. A stockbroker's income, then, increases if stock is bought and sold as frequently as possible, which often is not to the investor's advantage.

Discount brokerage firms offer low commissions and "no-frills" services. They sometimes require a modest deposit or a minimum annual commission. These are some of the questions you might want to ask a broker before deciding to go with them:

- How many years have you been working as a broker?
- How long have you been with this firm?
- What training do you have and where did you receive the training?
- What criteria do you use to buy stocks and sell stocks?
- Do you consult with your clients before purchasing stocks for their account?
- What was your record last year versus the Dow Jones Industrial Average?
- What is your commission rate schedule?
- Are you willing to answer any questions I might have at any time?

## **The Trader**

Your stockbroker acts as an agent on your behalf and does not actually buy or sell the stocks you select. The broker's firm will be a member of various stock exchanges or have a working relationship with a member firm. When you give your order to the stockbroker it is sent to the trading department of the broker's firm and from there to the firm's representative, known as a floor broker, at a specific stock exchange.

Traders do the actual buying and selling of stocks and deal only with traders at other brokerage firms. Brokers work only with investors. Traders often use the NASDAQ system to find buyers and sellers of stocks. The broker types in the name of the stocks the investor wants to buy and finds a list of brokerage firms willing to sell the stocks and a specific price. The

trader then contacts one of those brokerage firms and places an order for the stocks.

The trader informs the broker that the stocks have been purchased. The investor is informed of the purchase and the commission fee is charged to the investor's account.

### **The Specialist**

The most hidden aspect of the Wall Street Con Game is the specialist. In most books on the stock market, the specialist is not even mentioned or is written off as "an expert in several stocks." There is even a story which is supposed to convince the unwary investor that the specialist system actually arose by accident in 1875 when James Boyd, an exchange member, broke his leg and was unable to move about the floor, being forced to "specialize" in a certain stock.

If you want to avoid being taken in by the Wall Street Con Game, I would suggest you read the books of Richard Ney: *Making It in the Market*, *The Wall Street Jungle*, and *The Wall Street Gang*.

Ney is a Hollywood actor and investment advisor. There were only two people who were not allowed to be guests on NBC's *Tonight Show* during Johnny Carson's reign: Ralph Nader and Richard Ney.

When Richard Ney's first book, *The Wall Street Jungle*, came out it was on the *New York Times* best seller list for 11 months. Yet the *New York Times* would not review it. *The Wall Street Journal* refused to take an ad from a New York bookstore that featured *The Wall Street Jungle*.

Ney also provides an investment newsletter which is one of the few to offer honest advice based on a thorough understanding of how Wall Street actually operates. In a 1997 telephone conversation with Mr. Ney I learned that he is currently working on a new book on the stock market. The genius of Ney's system is that he is one of the few persons to understand how the stock market is actually rigged by the specialist cartel.

The specialist system is like a cartel whose members have divided among themselves the proprietary ownership of

the stocks of the American corporate complex along with the exclusive right to determine the upward and downward movements of these stocks in the interests of their own merchandising objectives.

The specialist is supposed to serve two contradictory functions, part of the Wall Street myth:

- As a fiduciary agent to make sure stocks are traded fairly.
- As a trader serving his and his investment banker confederates' interests.

The horrible losses incurred by unwary investors are the direct result of this specialist system, as Ney describes:

Those in government charged with the administration of the securities industry and who conduct these investigations are fully aware that since the turn of the century the findings of such investigations have centered on the fact that the deep and inexorable crises of the stock market are caused by the failure of specialists to operate the market in a fair and orderly manner when acting as dealers for themselves while in competition with the public.

## **The Scam**

The unwary investor is made to believe—by a press owned by the very people who are part of the Wall Street scam—they can make a killing in the stock market if they get lucky. Over the years, outsider small-time investors have lost billions of dollars to the insiders who control and manipulate the stock market to take money from the ignorant.

The brainwashed investor believes the stock market goes up and down according to what he reads in the *Wall Street Journal* or hears about on his evening TV program: interest rates, inflation rates, wholesale prices, gross national product, public fears about foreign and domestic events, and the rantings of the head of the “Federal” Reserve Board. This is all a con game to make the hapless investor believe that the rise and fall in stock prices is not being manipulated by the specialists. The astounding fact is that specialists, working at the

behest of their investment banker cronies, are creating the ups and downs of the market to bring them obscene profits!

This is how the specialists pull off the scam:

1. The specialists must first buy stocks at the lowest possible price, using one of the magic tricks of the market called short selling (selling stocks you don't yet own):

Since they control the stock prices, they simply begin lowering the prices. They "borrow" the stock from their or another brokerage firm's pool, with the understanding that at a later date they will return the shares.

The Wall Street Con Game News will announce that stock prices dropped sharply on light trading, which is a cover for the specialists' actual manipulation of the decrease in stock prices. The specialists don't want heavy trading and straight-line lowering of stock prices or they might have to buy a lot of stock at a higher price than desired. So they usually lower prices through a series of ups and downs of the market, dealing with small investors' shares as they go.

The SEC rules prohibit NYSE members from "demoralizing the market by effecting short sales at or below a price lower than that of the last sale." But specialists have an insider loophole allowing them to sell short on downticks (drops in stock prices) without having to report these transactions as short sales. Those same SEC rules force the hapless, small-time investor to sell short only on upticks—when stock prices are higher than the last preceding price. A very neat scam indeed.

2. When the specialists have purchased their inventories of stocks at the lowest possible price (let's say a million shares at an average of \$20 a share: \$20,000,000 investment), they then begin increasing stock prices.

They will wait until the stock prices reach a top price where they can realize windfall profits—let's say the stock reaches the price of \$40 a share.

At this point the specialists sell their million shares at \$40 a share and receive \$40,000,000. A profit of \$20 million is easy if the con game is fixed in your favor.

3. When the specialists want to buy stocks, they lower prices—and wait till the stocks are at the lowest price possible before buying. The investors have been herded into “panic buying” as the prices drop. When the specialists want to sell stocks, they raise prices and sell at the highest price. The uninformed investor is told that he or she must get in on the skyrocketing market boom. The roller-coaster of the stock market is not a natural phenomenon at all, as the Wall Street con game would have it; it’s simply the Insiders doing their thing to take billions of dollars from hapless investors.

But meantime the unwary investor has purchased the stocks at their highest price, being conned by their stockbrokers to believe they must get into the “rising market.” Then when the stock prices plummet, the brokers tell the witless investors they should “cut their losses” and sell. That \$20 million has to come from somewhere—from the small investors who didn’t have a clue about what was going on.

### **Update 1998**

The Wall Street Con Game set new records for perfidiousness in 1998. The heads of Merrill Lynch, Goldman, Sachs, J.P. Morgan and others were prodded by “Federal” Reserve chairman Alan Greenspan to bail out Long-Term Capital Management, the Connecticut hedge fund that had leveraged \$2.2 billion of other people’s money to make trades worth \$1.25 trillion.

Forty-five million American households—nearly half of all Americans—were involved in the stock market, either through direct ownership of stocks or indirectly through mutual funds, pension plans and similar scams. As of January, 1998, state and local government retirement plans had \$1.3 trillion—62% of their \$2.1 trillion in total assets—invested in Wall Street. Private pension funds had \$1.8 trillion in securities—49% of their \$3.6 trillion in assets.

### **The Derivatives Bubble**

Derivatives worldwide now stand at over \$140 trillion. A derivative is a financial instrument whose value is deter-

mined by the value of the financial instruments or measurements upon which it is based. Derivatives traded on exchanges are fairly uniform and those traded “over-the-counter” are completely arbitrary. Derivatives are supposedly used as a “hedge” against risks, with the most common used to hedge against fluctuations in currencies and interest rates. A derivative, let’s say, might pay off if interest rates go up. Most of the loss in the Long-Term Capital Management fiasco was through speculation in derivatives.

In 1998, market capitalization (value of stocks traded) reached a new high of \$13.5 trillion:

- 44% increase over 1997 – 1997’s high was \$9.4 trillion.
- Trading volume reached a new high of 674 million shares – up 28% over 1997.
- The dollar amount of shares traded set a new record daily average of \$29 billion in shares exchanging hands.
- The total sales for the year totaled \$7.3 trillion.
- The total sales record was 26% higher than 1997, which had a total volume of \$5.8 trillion.
- Nine of the ten busiest trading days in the history of Wall Street occurred in 1998.
  - ❖ There were three days in 1998 in which over one trillion shares were traded.
- The globalist corporations made out like bandits on Wall Street in 1998:
  - ❖ America OnLine - up 586%.
  - ❖ Microsoft - up 115%.
  - ❖ Wall Mart - up 106%.
  - ❖ IBM - up 76%.
  - ❖ McDonald’s - up 61%.
  - ❖ General Electric - up 39%.

US production declined in 1998:

- Boeing - down 33%.
- Goodyear Tire and Rubber - down 21%.
- Caterpillar - down 5%.

- National Association of Purchasing Management's monthly index fell to a 7-year low in December, 1998.
- Machine tools production - down 7%.
- Hog prices - collapsed 43%.
- Sugar - down 36%.
- Coffee - down 28%.
- Corn - down 19%.
- Wheat - down 15%.

Foreign markets plunged in 1998:

- Malaysia, Thailand, Indonesia, Argentina, and Brazil - down 50%.
- Japan - down 33%.
- Germany and Great Britain - down 20%.

But meanwhile:

- The US junk bond market achieved a record high of \$146 billion—up 29% from 1997.
- Globalist corporate mergers worldwide reached \$2.5 trillion in 1998—up 56% over 1997.

Then came the Orange County scam. A court ruling forced Merrill Lynch to pay Orange County, California, \$467 million for endorsing dubious investments. Merrill Lynch was Orange County's chief investment banker until their advice left the county \$1.7 billion in the hole.

At the end of the second quarter of 1998, the capitalization of US stocks—the total market value of all shares of publicly traded companies—was \$14.6 trillion according to the "Federal" Reserve. During the third quarter of 1998, \$1.5 trillion in market values of US stocks simply disappeared, an amount equivalent to nearly 20% of the US Gross Domestic Product.

That \$1.5 trillion was lost by the hapless American investor who played in the rigged Wall Street casino.

...The making of a fortune often depends on market voodoo. Last April [1998], when the stock market was sliding off its



then high of 9,200, K-Tel, the company once famous for selling records by fading pop stars on late-night television, saw its stock soar from \$7 a share to \$78 a share in less than a month. Somebody made buckets of money. Why did the stock rise 1,000 percent? Because the company said that it would sell records over the Internet, thus capitalizing on the Internet not so much as a means of selling records but as a means of overselling stocks. Although K-Tel hasn't been accused of any wrongdoing, it is hard not to wonder if someone somewhere, or something other than earnest speculation, pushed the company's value up tenfold so quickly – especially given that the stock soon plummeted, erasing all of its gains.

– Ted C. Fishman, "Up In Smoke," *Harpers Magazine*, December, 1998

### **Update 2002**

From 1998 through March, 2000, when NASDAQ crested at 5,000, the Wall Street scam artists raised the price of selected stocks – primarily the technology stocks – and duped a huge number of American and foreign investors into believing they could become instant millionaires. In 2000-2001, an estimated 52% of American households owned stocks in some form. Cash flowing into stock mutual funds hit a record \$53 billion in February 2000.

The reality was that the inflated stocks plummeted 58% after March, 2000, resulting in millions of hapless investors losing over \$4 trillion! Did the stock brokers and the corporation executives lose money? Not on your life.

### **A New Way to Lose: Stock Options**

Let's take the horrible example of former Cisco engineer Jeffrey Chou. As a Cisco employee, he purchased 100,000 Cisco shares last year, using the employee stock option provision. He purchased the shares at about 5 to 10 cents per share. At the time he purchased the shares, they were worth \$60 to \$70 per share. The taxes he has to pay in 2001 are computed on the difference between what he paid for the shares and

what they were worth when he purchased them: approximately \$6.9 million. Chou never sold the shares and they have since plummeted in value. Even if he sold all his shares and his 3-bedroom home in Foster City, California, he'd still owe the IRS about \$700,000.

### The 2000 Stock Market Crash

The April, 2000 stock market crash resulted in:

- E-toys losing 94% of its value.
- Amazon.com losing 70% of its value.
- Priceline.com losing 75% of its value.
- Visx losing 75% of its value.
- Ebay losing 61% of its value.
- E-Trade losing 60% of its value.
- Microsoft losing 40% of its value.

The corporation executives somehow managed to know just when to sell their own private stock—before the crash:

- Microsoft's co-founder, Paul Allen, dumped 36 million shares of Microsoft worth \$3 billion.
- Dell chairman, Michael S. Dell, dumped 6.2 million shares worth \$308 million.
- Steve Case, president of America Online, dumped 36 million shares worth \$3 billion.
- Jeffrey Mallet, senior vice president of Yahoo! Inc., dumped 110,000 shares at \$180 a share—netting him a cool \$20 million.
- Gary Bloom, executive VP of Oracle Corp. dumped 125,535 shares for \$5.7 million.

Surely the brokerage companies and the stock evaluation services warned the investors of bad stocks so they could sell before the crash? Fuhgeddaboutid! Stock analysis publications such as *Moody's*, *Standard & Poor's*, *Duff & Phelps*, *Fitch*, and *A. M. Best* charge from \$30,000 to \$50,000 for each yearly rating. Do you think a large corporation is going to keep paying if it gets a bad rating? Right!

A Security and Exchange Commission study found that Wall Street analysts gave a “sell” rating only 1% of the time. In Merrill Lynch’s evaluation of 2,000 US stocks there was not a single “sell” recommendation. In 1999 when all major stock analysts were rating Compaq stock as “buy” quality, the stock lost 54% of its value, resulting in a loss to investors of \$9 billion.

The moral of this story: unless you are a corporate executive or a stock broker, and somehow mysteriously know just when to buy and sell your and other stock, you’d best be wary of Wall Street.

Investment bankers handle the lucrative business of underwriting new companies’ initial public stock offerings (IPOs). There’s supposed to be a “Chinese Wall” separating the banks’ investment departments and the research departments that suggest stocks to investors. The SEC’s acting chairwoman in 2001, Laura Unger, revealed that analysts at some brokerages and banks report, at least indirectly, to the investment banking divisions of their firms in addition to the research units. Unger reported that in many cases the analysts’ compensation is increasingly tied to the profitability of their brokerage firms’ investment banking units.

This is the Stock Market con game President Bush and his handlers are trying to get Social Security investors to play into. In this book I have described many kinds of fraud which Wall Street insiders perpetrate on hapless investors; now here’s a new one. In August, 2001, Bush appointed prominent securities lawyer, Harvey Pitt as Chairman of the SEC. Pitt had represented the accounting industry in its push for tort-reform legislation. Since his appointment, Pitt has made sure that as many illegal corporate actions as possible are swept under the rug (such as offshore accounts used for money laundering) and he makes it clear that he does not plan to create reforms to clean up Wall Street. Now even the SEC has become a new kind of fraud in the Wall Street scam. Pitt was forced to resign in November, 2002.

## The Enron Syndrome

In 2002, the American media was suddenly filled with exposés of the phenomenon of corporate criminal behavior perpetrated by Enron and a number of other large corporations. In reference to Wall Street manipulations, Enron, Waste Management, Sunbeam, Global Crossing, Rite-Aid and many other corporations carried out such criminal acts as:

- Paying stock options to high executives and not reporting it on the company books.
- Hiring personnel from the accounting firm responsible for auditing their books as consultants. (Working for a corporation as both auditor and consultant is a clear conflict of interest.)
- Paying senior executives huge sums just prior to bankruptcy, as in the case of Enron:
  - ❖ In the year prior to its December 2001 bankruptcy filing, Enron handed out \$745 million in payments and stock awards to 144 of its senior executives.
  - ❖ The company disclosed that these executives received \$310 million in salary, bonuses, loan advances and other income, while \$435 million came in the form of exercised stock options and restricted stock packages (including the \$54.6 million in retention bonuses that were given to 200 executives in the days immediately preceding the declaration of bankruptcy).
- Among those receiving the biggest windfalls were:
  - ❖ Kenneth Lay, former chairman of the company, who raked in \$150 million in income, bonuses and stock packages.
  - ❖ Former chief executive Jeffrey Skilling, who took in \$25 million.
  - ❖ Former chief financial officer Andrew Fastow, who received over \$10 million.
  - ❖ Thomas White, the current army secretary in the Bush administration who was a top executive in the company's energy-services sector, who received \$17 million.

The Wall Street speculative bubble is a cannibalizing scheme. Wall Street is taking money from workers and the physical economy to give to the obscenely wealthy insider investors. Each stock, bond or derivative in the US (most are owned by the financier oligarchy) represents a claim against the American economy.

With a stock the claim is called a dividend; for a bond it's called a yield. If we consider all the wealth produced in the US through such sectors as manufacturing, farming, etc., then as of today the wealth extracted through the financial sector (Wall Street) is about 80% of the total. Wall Street speculation, as distinguished from investment, produces nothing real—no new factories, no new jobs, nothing—just wealth for the wealthy insider speculators.

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**Notes:**

- <sup>1</sup> Richard Ney. *Making It in the Market*, NY: McGraw-Hill, 1975.



## Chapter Fifteen

### **The Destruction of American Education and What We Must Do About It**

On June 27, 2002, the Supreme Court put the final nail in the coffin of American education, ruling that the government may give financial aid to parents so they can send their children to religious or private schools. Before we examine that final deathblow, let's review the demise of the American educational system.

It's no accident that America's schools have slowly eroded and that the intelligence of the average American has become debilitated. American learning has plummeted and public school performance has nose-dived ever since the beginning of the twentieth century *because it was planned that way*.

Thinking American citizens must always be aware that what goes on in this society is the result of the planning of its rulers; they create precisely the social, psychological, economic and ideological conditions that will realize their goal of excessive wealth for themselves and impoverishment for the working class.

#### **The History of Education**

Education, the development of understanding, must be distinguished from training, the development of skill. Education occurs through *learning*:

- Gaining knowledge or understanding of something by study, instruction, or experience.
- The radical transformation of self.

I take significant learning to involve a change in the learner. It is a change in behavior, in interpretation, in autonomy or in creativity. Ordinarily we take in information, organize it, make whatever response, if any, seems advisable, and monitor the results in those comfortable and familiar ways that have become our second nature, our habit. How well we do this may be important but the immediate information does not produce learning. We respond to it as we have learned to in the past. It, in turn, leaves us unchanged in our ability to act, understand and evaluate in the future. Education worthy of the name must lead to a different tomorrow.

— Edward Cell, *Learning to Learn from Experience*

The history of education began with the evolutionary appearance of *homo sapiens*, the first creatures who, through their development of language, were capable of understanding. Prior to *homo sapiens*, members of the *homo habilis* and *homo erectus* strains had trained themselves in such skills as fire-making, hunting, shelter-building and food gathering. But to them, human experience was merely a series of events without long-term significance.

When *homo sapiens* tribes invented language, they represented events and objects by written and spoken signs and gestures, which they understood to have *meaning*—that is, they signified an entity such as a person, animal, plant, place, thing, substance, quality, idea, action, or state.

A sign such as the word “fire” could be communicated from one person to another. Now humans could not only see, feel, and make fire, for example, but understand its significance: warmth, cooking, protection from predators, sterilization and destruction. With the development of language, the communication of meaning began. Now meanings could be transmitted from one person to another, one generation to another.



Meaning is truly a magical element. Perhaps the best way to grasp the *mystery of meaning* is by *thoughtfully* viewing the movie *The Miracle Worker*, the story of the early life of Helen Keller. As a young blind and deaf child, Helen lived much like an animal, rushing from one sensation to another. Within a month after becoming Helen's teacher, Anne Mansfield Sullivan was able to impart the gift of language to her. The awakening to *meaning*, as demonstrated in the film, was the event which made it possible for Helen to begin understanding instead of simply repeating what Anne was teaching her. Helen had been trained to repeat the word "water," but it wasn't until she combined the experience of feeling water and trying to communicate the word "water" simultaneously, that Helen gained the magical gift of *meaning*—and hence language and understanding.

Up to that point, Helen had been like a well-trained animal, memorizing words, speaking them, and receiving praise from Anne. But now, suddenly, it came to her! The word "water" actually *referred to, pointed to, meant* this marvelous liquid reality that ran through her fingers.

In each culture, the public meanings, ideas, and skills transmitted through educational institutions (schools, academies, monasteries, universities) and through the media (newspapers, magazines, radio, TV, Internet) have always been determined by the small ruling elite (politicians, financiers, warriors, priests, scholars, scientists, corporations).

In most cultures, the "ruling ideas" have fostered violence and class warfare. In only a few instances in history have the "ruling ideas" fostered the betterment of common people and society at large. One example of such a benevolent era was the eighteenth century Enlightenment, which encouraged humans to develop broad understanding in all fields of knowledge.

Highly educated, intelligent groups in Europe and America developed toward a democratic way of life, created constitutions and founded institutions for public education.

During this Enlightenment period, words and phrases such as "liberty," "freedom," "natural rights," "pursuit of happiness," "consent of the governed," "informed citizenry," came

into being for the first time or were first understood by humans through their own experience.

America has served as the beacon of these Enlightenment ideals, maintaining its faith in “the power of knowledge and reason in self-determination.”

Culture as a creation of humankind is a neutral element – it can be used for positive or negative ends. Through the process of acculturation, the process beginning at infancy by which human beings acquire the culture of their society, individuals are stamped with social norms.

Vested, moneyed interests have constantly sought to demolish the American traditions of democracy, plotting to destroy the enlightening “diffusion of knowledge and the free exercise of reason.” Their method of rule is not by “consent of the governed” or rational discourse, but by arbitrary dictate of a tyrant’s fascistic tactics.

Predictably, the very people who place American presidents, senators and representatives in power, through the use of their multi-billion dollar fortunes, are the same moneyed interests that have deliberately destroyed American education. The Rockefellers, Fords, Morgans, Browns, Harrimans, Du Ponts and other ruling families want obedient, efficient workers, not thinkers.

In our dream, we have limitless resources, and the people yield themselves with perfect docility to our molding hand. The present educational conventions fade from our minds; and, unhampered by tradition, we work our own good will upon a grateful and responsive folk. We shall not try to make these people or any of their children into philosophers or men of learning or science. We are not to raise up from among them authors, orators, poets, or men of letters. We shall not search for embryo great artists, painters, musicians. Nor will we cherish even the humbler ambition to raise up from among them lawyers, doctors, preachers, politicians, statesmen, of whom we now have ample supply.

– Rockefeller Foundation Director of Charity,  
Frederick Gates, 1913

Clearly, the rulers not only did not want to make “philosophers” of the working class; they wanted them trained so they would not even *think for themselves*. So they have deliberately devastated the American mind through:

- Funding universities and scholars who carry out the destruction of the American public education system in particular and American intelligence in general.
- Developing programming (brainwashing) strategies using all the media, but especially television.
- Imposing miseducation and misinformation tactics to destroy American citizens’ ability to think for themselves.
- Subjecting American public education to a series of failed experiments, from “look see” reading to the “new math.”
- Redefining key concepts so that the public school students no longer understand the fundamentals of a democratic society.
- Turning what is called “education” into nothing but training.

Democracy requires an electorate that understands what is actually happening in the world, beyond what the ruler-owned media tell us is happening. When American citizens receive an effective education we learn to inform ourselves and see through the propaganda, the dictatorial actions, and the outcomes of the non-Constitutional acts of our rulers.

Beginning in the early part of the twentieth century, American ruling groups began to create a pseudo-educational system that produces students no longer capable of understanding such key concepts and factors as “freedom,” “government of the people,” “critical thinking,” etc.

The “High Cabal” wanted a working class that was merely trained to do a particular job, not think about social or political issues. They created an educational system focused on training instead of learning, that took its lead from such physiological, materialistic “psychologists” as Wilhelm Wundt, G. Stanley Hall, James McKeen Cattell, E. L. Thorndike, and others. The primary ideas and practices of this group included:

- A thing makes sense and is worth pursuing only if it can be measured, quantified, and scientifically demonstrated.
- Psychology, accordingly, should concern itself exclusively with human behavior—not with non-demonstrable entities such as “mind,” “soul,” “thought,” etc.
- Public education must limit itself to training working class students to carry out whatever task they are given to do and to accept the commands of their superiors.

This ruler-imposed system, enhanced by anti-intellectual activities such as minority-group studies and multiculturalism, produces uneducated and programmed students who understand almost nothing of what occurs beyond the propaganda and mythology of the political-financial leaders.

### **The First Casualties of the War against the Mind**

Wilhelm Maximilian Wundt had been a professor in philosophy and later rector at the University of Leipzig, in Germany, until his death in 1920. At the time, many Americans trained in Europe before returning to the United States to work in universities.

G. Stanley Hall was the first of Wundt’s disciples to return from Leipzig in 1883. Hall joined the faculty of Baltimore’s new Johns Hopkins University, which was being established after the model of the German universities. Hall organized the psychology laboratory at Johns Hopkins and, in 1887, established the *American Journal of Psychology*. In 1889, when Clark University was established in Worcester, Massachusetts, Hall was chosen to be its first president.

In 1892 Hall played a leading role in founding the American Psychological Association. Hall became known for his studies of child development and in 1904 published his two-volume *Adolescence: Its Psychology and Its Relation to Physiology, Anthropology, Sociology, Sex, Crime, Religion, and Education*, welding experimental psychology to child education.

We can get a clear idea of the new meaning of Wundtian-defined American education by examining Hall’s definition of educational practice: “We must overcome the fetishism of the

alphabet, of the multiplication tables, of grammars, of scales, and of bibliolatry... *it would be no serious loss if a child never learned to read.*" (emphasis added)

Hall considered American working-class children as a "great army of incapables, shading down to those who should be in schools for dullards or subnormal children, for those whose mental development heredity decrees a slow pace and an early arrest."

J. McKeen Cattell served for three years as Wundt's lab assistant in Leipzig, receiving his Ph.D. from Wundt in 1886. Cattell's primary interests lay in mental testing and in individual differences in ability. While at Leipzig, Cattell carried out a series of experiments examining the manner in which a person sees the words he is reading.

Testing adults who already knew how to read, Cattell "discovered" they could recognize words without having to sound out the letters. "Eureka!" he said to himself. "Words are not understood by a recognition of the image or the sound of letters, but are perceived as 'total word pictures.'"

He jumped to the conclusion that you shouldn't teach a child the sounds of letters and phrases as the first step to being able to read. You teach children how to read by showing them words, and telling them what the words are. Cattell's "breakthrough" led to the adoption of a sight-reading method in many school systems throughout the United States. The result ever since has been increased illiteracy and has now become a national crisis.

Somewhat effective teaching occurred in the first half of the twentieth century in America, primarily because the nation was rapidly moving from an agricultural to an industrial culture and citizens respected and valued education. The Enlightenment ideal of an informed citizenry was still a powerful incentive, so high school civics classes taught the rudiments of what the American political system was *supposed to be* according to federal and state constitutions.

However, except in a few instances, American students were never made aware of what was really going on in the world—in terms of the machinations of the "High Cabal." For

example, the exposés of writers such as George Seldes or I. F. Stone would have been beyond the pale for most American schools. So Americans fought World War II ignorant of how US companies had helped set up the Nazi regime in Germany and profited from its killing of Allied soldiers.

Beginning in the second half of the twentieth century, American education began its rapid and almost total decline. In the latter half of the twentieth and now the twenty-first century, “education” has almost entirely been turned into mere training. The very definition of “education” has been twisted to make it appear to be training. For example,

- The *New Century Dictionary of the English Language* (1927) defined education as “the drawing out of a person’s innate talents and abilities by imparting the knowledge of languages, scientific reasoning, history, literature, rhetoric, etc. — the channels through which those abilities would flourish and serve.”
- Education was defined in *An Outline of Educational Psychology* in 1934 in these terms: “Learning is the result of modifiability in the paths of neural conduction. Explanation of even such forms of learning as abstraction and generalization demand of the neurones [sic] only growth, excitability, conductivity, and modifiability. The mind is the connection-system of man; and learning is the process of connecting. The situation-response formula is adequate to cover learning of any sort, and the really influential factors in learning are readiness of the neurones, sequence in time, belongingness, and satisfying consequences.”

By 1968, John Goodlad, one of the educational establishment’s best known spokespersons, made it clear just what was important in “education”:

The most controversial issues of the twenty-first century will pertain to the ends and means of modifying human behavior and who shall determine them. The first educational question will not be “what knowledge is of the most

worth?" but "what kinds of human beings do we wish to produce?" The possibilities virtually defy our imagination.

—"Learning and Teaching in the Future," *Today's Education* (journal of the National Education Association)

This reduction of "education" to neuron connection and behavior modification has now been completed by the most recent crippling of "education" as "work/study." An article defining this destruction of education appeared in *National Review* in 1993, with a revealing title: "The Competitiveness Illusion: Does our Country Need to Be Literate in Order to Be Competitive? If Not, Why Read?"

Technological society turns out to work in the opposite way from that usually supposed: namely, by actually requiring less rather than more education of its workers. This is because modern industry depends on reducing human error, which means reducing dependence on the individual worker's expertise and judgment. In building or maintaining electronic devices, workers who once installed or rewired electrical circuits now plug in modular components consisting of machine-printed circuit boards...

The future role of literacy in the workplace has been succinctly stated by Pierre Dogan, the president of Granite Communications, a company that is now "developing software for hotel housekeeping." It seems that "so long as maids can read room numbers, they will be able to check off tasks completed or order supplies by simply touching pictures on the screen." Dogan points out that "you can create a work program with prompting including iconic [picture] messages." In fact, he logically concludes, "you can use an illiterate workforce."

Because of this twisting of "education" into training, as a university instructor I am faced with students who have never learned to read, write, or think. They are the wounded, deformed casualties of the "High Cabal's" war against the

mind. But the educational establishment doesn't even recognize the devastated condition of American education. Many university professors, even full professors, cannot write or speak sound English. A California state university department chair recently forced all students in an introductory class to buy a book he wrote, a book containing over one hundred grammatical errors.

### Critical Consciousness

Quota hiring is rampant in higher education. Unfortunately, the ability to speak intelligible English is no longer required, and students suffer the consequences. As education is subverted into mere training, three essentials of intelligence are being lost:

- Critical thinking
- Self-awareness
- Critical consciousness

Critical consciousness is the ability to perceive social, political, and economic oppression and to take action against the oppressive elements of society. The concept of critical consciousness (*conscientizacao*) was developed by Paulo Freire primarily in his books:

- *Pedagogy of the Oppressed*
- *Education for Critical Consciousness*

The tactics of critical consciousness and pedagogy of the oppressed were first developed by Freire in his work with third-world people, helping them gain an awareness of world conditions while teaching them to read. In the *Pedagogy of the Oppressed*, Paulo Freire exposed our educational system as one in which:

- The teacher is the depositor, the students are the depositories.
- The teacher issues communiqués (instead of communicating) which students passively receive, memorize, and repeat.



- Knowledge becomes a gift bestowed by those who consider themselves knowledgeable upon those they consider to know nothing.
- Teachers and administrators choose the instructional program content and students adapt to it.

The more students work at storing the deposits entrusted to them, the less they develop the critical consciousness which would result from their intervention in the world as transformers of that world. The more completely they accept the passive role impressed on them, the more they tend simply to adapt to the world as it is and to the fragmented view of reality deposited in them.

Though Freire worked with various educators throughout the world, the concept of critical consciousness never had significant impact on pedagogical practice.

In our current narcissistic era, schools at all levels teach students to pursue money and self-interest. As Gekko, the tycoon, says in the movie *Wall Street*, "Greed is good." A critical awareness of what is happening in the world is decidedly not a part of the contemporary curriculum—from grade school to graduate school.

If you examine graduate courses on Global Economy, for example, you'll not find a single mention of the terrible human costs: rising unemployment in the home economies, slave wages in the third world countries where manufacturing is relocated, runaway immigration, and a constant degradation of the environment.

Freire worked to help third-world people overcome illiteracy. Today, his insights can be applied to two different kinds of illiteracy:

- Those who cannot grasp the sense of letters or symbols.
- Those who can "read" (in the grammar school sense) but who cannot read in a higher sense: understand the meaning of the words they see.

There are those today, for example, who "read" about such things as worker layoffs and American corporations relocat-

ing their manufacturing plants in China or Indonesia, but who do not understand the meaning of what they “read.”

Another kind of modern-day “illiteracy” occurs as people “read” or “hear” the “news” in newspapers or on TV, and allow themselves to be taken in by the propaganda that such “news” involves.

Now, more than ever, we need to begin developing a critical consciousness in all of us who are oppressed by this new imperialistic strategy of globalism. We’re up against a number of obstacles:

- The lack of awareness that *we are the oppressed*.
- The lack of solidarity among the oppressed people.
- The loss of a common tradition of democracy and human rights.
- The indifference of oppressed people to their situation.

Living in an age of repression, we become accustomed to it. So what if our schools no longer teach people how to read or think, no longer help students gain an understanding of why human liberty is so precious and precarious. Our movies, TV shows and books present images of “cool,” illiterate, violence-prone savages dressed in the latest styles and exhibiting the popular ego-centered attitudes.

Unable to understand the creativity of a well-written novel or screenplay, no longer capable of appreciating the depths of classical music, people today move in a gray world of ego-gratification and violence. Soon the false values become identified as the true, and we have movies such as *Pulp Fiction*, *The Godfather*, and *As Good As It Gets* touted as masterpieces. And the moral pretensions of political puppets such as George W. Bush are swallowed as authentic.

We only become aware of the oppressive nature of contemporary society when we become victims of unemployment or a mugging or some other mishap. Trained to be oblivious to the plight of others, we fail to see the hundreds of thousands who suffer from homelessness, lack of medical care and wage slavery.

Since people are encouraged to pursue their own interests, there is no feeling of solidarity and hence no possibility of concerted effort to overcome the oppressive conditions. It seems perfectly normal that a two-class society is rapidly developing, with new billionaires being created every year while millions of workers are laid off, denied welfare, and their tax money stolen by wealthy looters in such scams as the Enron/Anderson swindle, the savings and loan fraud, the Mexican "loan" scandal, and the IMF repayment to wealthy investors who suffered from the Asian stock market crash.

We must begin to awaken ourselves to what's happening in the world and taking action to overcome the oppressive conditions. And here Freire's books are exceptionally helpful.

Who are better prepared than the oppressed to understand the terrible significance of an oppressive society? Who suffer the effects of oppression more than the oppressed? Who can better understand the necessity of liberation? They will not gain this liberation by chance but through the praxis of their quest for it, through their recognition of the necessity to fight for it. And this fight, because of the purpose given it by the oppressed, which will actually constitute an act of love opposing the lovelessness which lies at the heart of the oppressors' violence, lovelessness even when clothed in false generosity.

As oppressed people we must become aware of what has happened to us and develop our own sense of what it means to be truly human.

How can the oppressed, as divided, unauthentic beings, participate in developing the pedagogy of their liberation? Only as they discover themselves to be "hosts" of the oppressor can they contribute to the midwifery of their liberating pedagogy. As long as they live in the duality in which to be is to be like and to be like is to be like the oppressor, this contribution is impossible. The pedagogy of the oppressed is an instrument for their critical discovery

that both they and their oppressors are manifestations of dehumanization.

As we begin to struggle against oppressive conditions, we must retain an optimistic attitude, with assurance that the struggle for freedom will ultimately succeed.

In order for the oppressed to be able to wage the struggle for their liberation, they must perceive the reality of oppression not as a closed world from which there is no exit, but as a limiting situation which they can transform.

We need to struggle against all the different forms of oppression:

- External
  - ❖ Political: for example, making people think that politicians aren't bought by big money.
  - ❖ Economic: making people into wage slaves and creating increased unemployment.
  - ❖ Military: creating huge defense budgets so the military-supply corporations make obscene profits.
  - ❖ Informational: making people think the false information they're being given is true.
- Internal
  - ❖ Allowing ourselves to become people who want others to make all major decisions for us.
  - ❖ Failing to keep ourselves informed about what's happening in the world.
  - ❖ Failing to become aware of our own prejudices and blind spots.
  - ❖ Making ourselves believe we can't change ourselves and our world.

Oppressors are persons who have become possessed with the idea that "having" is the ultimate value and lose the ability to think rationally over time. At present, the plutocratic elite is blind to anything but their own frenzy to gain more wealth and fame. They are unaware that they are creating the

very circumstances of their defeat: a society in which larger numbers of people are falling into poverty, where people of all ethnic, gender and religious groupings are beginning to see that their common enemy is the plutocratic, corporate-based plunderer class.

### **The War Against Intelligence**

America today is a combat zone where the War against Intelligence is constantly being waged. Unfortunately, the rulers are currently winning: Americans are progressively losing their ability to understand what is happening in the world around them. Americans are unable to see that the Bush administration is using the pretext of the war against terrorism to destroy essential constitutional liberties. Billions of dollars have been stolen by the wealthy while the working class is devastated through unemployment and lower wages. A poor person is jailed for a \$20 theft, but a plutocrat is allowed to steal the pension fund of thousands of workers without penalty.

The Bush administration's first attack on American learning was the Education Bill signed into law by President Bush in January, 2002. The bill essentially equates education with training for high test scores. Those who benefit most from this new law are not students or teachers but the publishers of textbooks and companies that carry out testing.

Recently the Bush-aligned Supreme Court delivered the *coup de grace* to American education. Our tax dollars can now be used to fund training in any religious or political ideology imaginable. Granted, public funds since the 1950s have been used exclusively to dumb down America, but tax dollars did not go to support ideologically based schools that were totally inimical to American values.

That's the difficulty; we've lost any effective understanding of what American values are. So now, the "High Cabal" is trying to destroy any unity among Americans through this new educational anarchy. Bush and his controllers think they're going to be able to fund primarily, if not exclusively,

private Roman Catholic and Protestant fundamentalist schools that teach *unthinking obedience to authoritarian leaders*. That's their primary purpose for this catastrophic blow to American education. How they're going to disallow public funds for the extremist schools—the Islamic fundamentalist madrasa, the Jewish anti-Islamic school, the right wing militia school, or any other ideologically based fanatical school—remains to be seen.

Supreme Court Justice Breyer, who dissented from the 5-4 ruling, predicted that the decision would prove highly divisive in a country with “more than 55 different religious groups.” He foresees many struggles, asking, “How will the public react to government funding for schools that take controversial religious positions on topics that are of current popular interest—say, the conflict in the Middle East or the war on terrorism?” Precisely!

Justice John Paul Stevens, another “Supreme” who dissented from the majority called the recent ruling “profoundly misguided.” He wrote, “Whenever we remove a brick from the wall that was designed to separate religion and government, we increase the risk of religious strife and weaken the foundation of our democracy.”

In Milwaukee, Wisconsin, where the Supreme Court in a 1998 ruling allowed their voucher system to stand, some 6,000 students make use of the vouchers, worth about \$5,000 apiece. This results in \$30 million being funneled from the budget of the Milwaukee school district into the coffers of the Roman Catholic Church and other private schools. With this new ruling, the program can now be fully utilized, so that 15,000 students can leave the system, cutting the funding of the public schools by \$75 million.

Republican supporters of the voucher hide the fact from the public that the crisis in the schools is largely the product of decades of federal, state and local spending cuts, tax breaks to big business and attacks on teachers' and other school employees' wages and working conditions.

Privately run schools will continue to screen applicants and reject any student they deem unacceptable. While the lan-

guage of most voucher programs prohibits discrimination based on race or national origin, these schools can reject students based on gender, sexual orientation, religion, language, ability to pay, behavioral issues or academic or physical ability. They would be under no financial pressure to provide help for students with special needs, since it is more costly to provide care for special education children, and most private schools are not staffed to handle them.

The newly sanctioned voucher system will intensify class and social distinctions. The top schools will be reserved for the wealthiest layers of society who can pay to send their children to elite private schools and academies. Next below on the totem pole will be the private and for-profit schools for middle-class and working class children, whose parents will have to work longer hours and go further into debt to scrape together thousands of dollars to pay tuition costs.

At the very bottom will be the public schools, left for the poorest and most disadvantaged working class students. Unable to do little to help working class youth develop learning skills, the role of these schools will be little more than training lower-class students for low-paying jobs.

Beginning at the time of the American revolution, part of the genius of the nation has been the right to public education, based on the idea that all children, regardless of economic or social status, race, religion or ethnic background, be guaranteed government-paid, *quality* education. Founding fathers such as Jefferson favored the establishment of government-funded "free schools" in opposition to the aristocratic system in Europe, where education was limited to the wealthiest layers of society and largely overseen by the Church.

In the nineteenth century these democratic principles were advanced by such reformers as Horace Mann, who wrote in 1848: "If one class possesses all the wealth and the education, while the residue of society is ignorant and poor, it matters not by what name the relation between them may be called; the latter, in fact and in truth, will be the servile dependents and subjects of the former."

In the early part of the twentieth century, the working class took up the fight for public education, which was inseparable from the campaign against child labor. However it was only through the civil rights struggles, from the 1930s through 1960s, that universal access to the public schools was fully achieved.

Now, in the twenty-first century the right to *sound* public education for the working class has come into collision with the plans of the "High Cabal" for a society primarily for the benefit of the wealthy. The rampant growth of class inequality has produced a state of affairs that is fundamentally incompatible with democratic principles, which are based on the equal rights of all citizens.

The whole issue of public money for ideologically-based schools will prove extremely divisive throughout the nation. The Republicans, the majority of whom support vouchers, will use the issue as a way to attack any Democrat who opposes vouchers as a tool of the teacher unions.

Americans are rapidly losing a sense of the traditional American values. Anti-intellectual, racist or right wing multiculturalism has replaced education. Bought-and-paid-for-politics has replaced democracy, funneling billions to the fat-cats has replaced statesmanship, and attacks on constitutional liberties have replaced political and judicial oversight.

Americans must now awaken to this horror and once again, if possible, create a public education system that will become the means to transmit to future generations an understanding of the hidden meaning of events and lost democratic concepts. If the ravages the "High Cabal" has wreaked on the public school system are so fundamental that we cannot rejuvenate it, we may have to create our own private "democracy schools" to help us regain our sense, our ability to see what's happening, our intelligence. When our nation was founded, education was carried on primarily through just such private home schools where Americans learned the values of a democratic way of life.

As some are warning, any government system—public schools or voucher-based private schools—carries government control with it. If the "High Cabal" uses the voucher sys-



tem to gain total ideological control of private schools, we may have to create completely private “democracy schools” without resorting to vouchers.

*Education must become the transmission of true human understanding to future generations.* This will require a group of people assisting others to see that current “politics” and “education” are actually counterfeits of real social values, and developing institutions which will provide insight into what is actually occurring in the world.

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### **Recommended Reading**

- Peter Sacks, *Standardized Minds: The High Price of America's Testing Culture*
- Barry, John M., *The Ambition and the Power*
- Eakman, Beverly, *The Cloning of the American Mind*
- Gatto, John Taylor, *The Underground History of American Education*
- Green, Fitzhugh, *Bush and Gold, Looking Forward*
- Hirsch, E.D., *The Schools We Need*
- Iserbyt, Charlotte, *The Deliberate Dumbing Down of America*
- Jones, Kenneth J., *The Enemy Within*
- Lionni, Paolo, *The Leipzig Connection*



## Chapter Sixteen

### **A Supine Press Fosters an Uninformed Citizenry**

What did the news media provide us during this time of the terrorist attack crisis? Primarily:

- An endless repetition of WHAT happened—with no discussion of WHY it happened.
- A frenzy of 200% Americanism and jingoistic saber rattling.
- A trotting out of the same tired so-called, self-appointed experts on terrorism and related subjects: former Secretary of State Lawrence Eagleburger, Desert Storm General Norm Schwarzkopf, Sandy Berger (who stumbles over his own lies), George Stephanopoulos, ex-President Clinton's former boy wonder, now an ABC commentator, ad nauseam.

What should America's news media be providing?

- Questioning why, or if, the billion-dollar intelligence agencies failed to discover the terrorist networks that led to the tragic attacks.
- Reviewing what caused the attack on the World Trade Center and the Pentagon—what American leaders have done to cause these reprisals.

- Questioning the Bush administration's rush to military force:
  - ❖ Without clear evidence that bin Laden was responsible for the attacks.
  - ❖ Without asking what kind of retaliation will be caused by mindless US military strikes.
  - ❖ As merely a means of creating a protracted New Cold War which benefits no one but the defense industry corporations, the Bush administration, and the US military establishment.
- Presenting experts on what's happening: Chalmers Johnson, author of *Blowback*, a book which explains how terrorist attacks are reprisals against American leaders' terrorist attacks on other nations.
- Showing documentaries such as *The Panama Deception*, which clearly depicts how Bush Senior killed thousands of Panamanian civilians to capture his ex-buddy Noriega, when Noriega threatened to spill the beans about Bush's complicity in the South American drug traffic flowing into the United States.

The American press is reporting the ignorance and lack of information the Afghanistan and Pakistan people suffer from. American TV and newspaper reporters condemn the Taliban leaders for taking away all radios and television sets from the people and they denounce the Afghani leaders for deliberately keeping information about world events from the masses.

In many respects the American people are almost equally ignorant of world events. Their news media have given them no hint of what their leaders have been doing around the world to bring about this horrible "blowback" retribution. Even now, the media are focusing on "filler" programs: documentaries on bin Laden or Afghanistan or Pakistan or world terrorism.

Media Monopolies Controlling What News American Citizens Receive:

- General Electric
- Sony

- AOL
- Times Warner
- Disney
- Bertelsmann
- Seagram
- Viacom
- News Corp.
- TCI

### **The Need for Critical Discrimination**

The CNN showing of English Channel 4's documentary on Afghanistan filmed by Saira Shah is a good example of how American news media are using any footage which furthers their aim to demonize the Taliban regime or any other on Bush's list of newly-discovered enemies. Fortunately, the documentary graphically displays the horror of the Taliban's repression of all Afghani citizens' rights—in particular those of women. But the American press never provides equal coverage of the horrors that American leaders have perpetrated around the world.

CNN nearly doubled its usual Sunday night "CNN Presents" audience when it aired the documentary in August. Saira Shah says her e-mails indicate the film "seems to have struck some sort of chord with people," which pleases her because "I care desperately about Afghanistan and I wanted to explain to people why they should care."

Her other fear, Shah says, is that the US will try a quick-fix type of military retribution, with no long-term economic infrastructure follow-up, and if so, "I can absolutely guarantee there will be another Islamic terror network in two years...The most important thing is to take away the vacuum in which Islamic terror can flourish, and I am slightly despairing because I don't think that will happen."

The original showing of the film in August would have been in a more favorable emotional atmosphere when American audiences could have gained an understanding of the depravity of the Taliban regime. Shown at this time of jin-

goistic furor, American audiences would have to work more strenuously to distinguish the undeniable truth of the documentary from the militaristic propaganda purposes for which CNN is now using it.

Why was it that the American media didn't report the 1998 Taliban atrocity in which they massacred up to 8,000 people in the town of Mazar-i-Sharif? They were killed because they were of the Hazara ethnicity. Some were shot in the streets or in their homes or in hospital beds; others were boiled or asphyxiated, crammed into metal containers and abandoned in the relentless August sun. The dead were left in the streets to be eaten by dogs. (Reported by William Shawcross in a September 23 commentary in the *Los Angeles Times*, "US Still Beacon of Hope").

What wasn't reported in any of the American media was the statement by the Revolutionary Association of the Women of Afghanistan (RAWA) in response to the September 11 atrocities in which they pointed out the US's responsibility for the trampling of human rights throughout the world.

The reason these things weren't reported is that the Bush administration was still supporting the Taliban regime politically and financially up till September 11 when the terrorist attacks took place.

The best example of a courageous documentary of American leaders' terrorist attacks against foreign people is the film, *The Panama Deception*. Produced by the Empowerment Project and narrated by Elizabeth Montgomery, the documentary outlines in stark detail how Bush, Sr. used the US military, beginning on Dec. 20, 1989, to invade a foreign country, without the American press, the American Congress, or the American people raising their voice in protest at such an atrocity.

Americans are unaware that wherever they get their news, it is the result of a spin put on it by the agents of corporations, government agencies, and special interest groups. These groups spend 30 billion dollars annually to make you think and do what they choose. The 200,000 agents who do this spinning of myths called news, work in the public relations

industry. Their mission is to help clients manage issues by influencing—in the right combination—public attitude, public perceptions, public behavior and public policy.

Let's hope that extremist conservative news sources such as WorldNetDaily, ConWeb, NewsMax, Media Research Center, etc., will go unheeded by most thinking Americans.

There are encouraging bright spots in the American media's reporting on issues surrounding the terrorist attacks:

- The *Los Angeles Times* publishing items of thoughtful reflection:
  - ❖ Alexander Cockburn's 9/13/01 editorial, "The Next Casualty: Bill of Rights?"
  - ❖ Robert Scheer's 9/17/01 article, "CIA's Tracks Lead in Disastrous Circle."
- Anthony Lewis's Op-Ed Editorial in the 9/15/01 *New York Times*, "Beware Unintended Results."
- Moments on each of the major TV channels when searing elements of truth came out, in spite of the editorial effort to censor it or explain it away.
- The outstanding job the alternative news sources provide.

In general, the actions of the news media during this terrorist crisis period further prove the contention of Edward S. Herman and Noam Chomsky set out in their book *Manufacturing Consent*:

The mass media of the United States... serve to mobilize support for the special interests that dominate the state and private activity... The democratic postulate is that the media are independent and committed to discovering and reporting the truth, and that they do not merely reflect the world as powerful groups wish it to be perceived. Leaders of the media claim that their news choices rest on unbiased professional and objective criteria, and they have support for this contention in the intellectual community. If, however, the powerful are able to fix the premises of discourse, to decide what the general populace is allowed to see, hear and think about, and to "manage" public opinion by regu-

lar propaganda campaigns, the standard view of how the system works is at serious odds with reality.

The recent performance of the media bears out Herman's and Chomsky's view of a controlled press. This leads to an uninformed citizenry and in turn to the election (or acceptance of a *coup d'état* as in 2000) of demagogues.

Orville Schell, Dean of the Graduate School of Journalism at the University of California, Berkeley, in a September 23 *Los Angeles Times* commentary, enthused: "That it took a national tragedy of such epic proportions to shake the broadcast media loose from its market servitude and allow it to perform so commendably is disheartening, but nonetheless revelatory."

Schell is one of the members of the "intellectual community" Herman and Chomsky refer to who try to support the media's claim of objectivity and fairness. Here, he is mistaking more time given to news as somehow releasing the broadcast media loose from its market servitude.

On the contrary, during a time of crisis nothing increases the revenue stream like pulling in those viewers with non-stop news – interrupted by higher-priced commercials because of a larger market share. More news, Mr. Schell, is not necessarily better news – news which serves the public interest.

Even Mr. Schell had to admit there were still a few shortcomings in news reporting:

One waited in vain for any real discussion of how, after the most impressive period of global economic expansion in history, the world has come to be wracked by so much paralyzing global anger and hatred toward the US. Where were the voices analyzing how the miracle of "globalization" seems to have turned spaceship earth not into a global community of rising expectations, but into badly divided camps of winners and losers? Where was a convincing discussion of why Islamic fundamentalists are so hostile to all of our vaunted entrepreneurial notions of "progress," "winning," "being #1"? Why the resentment of America unilaterally appointing itself as the world's peace keeper?



Correct! Where, indeed, have the real questions been asked on television or radio? Mr. Schell is quite right that “commercial media outlets are held as private rather than public trusts whose primary imperative is profit and shareholder value rather than good journalism.” We can agree with Mr. Schell that there is a contradiction at the heart of our whole media structure between the public’s right and need to know and a media corporation’s need to maximize profits. And with Schell we can begin to search for solutions.

Is it not time to begin considering whether or not a far larger share of the US broadcast media—besides PBS and NPR—should be held in some sort of public trust? After all, are not the public airwaves public?

Unfortunately, Schell’s idea is no solution; we already have so-called “public” media (PBS TV and radio, for example) and they’re no more objective or fair or probing than the regular media. What it’s going to take is a loud public demand for our media to raise genuine questions and carry out authentic probing of issues.

It’s going to take a willingness on the part of the public to find the causes of our present problems, even if it means coming to “politically incorrect” answers, such as realizing that our leaders’ past political and military actions have led to this present terrorist attack on American citizens.

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### **Recommended Reading:**

Edward S. Herman and Noam Chomsky, *Manufacturing Consent: The Political Economy of the Mass Media*, 1988.

Robert W. McChesney, *Corporate Media and the Threat to Democracy*, 1997.

Cassell and Herman, *The Global Media: The New Missionaries of Corporate Capitalism*, 1997.

Dean Alger, *Megamedia: How Giant Corporations Dominate Mass Media, Distort Competition, and Endanger Democracy*, 1998.

Herbert I. Schiller, *Culture, Inc.: The Corporate Takeover of Public Expression*, 1989.

Dennis W. Mazzaco, *Networks of Power: Corporate TV's Threat to Democracy*, 1994.

## Chapter Seventeen

### Why You're Not Getting the News

You're not getting the news:

- Because “the news” is no longer the news—it’s soundbites and headlines.
- Because you’re letting TV, radio, and newspapers feed you spin (biased opinion) and babble.

Before 9/11—and the Bush administration’s attacks on constitutional freedoms following that disaster—American citizens had the option of whether or not to inform themselves.

But Bush’s attacks on our civil liberties now constitutes such a CRISIS that Americans must either inform themselves or they will soon find themselves without basic freedoms.

If you’re going to become an informed citizen, you’re going to have to inform yourself! The so-called TV “news” shows don’t even pretend to provide a balanced presentation of varying points of view. A Fairness & Accuracy In Reporting (FAIR) study of ABC World News Tonight, CBS Evening News and NBC Nightly News in the year 2001 shows that 92 percent of all US sources interviewed were white, 85 percent were male and, where party affiliation was identifiable, 75 percent were Republican. FAIR’s exposé of the Bill O’Reilly program reveals the ugly visage of bigotry and egomania. TV only provides DIS-information and inane entertainment which it calls “news.”

To illustrate, let's take a specific day, May 31, 2002, and see what so-called news organizations provided American citizens. On that date, the news had broken that Bush and his cohorts were using their incompetence as an excuse to make further incursions against our constitutional rights. And the world was watching to see what would happen in the India-Pakistan war.

What were Fox, CNN, MSNBC and the network "news" programs feeding us? How these attacks on our civil liberties were necessary to make it easier for the FBI to do its job.

As filler, they were still running emotion-provoking stories about Chandra Levi and somber warnings about the India-Pakistan conflict.

Why weren't they informing us about:

- How the new powers given the FBI were enlarged threats to our civil liberties.
- How Rep. John Conyers, the top Democrat on the House Judiciary Committee, issued a scathing statement in response to new Justice Department guidelines on terrorism investigations.
- How the al Qaeda may be behind the Pakistan attacks against India in Kashmir.
- What it means that China has been supplying weapons to Pakistan.
- How the Pakistan-India conflict is being funded and fomented by the same people who brought us the war on terrorism.
- How India and Pakistan (and China and Israel and every other aggressive country in the world) is using the Bush "war on terrorism" excuse for its own war.

All those stories immediately above pertaining to "news" items were vital for American citizens to know! But neither the TV news shows nor most of the mainstream press provided the information. That's why you're not getting the news!

Along with news, an informed citizen needs comprehensive analyses of information that allow facts to be understood

from a larger perspective. Those long-range news analyses are just as important as the more immediate news sources.

So how do you go about getting news and analysis for yourself? Easy—you get your news and analysis from the Internet!

All those stories listed above came from the Internet—even the story about Representative Conyers came from CNN's Web site, not its TV news shows.

But, you might ask, how do I find the news—the information that's important for American citizens to stay abreast of? Fortunately for us, there are some outstanding web sites that sift through all the news daily and provide a digest of the most significant items, saving us a tremendous amount of time and energy.

The best way to review these informational Web sites is in terms of layers:

- Those sites you will need to review daily.
- Those you'll want to review weekly.
- Those to review monthly.

What news and analysis sources are important to you, individually, depends on your world view. This chapter only applies if you want genuine news about what's really going on—beyond spin and propaganda. If you are intellectually committed to a doctrinaire religious or political viewpoint and want to review news and analysis from only that perspective, then this chapter won't be of much use to you.

For example, if you want to view the news from only a Republican party or Democratic party slant, there are lots of news sources which will provide that viewpoint.

What I'm examining in this chapter is a broader perspective—beyond ideological boundaries—which gets at what's really going on, not what ideological spin tries to make us believe is happening.

You need to have information daily about what's actually occurring throughout the world, so these four web sites are essential for you to review each day:

- Rense.com
- CentrExNews.com

- BuzzFlash
- Bush Watch

Each of these essential information sources has its own idiosyncrasies, but their digesting of news worldwide each day makes them invaluable. For example, Jeff Rense's site also contains all the latest UFO and cattle mutilations sightings, but his savvy in selecting important news items and long-term analyses makes his site one of the best on the web. CentrExNews.com, Bush Watch, and BuzzFlash select essential articles and also include items of long-term significance as well.

One of the interesting facets of these four primary news digests is that they often find important news items in the mainstream newspaper web sites. So if you review the news at [rense.com](http://rense.com), for example, you'll often find him linking you out to the *New York Times*, the *Los Angeles Times*, the *Boston Globe*, or even the *Christian Science Monitor*, as well as the Middle East News Online.

Penetrating analysis of news is provided by a few Internet journalists, most of whom have their own web sites as well as write for newspapers or magazines:

- Greg Palast
- Molly Ivins
- William Greider
- Robert Scheer
- Jim Hightower
- Paul Krugman
- Arianna Huffington

An important web site that provides a comprehensive analysis of world events is the World Socialist web site. If you want to get a feel for the broader-based study of news the WSWS provides, I'd suggest the following article, which examines the "war on terrorism" and the Bush administration's most far-reaching attack on democratic rights in US history: "The war in Afghanistan and the crisis of political rule in America," <http://wsw.org/articles/2002/mar2002/bg-srn.shtml>.

By recommending the World Socialist web site as an outstanding source of news analysis, I don't suggest that their rather doctrinaire socialist perspective is sufficient for a full understanding of world events. And none of the news analyst journalists listed above will prove useful one hundred percent of the time. However, their ability to see current events in a broader perspective is exceptionally helpful in developing a deeper comprehension of world events.

The web sites I'd suggest you review at least once a week:

- Cursor
- Common Dreams
- Independent Media Center
- CounterPunch
- Centre for Research on Globalisation
- Online Journal
- Skolnick's Report
- Mike Ruppert's copvicia

The Web sites I'd suggest you review at least once a month:

- The Nation
- What Really Happened

If Americans are going to retain the democratic liberties our constitution provides us, we're going to have to keep ourselves informed. We can't expect the mainstream news sources to provide the information we need. Fortunately, we have an excellent source of essential news and analysis on the Internet. Now it's up to us to use it efficiently to become truly informed citizens.

*Notes:*

- If you find that a print news and/or analysis source, such as *The Nation*, the *Los Angeles Times* or the Jim Hightower newsletter, is exceptionally helpful, you might want to subscribe to that source to provide support.
- You're not getting a lot of news because of censorship; see: Carl Jensen, *20 Years of Censored News*.





## Chapter Eighteen

### **The Social Security Privatization Hoax**

Politicians and Wall Streeters are peddling the Big Lie that Social Security is inevitably going bust.

It is not!

The Social Security System (SSS) runs at a surplus of \$100-\$120 billion annually and will continue to do so throughout the twenty-first century! This trust fund system is one of the few programs set up by the federal government that works. In 1999, SSS received \$383 billion in checks, \$436 billion in taxes, and an additional \$49 billion in interest. Instead of red ink, Social Security made almost \$102 billion in profit, to add to the more than \$652 billion it had in surplus from previous years.

On December 6, 1996, Federal Reserve Chairman, Alan Greenspan, called for “prompt action to rescue the financially threatened Social Security system.” Greenspan endorsed the privatization scams which would require workers to put their Social Security retirement payments into the stock market.

Greenspan certainly isn't obsessed with the hobgoblin of consistency. On December 5, 1996—the previous day—Greenspan announced that the stock market was in trouble because of what he called “irrational exuberance.” In other words, one day Greenspan intimates that the stock market may be in for a new speculative disaster on the order of the Great Crash of 1929. The next day Greenspan declares that American workers ought to put their retirement money into

this same treacherous stock market that that very day lost witless investors between \$700 million and \$1 trillion.

In the months to come similar “experts” will warn us that the Social Security System is facing disaster. Every day the feeding frenzy continues, with columnists and other sycophants falling into step. Fortunately, some leaders have the courage to speak the truth. Robert M. Ball, former Commissioner of Social Security from 1962-1973 and a member of the Advisory Council on Social Security, said “there is no financial crisis in Social Security.” As Ball explained, the system is today accruing substantial surpluses and total income will exceed outlays until about the year 2020. After that Social Security reserves – estimated at \$3 trillion – will be used to pay ongoing benefits that exceed the level of current taxes. By 2070, benefits are projected to exceed taxes by about 5.5 percent of taxable wages.

The sky is not falling. The fact is that the Social Security System is doing fine and faces only the danger that the public might believe the big lies that Greenspan, Congress, and Wall Street are mounting against it.

Big Lie # 2: The Social Security System will run out of money by the year 2029 (or 2034 or 2037).

The Truth: These projections are based on totally unrealistic projections made by so-called bipartisan (but not nonpartisan) commissions packed with Wall Streeters, bankers, and financiers. George W. Bush’s Social Security panel has eight Democrats and eight Republicans, but all of them were picked because they agreed with Dubya’s social security Wall Street scam: stock market “personal retirement accounts.” Dubya’s panel is chaired by Senator Daniel Patrick Moynihan (D:NY) and AOL Time Warner’s CEO, Richard Parsons. This notwithstanding AOL Time Warner’s payment of \$5.5 million in 2000 to settle a lawsuit alleging the company illegally denied pension and health benefits to its workers.

Panel projections take the Social Security System trustees’ worst-case scenario and claim it to be the only realistic picture of the future for the SSS. The so-called independent studies of Social Security funding have been financed by the very Wall

Street firms who want to grab the money. For example, the Cato Institute Project on Social Security Privatization was funded by American Express, the brokerage house of Alex Brown and Company, and the giant American International Group. The co-chairmen of the Cato Institute project are William Shipman, a senior officer at the Boston State Street Bank, and Jose Pinera, the man who privatized Chile's social security system, resulting in a \$1.5 billion loss to Chilean citizens in 1995.

As Robert Dreyfuss shows in his 1996 article in *Mother Jones* ("The End of Social Security as We Know It?" Nov/Dec, 1996), the Chilean "model" is a clear warning to Americans, with the Chilean workers losing four percent of their investments in the privatized social security scam while the corporations managing the accounts earned profits of more than twenty percent! The Chilean military dictatorship foisted the social security privatization scam on the workers through their total control over the public media.

How ridiculous is this worst-case projection? Over the past seventy-five years the American economy has been growing at about 2.8% annually. Even during the worst economic times in the US – during the 1930s depression – the economy grew at 1.9%. Now these doomsayers insist that the US economy will only grow at 1.4% annually over the next 75 years! So, if you predict that our economic growth will fall below even the all-time low of the 1930s depression, the Social Security System gets into financial trouble in about the year 2037. But if you take a more realistic view of the US economy, even a modest 2% growth rate, the Social Security System will stay solvent, in fact reap a surplus, throughout the entire twenty-first century.

The impact of Social Security benefits on the lives of citizens and on local economies is incalculable. In 1995 Social Security paid \$340 billion in benefits. Forty-two percent of American senior citizens are kept from living in poverty by their Social Security payments. Nearly one in five Americans receives Social Security benefits and ninety-five percent of Americans have the Social Security benefit protection program.

Big Lie # 3: The only way out of disaster for Social Security is privatization.

The Truth: Privatization schemes are PIRATIZATION scams.

The same Wall Street firms that contribute big bucks to the campaigns of presidents and senators now want to loot the Social Security System of trillions of dollars and jeopardize the survival of millions of retired Americans. These self-appointed leaders established a 40-member Public Pension Reform Caucus in Congress, co-chaired by Representative James Kolbe, Republican of Arizona, and Representative Charles Stenhold, Democrat of Texas. In July, 1996, Representative Nick Smith, Republican from Michigan, introduced H.R. 3758, the "Social Security Solvency Act," which would begin the piratization process by diverting about one-sixth of workers' Social Security contributions into private retirement funds. The amount would increase to 80% over a period of a few years.

Other bills now being considered would increase the rate of looting at an even faster clip. Most bills follow the Chilean model, requiring workers to pay an additional 1% annual management fee to the private brokerage firms.

It would be insane for Americans to allow Wall Street brokerage firms to handle the Social Security System trust fund. These same brokerage firms now manage private pension funds by investing the assets in their own stocks and bonds swindles, often leaving insufficient money in place to pay pensions. They have lost and continue to lose money in Wall Street gambling schemes such as the global derivatives market, still an ongoing \$3.5 trillion a day fiasco, despite scandals and a bad press. Private pension fund losses because of brokerage firm derivatives speculation have already been exposed in Wisconsin, Virginia, Connecticut and Louisiana.

One of the privatization schemes has been created by a group whose name is right out of 1984: the Quadrennial Advisory Council on Social Security. They plan to have individual workers put 5% of their income into a private IRA, leaving the other 1.2% for the Social Security fund. So you lose

your retirement fund through your IRA gambling scheme—and who's going to take care of you?

Wall Street is pumping millions of dollars into a small band of organizations, public relations firms and “think tanks” whose mission it is to undermine public confidence in Social Security and push for privatization. Among the Wall Street trading firms, insurance companies and corporate donors working to undermine Social Security are:

- Merrill Lynch
- T. Rowe Price
- American International Group
- National Association of Manufacturers
- Fidelity Investments
- Blackstone Group
- AIG Life
- American Council of Life Insurance
- Teleos Asset Management
- Digital Equipment
- I.B.M.
- Alex Brown and Sons
- Rockport Financial
- Watson Wyatt Worldwide
- State Street Bank and Trust
- Investment Company Institute
- DuPont
- Motorola
- Securities Industries Association
- Morgan Stanley
- Oppenheimer Funds
- Quick and Reilly
- American Express
- Aetna

### **Social Security Snake Oil Salesmen:**

Just two years ago a wide array of Washington organizations, including the Cato Institute, the Concord Coalition,

the Heritage Foundation, Americans for Tax Reform, the National Taxpayers Union, Third Millennium, and Citizens for a Sound Economy advocated massive cuts to Medicare, Social Security and Medicaid as the only way to reduce the Federal budget deficit. These organizations dismissed, out of hand, any notion that economic growth could balance the budget or that a very modest tax increase could put the federal budget back into alignment.

Since then, economic growth and modest tax increases have eliminated the federal budget deficit. But like a snake oil salesman with only one patent medicine, the Washington-based budget hysterics have not changed their remedy — they have only changed the disease. Now, in order to “fix” Social Security’s possible long-term actuarial problems, these same organizations are pushing for massive benefit cuts in order to finance the multi-trillion dollar cost of switching to a “privatized” system. And once again, when asked about economic growth and modest tax increases as a curative, they simply dismiss these solutions out of hand as “unrealistic” or “not politically feasible.”

—National Council of Senior Citizens, “Wall Street Affluence Buys Washington Influence” — <http://www.ncscinc.org/issues/sswall.htm>

### **Wall Street’s Green Hornet and Its Trusty Side-Kick, Cato**

The point-man for Wall Street’s Social Security scam is Jose Pinera, who was the minister of labor from 1978 to 1980 under the brutal right-wing dictatorship of Alfredo Pinochet in Chile. Piñera is currently president of the International Center for Pension Reform and Co-Chairman of the Cato Project on Social Security Privatization. The Cato Institute, a right-wing think-tank, claims to be “libertarian.” If you wonder why a “libertarian” organization is the spearhead for the privatization scam, you have only to be aware that Merrill Lynch is the chief contributor to Cato’s expenses.

Pinera and other Wall Street paid agents tout Chile as the role model for the US to follow in “reforming” its Social

Security “crisis.” Let’s take another close look at the so-called Chilean model:

- Nearly half of Chilean workers choose not to make regular Social Security contributions, because they have little reason to believe that money taken from their checks by the government will ever be returned to them in the form of promised benefits decades into the future.
- The benefits citizens in Chile receive are so breathtakingly low they amount to a national disgrace.
- Under Chile’s new pension system salary deductions are higher than FICA taxes levied in the United States. In Chile, workers must put 10 percent of their earnings into individual retirement accounts, and give 7 percent of their earnings to finance health benefits, and deduct 3.3 percent of their earnings to finance survivor and disability payments. An average worker in Chile, then, pays 20.3 percent in payroll taxes versus 7.65 percent for US workers (15.3 percent including the employers’ side).
- In Chile, between 10 and 20 percent of worker contributions to the pension funds go to fund administrators, resulting in smaller returns than “gross revenue” statistics would suggest. Between 1982 and 1995, for example, the average rate of return on pension investments in Chile totaled 12.7 percent. After factoring in commissions to fund handlers, however, the average real rate of return of Chilean pension fund investments totaled less than 2 percent! Under the current US system, Americans pay no commissions; and administrative costs eat up less than 1 percent of workers’ contributions.
- The average rate of return on Chilean pension accounts in 1995 was negative 2.5 percent!
- The Chilean stock market lost nearly 20% of its value in the first half of 1998, on top of a steep drop which followed the October, 1997 global financial shock.
- The Chilean pension fund has dropped from the \$33 billion at its high point in 1997 to \$29 billion today.

Having stolen the presidential election, George W. Bush now wants to steal the taxpayers' social security as well, by having them invest in Wall Street, which in March, 2000 saw investors losing \$4 TRILLION. The Bush plan calls for diverting 2% of today's workers' Social Security payroll taxes into private Wall Street accounts, the same accounts. Bush and his Wall Street flunkies want you to think this refers to a measly 2% of the entire Social Security reserve fund, but it actually means 2% of the 12.4 percentage points of total salary that now go into Social Security payroll taxes—one-sixth of the total payroll tax money. Under this scenario, Social Security would lose one-sixth of the money that now flows in, representing a staggering \$74 billion loss to Social Security the very first year!

Individual stock market accounts would cost a bundle. We'd have to pay for two Social Security systems at the same time: today's program for current beneficiaries and the privatized system. To cover the price tag, we would have to raise the retirement age, cut Social Security benefits, hike taxes, cut or eliminate cost-of-living adjustments—or initiate some mix of these bad choices.

If you want to see what a catastrophe privatization of retirement funds has proven to be, you need go no further than the horrible example of Britain.

Big Lie # 4: There's nothing Americans can do about this crisis—it's bound to happen.

The Truth: First, there is no present crisis—other than the real possibility that Americans will be confused by all the smoke and mirrors created by the very Wall Street people who want to pillage the Social Security System.

There is no crisis over the solvency of Social Security; it is a fight over the future of a program started in 1935 that means the difference between life and death for more than 32 million elderly Americans.

American workers must wake up to this present frenzied effort on the part of Big Money to take over the trillions in social security funds. Americans of all ages must tell our congressional representatives that we don't want the Social



Security System to be piratized and that we hold them responsible for making sure it doesn't happen. We must speak out against this conspiracy wherever we can.

Contrary to the Big Lies, the sky is NOT falling; the Social Security System is alive and well. But we must protect it from the "defenders of the public good" who are out to plunder it.

### **The Vultures Are Circling Social Security**

The *Wall Street Journal* let the cat out of the bag, announcing that even under moderate privatization plans, \$60 billion a year would flow into mutual funds managed by Wall Street, instead of going into the Social Security Trust Funds. Michael Tanner, director of health and welfare studies at the Cato Institute (read big money think tank), let slip the other incriminating evidence when he admitted that along with Bank of America, Citicorp, Chase, insurance companies, the Investment Company Institute (ICI), and securities firms like Salomon Brothers, Cato's \$2 million privatization project is being funded by "large employers concerned about payroll tax increases." Privatization of Social Security would mean billions of dollars for Wall Street mutual funds managers and employers. The gang that brought you the 1929, 1987, 1998, and 2000 stock market crashes resulting in hapless investors losing billions of dollars are now trying to con Americans into putting their retirement earnings into Wall Street.

But with the billions in profits at stake the big money people are mounting a campaign to convince Americans that Social Security is dead or dying. As usual, they suppose if they tell a big enough lie American citizens will swallow it. The Investment Company Institute, which by the way, "donated" \$245,264 to federal candidates in the 1996 election; Peter G. Peterson, an investment banker, Nixon's commerce secretary, and president of the conservative Concord Coalition; and the Libertarian Cato Institute; are leading the pack.

Their uninformed disciples repeat their propaganda in newspaper letters to the editor and commentaries and magazine articles. The newest cons include trying to convince citi-

zens that Social Security funds invested in US Treasury bonds don't really exist and that the Chilean privatization plan is a model America should adopt.

If you have money in US Treasury bonds or other securities, you expect to get your interest and capital when you redeem them. But, mysteriously, Social Security funds in those same instruments can't expect a return on the investment. Why? Because the scam artists say so. In fact, following the lead of the Concord Coalition and the Cato Institute, the disciples are claiming that Social Security is a giant Ponzi scheme. Doesn't make sense, I know.

### **Let's Eradicate The Vultures**

So far, no new Social Security privatization (read piratization) legislation has been passed, though dozens of bills are now being pushed by Wall Street's bought-and-paid-for congresspersons, and George W. Bush ran on a platform to "allow Americans to invest their social security savings in Wall Street."

Fortunately, not all Senators or Congresspersons have sold out to Wall Street's piratization schemes. Senator Paul Wellstone of Minnesota went on record ("The People's Trust Fund" by Paul Wellstone, *The Nation*, July 17/August 3, 1998) as supporting Social Security against the Wall Street vultures.

Dubya has now begun to raid the Social Security fund with his new "war on terrorism" budget. This so-called war is entirely of Bush's making and is only for the purpose of giving billions of taxpayer's dollars to his defense industry supporters. Unfortunately, hardly anyone is speaking out against Bush's insane raid on Social Security.

American citizens of all ages must begin fighting now to make sure that Social Security remains in place as it is. Social Security was created to protect society from the social and economic burdens associated with widespread old-age poverty and misery as seen during the 1930s Depression which was precipitated by the 1929 stock market crash.

By and large, Americans with incomes under \$25,000 a year get back more in benefits than they pay in the form of Social Security payroll taxes. Those with incomes of more than \$50,000 a year get back somewhat less. The US Social Security system is a progressive system — a system designed to improve the economic condition of those on the very bottom of the US economic ladder and reduce economic stratification.

American citizens need to remember President Franklin D. Roosevelt's reply when he was asked why he had set up Social Security as a worker contribution system: "We put those contributions there so as to give the contributors a legal, moral, and political right to collect their pensions and their unemployment benefits. With those taxes in there, no damn politician can ever scrap my social security program."

Right on, Franklin!



## Chapter Nineteen

### **Egomania: the Invisible Pandemic**

An unrecognized, invisible killer is stalking the world. The insidious aspect of egomania is its ability to take over the mind and soul of its victims, so that instead of seeing egomania as a disease, we are made to see it as the height of human reason (pursuing our self-interest) and the purpose of human existence (getting ahead). Even when we see its worst aspects—its most hideous visages—we are blind to its destructive lethality.

To succumb to egomania means that we become:

- Limited in outlook or concern to our own activities or needs; blind to the larger reality.
- Concerned with self-gratification rather than the common good; focusing on greed instead of fellow-feeling.
- Obsessed with an exaggerated sense of self-importance; full of conceit instead of regard for others.
- Controlled by any one who flatters us or appears to consider our needs; followers of whatever cult leader appears to recognize our importance.

Christopher Lasch's book *The Culture of Narcissism*, deals with the ideology "of competitive individualism, which in its decadence has carried the logic of individualism to the extreme of a war of all against all, the pursuit of happiness to the dead end of a narcissistic preoccupation with the self."

Egomania, narcissism, is the natural condition of the infant; the world exists merely as gratification or denial of personal desires. The caretaker—parent, nurse, teacher, religious authority—tells the infant what reality is and how he or she must behave in response to this defined reality.

It's at this stage of egomania and narcissism where most personalities stop developing; they remain in an infantile state even though they have matured physically. Ego-satisfaction is the only concern. Avoiding punishment by authority figures and achieving one's individual goals is the life-game, and understanding or awareness is totally unnecessary and boring. The authority figures will tell us what is real and what we're supposed to do, so we have absolutely no need to think for ourselves. Since personal satisfaction is primary, however we achieve our goals is okay. There are no moral values beyond feeling good about ourselves and making others fear and respect us. Any consideration for the good of others is weakness and stupidity.

So we have high school and college students who want nothing more out of their educational experience than credits; they have no interest whatsoever in understanding the subjects they study. They're not even interested in developing skills; if they can get other students to do their assignments and tests for them, that's great. The majority of people in our culture merely want to get along, avoid trouble with authority figures, succeed in their careers, and cram as much personal pleasure into their lives as possible.

In short, most persons in our society are grown infants. Showing off, having "attitudes," talking endlessly about oneself, swaggering through life, taking pride in ignorance and violence—these have become the norms.

Egomania is not just an arrested stage of development, not merely a slight malady or a minor social aberration; it is a blindness to reality which leads to death—death of oneself and others. The obsession with self and the grudging obedience to authority becomes so pervasive and consuming that we lose touch with reality and begin to live in solipsistic fantasy worlds. The infantile personality responds only to gross

symbols, ideas, and commands: TV images of 200% patriotism, slogans (“dead or alive), bluster (“we’ll rid the world of terrorism”); norms (“don’t think about what American leaders did which led to the terrorist attacks; vote more money for an incompetent intelligence industry; forget about the workers laid off, give tax breaks to corporate executives”).

American immaturity is clear from the unthinking, knee-jerk increase in the approval rating for a president who stole the presidency and can barely read his speeches from his cue cards.

While in our private life nobody except a mad person would remain passive in view of a threat to our total existence, those who are in charge of public affairs do practically nothing, and those who have entrusted their fate to them let them continue to do nothing.

How is it possible that the strongest of all instincts, that for survival, seems to have ceased to motivate us? One of the most obvious explanations is that the leaders undertake many actions that make it possible for them to pretend they are doing something effective to avoid a catastrophe: endless conferences, resolutions, disarmament talks, all give the impression that the problems are recognized and something is being done to resolve them. Yet nothing of real importance happens; but both the leaders and the led anesthetize their consciences and their wish for survival by giving the appearance of knowing the road and marching in the right direction.

— Erich Fromm, *To Have or To Be?* — 1976

Persons possessed by narcissism are incapable of loving others, but they are also incapable of loving themselves—because they have not developed the ability to love.

We must rid ourselves of our current truncated, lopsided definitions of personal maturity and intelligence, which consider the “greatest” person the one who owns the most things: money, cars, homes, persons.

## The Development of Personal Maturity

The breakdown of the infantile adjustment in which providential powers ministered to every wish compels us either to flee from reality or to understand it. And by understanding it we create new objects of desire. For when we know a good deal about a thing, know how it originated, how it is likely to behave, what it is made of, and what is its place amidst other things, we are dealing with something quite different from the simple object naively apprehended.

The understanding creates a new environment. The more subtle and discriminating, the more informed and sympathetic the understanding is, the more complex and yet ordered do the things about us become... A world which is ordinarily unseen has become visible through the understanding.

— Walter Lippmann, *A Preface to Morals*

Human maturity should be seen as the capacity to understand what's happening in the world and responding to that understanding in a personally and socially effective manner. Maturity is a quality in human beings which makes them capable of awareness in the broadest possible terms; not mere financial or academic or interpersonal success but understanding which makes it possible to make their lives worthwhile and make their society better during their lifetime.

This conception of maturity is in the tradition of wisdom, not the more current ideas of "rich and famous" or "smartness" or "cool."

Viewing human maturity and intelligence in this way, we could no longer speak of an intelligent or mature terrorist who kills without compunction because of some insane ideology or an intelligent, mature corporate CEO who takes American jobs abroad and destroys vast parts of American life—cities, families, facilities.

A wise prophet once said (to paraphrase): What shall it benefit a man if he gains all the wealth in the world and loses his soul as it becomes a hell-hole of money-obsession, banali-



ty, and ignorance? In other words, you can be ludicrously wealthy and still be stupid enough to destroy yourself. And in including social responsibility in our definition of maturity we can update that same sentiment:

What shall it benefit twenty-first century American people if they gain all the money in the world and lose their country as it becomes a hell-hole of obscene wealth for the upper class, wage slavery for the middle class, homelessness and grinding poverty for the lower class, and banality and ignorance for everyone?

The narcissistic orientation is one in which one experiences as real only that which exists within oneself, while the phenomena in the outside world have no reality in themselves, but are experienced only from the viewpoint of their being useful or dangerous to one. The opposite pole to narcissism is objectivity; it is the faculty to see people and things as they are, objectively, and to be able to separate this objective picture from a picture which is formed by one's desires and fears.

— Erich Fromm, *The Art of Loving*

By maturity, then, we mean the qualities of:

- Seeing through the current social myths and diversions.
- Understanding the necessity of life-long self-education.
- Recognizing the necessity of social action, including discerning what the social situation requires and creating a program to realize social reform.
- Developing genuine feelings of compassion and regard for one's fellow human beings.

The world social situation is in such a state of crisis that no other group of qualities qualifies a person to be deemed mature or intelligent. With regard to social awareness, we are fortunate to have the work of many different investigators who clarify this facet of maturity. From Greider's disclosure of the political Big Con to Chomsky's penetrating exposé of international skullduggery to Kevin Phillips's uncovering

of the disparity between hyper-wealth and abject poverty to Neil Postman's brilliant study of how we are amusing ourselves to death in front of our TV sets to C. Wright Mills's dissection of the power elite's strengths and weaknesses to Paulo Freire's radical pedagogy for the socially illiterate — we have an invaluable broad panoply of sources to diagnose the ills of our society and realize the ways personal maturation and social reform must be carried out.

Maturity includes the whole range of humankind's relationships with other humans and with the world in general. Maturity, in other words, is much broader than political awareness or psychological savvy or enlightened activism. It includes discernment of all social conditioning, from ritual to religion, from MTV to metaphysics, from jet-set to down-sizing, from anti-terrorist legislation curtailing our freedom to the Orwellian crippling of our language and our minds.

Thus, in creating a new definition of maturity, we are talking about the whole range of human thought and action. It includes an examination of the mythologies of contemporary science and a review of the work of investigators who are pushing us beyond the current Newtonian-Einsteinian ideologies to new ways of viewing reality.

Part of what we want to accomplish with a new definition of maturity is to distinguish between people who possess this congeries of abilities and attitudes and people who do not possess it. A major difficulty with the commonplace definition of maturity is that everyone is supposed to have it—in larger or smaller doses.

Taking the opposite tack, we can say that only a few people at any given time have genuine maturity or social intelligence. A major element in maturity is the ability to see through the social myths dominant at any particular time in history. And at any given time, only a few people are able to achieve the necessary understanding of their social conditioning to break through the delusions, myths and fantasies peddled by the people controlling social ideology and behavior.

This aspect of maturity has been described by Paulo Freire as critical consciousness. It requires extraordinary abilities to

recognize oneself as being a member of an oppressed class and seeing our oppression as a situation which we can transform through informed action.

Part of what we must learn from the horror of September 11, 2001 is that we are now so self-absorbed that we do not even see when our lives are being endangered. Americans today are rapidly losing the intellectual ability to realize or be concerned that their very lives are threatened by globalistic economic policies:

- Institutionalizing slave labor.
- Creating a two-class society:
  - ❖ The super-rich (the top 1% in America now own more than the lower 90%).
  - ❖ The destitute poor.
- Despoiling the ecosphere without any concern for the future.
- Destroying civil liberties.

Our narcissism is actually endangering our lives, making us totally unaware that what our leaders are doing is resulting in death for civilians. We must awaken from our narcissistic blindness if we are to save our lives.



## Chapter Twenty

### Profiling and Personality Simulation

The primary fields in profiling and personality simulation are:

- Profiling
- Criminal behavior profiling
- Litigation profiling
- Witness examination
- Jury selection
- Consumer behavior profiling
- Personality simulation
- Wargaming simulation
- Relationship compatibility simulation

#### Profiling

Criminal profiling provides investigators with a personality “snapshot” or typology that can aid in a suspect’s identification and apprehension. The profiling process assists the investigator by reducing the large number of suspects to a discrete set with unique behavioral habits and personality characteristics.

Violent or aberrant crime scenes provide a wide spectrum of forensic evidence. In profiling and apprehending a serial criminal, the increasing number of offenses by an unknown perpetrator increases the total amount of physical and psychological crime scene evidence. Profilers view a crime scene

as a classroom where the unknown perpetrator teaches investigators about himself. Often, however, the serial offender plans each crime scene as he learns what behaviors and evidence to include or omit.

A large number of fiction and non-fiction studies of FBI profiling have appeared in the last ten years:

- Novel: *The Fifth Horseman* - a fictional account of personality simulation by Larry Collins and Dominique Lapierre
- Novel and movie: *The Silence of the Lambs*
- Novel: *Watch Me* by A.J. Holt
- Novel: *The Riverman* by Bob Keppel
- TV series: Profiler
- TV series: Millennium

The FBI's Behavioral Sciences Unit in Quantico, Va., which was earlier headed by John Douglas, does more than 1,000 profiles a year.

The criminal profiler should be cross-trained in several disciplines:

- Psychology: the study of individual behavior
- Sociology: the study of group behavior
- Criminalistics: the scientific study of recognition, collection and preservation of physical evidence as it relates to the law
- Forensic pathology: a branch of medicine that applies the principles and knowledge of the medical sciences to problems in the field of law

Vernon Geberth, in his book, *Practical Homicide Investigation*, indicates that the following items are necessary to create a profile:

1. Complete crime scene photographs
2. Neighborhood racial, ethnic and social data
3. Complete medical examiner's autopsy protocol
4. Map of the victim's travels prior to death/attack/kidnapping

5. Complete investigation report of the incident
6. Complete background of the victim (Victimology)

### **Litigation Profiling**

Profiling is used in connection with examining witnesses and selecting juries. In *State of Oregon v. Lawson*, for example, the defense tried to introduce expert testimony stating that their client, Mr. Lawson, did not match the profile of a sex offender, and by extension of that logic could not therefore be one. The court in that case found that “whether it is labeled a ‘syndrome’ or a ‘profile,’ the type of evidence... involves comparing an individual’s behavior with the behavior of others in similar circumstances who have been studied in the past.”

Defense and prosecution attorneys use profiling experts to assist them in selecting a specific kind of juror for a case. If the case, for example, involves a male serial rapist, then the prosecution will ordinarily attempt to select young and middle-aged women for the jury, on the theory that these women will identify with the female victim and judge the defendant more harshly.

### **Consumer Profiling**

One of the current personal-rights battlefields concerns how much consumer behavior data should be made available to corporations. Every time you purchase an item on your credit card – whether it is a video rental, an item of clothing, an automobile, a night in a hotel, a vacation trip, whatever – that data becomes available for creating a profile on you. If you don’t turn off the “cookie” feature on your Internet browser, every web site you visit is available to companies developing profiles on your buying behavior.

### **Personality Simulation**

While serving as Head of the Artificial Intelligence Department at the US Army War College for several years and while teaching graduate courses in expert systems at several California

universities, I explored and developed personality simulation systems, an advanced technology used in military war games, FBI profiling, political campaigning and advertising.

These profiling or personality simulation systems:

- Capture a person's mental components: actions, beliefs, ideas, attitudes, purchasing patterns, habits, etc.
- Translate these into a computer system: a program which prioritizes and relates the various elements to an overall purpose.
  - ❖ Example 1: a consumer profile which gives a certain weight to specific kinds of purchases the person makes and predicts what products they would buy in the future.
  - ❖ Example 2: a criminal behavior profile based on prior indictments or convictions used to predict future criminal activity.
- Use the system to influence and control that person's ideas and behavior.
  - ❖ Example 1: TV ads based on the profile developed from the consumer's purchasing patterns.
  - ❖ Example 2: military counterintelligence activities based on a profile of the enemy's leadership.

This may sound like science fiction or Frankenstein's laboratory, but it is the actual state of the technology in personality simulation and control.

Personality simulation falls within the domain of artificial intelligence. From its inception, artificial intelligence (AI) has been primarily concerned with developing systems which simulate human behavior for the purpose of controlling such behavior.

In 1950, a British computer scientist, Alan Turing, devised a test to prove whether or not a computer system displayed intelligence. It is now called the Turing Indistinguishability Test:

- Place a computerized personality simulation system in one room and Person A in another.
- If Person B communicates with each room and the input and output from each room is indistinguishable as being



from a computer system or a real person, then the computer system is intelligent.

Unfortunately, such theorizing in artificial intelligence has misled some people to conjecture that a computer system could be developed which actually carried out the human function of thinking. If you examine the definitions of "think," it's clear that only a human with a mind (more than a physical brain) can think.

One of the AI researchers the US Department of Defense funded over many years was a Freudian psychiatrist at Stanford University, Kenneth J. Colby. He developed computer systems to simulate the mind for the express purpose of influencing and controlling the behavior of his psychiatric patients.

Colby developed three models of the human personality over many years of research:

- Model of a neurotic woman suffering from anxiety in relation to men.
- Artificial belief system - a "child brain."
- Model of paranoid processes - which later was nicknamed Parry.

Colby's models of the human mind were based on these principles:

- The credibility of a belief is based on the credibility of its source.
- Human personalities are based on belief systems concerning significant persons, including the self.
- Every psychological concept has specific significance to the person: e.g., father, love.
- Input from others is evaluated and "colored" by mental patterns such as fear or anger.
- A human's mind changes with inner conflict, transforming beliefs to fit into an overall pattern.

These are a few of the startling implications of Colby's models:

- By capturing a person's belief structures we can control him or her.
- Unenlightened human minds are combinations of infantile beliefs and emotional patterns.
- Unenlightened human minds can be simulated by a computerized system.
- Through such systems, unenlightened people can be programmed and controlled.

It's necessary for us to realize that the components of most personalities can be captured and developed into a complete simulation of our thinking and feeling processes. That simulation can then be used to manipulate us in any way the artificial intelligence technician, political operative, or communicator chooses. Not only is this possible, but it's already taking place, as we'll see below.

When people first encounter this idea of mind control through computer simulation, they usually try to dodge the issue with an unthinking denial. They protest:

*Question:* Don't humans change too much to be controllable?

*Answer:* A sophisticated computerized personality simulation system would include modifications in its profile of the person relative to the ways the individual changes.

*Question:* How could someone control my behavior when I don't even know what my beliefs are myself?

*Answer:* An AI knowledge engineer can capture the major elements of your personality, including the fact that you may not know what you believe.

*Question:* Isn't this a bit too much in the science-fiction realm?

*Answer:* In 1971 an AI system developed by Kenneth Colby passed the Turing Test. Members of the American Psychiatric Association could not distinguish between dialogue with actual mildly paranoid patients and dialogue with Colby's system.

Few people today, including AI researchers, realize that Colby's system passed the Turing Indistinguishability Test, proving that his system contained demonstrable intelligence. And even more significant, few today realize that Colby's system – and current systems based on the same principles – are predicting and CONTROLLING human behavior.

*Question:* But that was in the past. Surely this kind of thing is not going on now is it?

*Answer:* It's going on all the time and growing in power. Personality simulation systems are being used to create political campaigns which apply voter profiles to control their voting behavior. TV commercials and programs use personality simulation to profile viewers to control their purchasing and viewing behaviors.

*Question:* Are there recent studies of this mind-control technology?

*Answer:* Yes:

- Roland Perry's 1984 book, *The Programming of the President: the Hidden Power of the Computer in World Politics Today*, reveals how all the recent presidential election campaigns have used this technology to control voter behavior.
- *Strategic Personality Simulation: A New Strategic Concept*, the author's book which was published by the US Army War College.

It's important for us to understand just what kind of programming of our minds is going on. Only in this way can we remain aware of these brainwashing techniques and work to avoid their effects.



# Chapter Twenty-One

## Brainwashing America

The puppet Bush regime is using new, aggressive forms of brainwashing to change the very way Americans think and feel.

This is the psychological dimension of the “High Cabal’s” general onslaught against American workers, just as the “war on terrorism” is the military dimension, and corporate crime and tax cuts for the rich, comprise the economic dimension.

We are living under the beginning stages of a military dictatorship in precisely the same way that in the 1930s Germans suffered under the Nazi regime.

As in the case of Nazi Germany, state-sponsored propaganda (brainwashing) is a vital part of the Bush regime’s strategy.

New propaganda slogans are being overtly and subliminally implanted by Bush and his gang through their speeches and actions:

- Dissent is treason.
- Constitutional liberties are less important than security.
- The “war on terrorism” excuses any attack on civil liberties.
- The Bush administration has the right and the duty to bring about “regime change” in any nation it chooses.
- The economy is basically sound.
- Only a few bad apples are found in the corporate barrel, which requires no new oversight laws.
- If Bush and Cheney say they’re not guilty of corporate crimes, then believe it and shut up.

## **Propaganda American Style**

Some of these mind programming tactics are so subtle they can be overlooked in the hubbub of everyday life. For example, have you been aware that the very way in which the “public discourse” is being carried on is a subtle brainwashing strategy? In 2002, the Congress, the media, the man and woman on the street are encouraged to ask only this question: How should the US conduct its war against Iraq?

What about the questions:

- Should the US start a second war with Iraq?
- Does an unelected American president have the right to force a “regime change” on another nation?
- Why aren’t Americans up in arms about Bush starting a second battle in his “war against terrorism?”
- Why should American military personnel die merely for Bush’s insane quest for world domination and oil?

## **Insanity as Normalcy**

The way in which the Bush junta is conducting itself is an interesting brainwashing technique in itself: Bush, Cheney, Ashcroft, Rumsfeld, and the others continually commit OUTRAGES but don’t excuse them, explain them, or invite reflection on these affronts to morality and sanity. In fact, when some timid media voice criticizes the Bush junta, the person is demonized as questioning behavior which is beyond reproach.

Americans are being brainwashed to ask only the questions the Bushites allow and they are programmed to see everything the Bush junta does as unquestionably correct.

## **Personality Profiling and Simulation**

In the preceding chapter, I discuss the varied aspects of personality profiling and simulation. While serving as Head of the Artificial Intelligence Department at the US Army War College for several years, I conducted studies on profiling, psychological programming, and brainwashing. I explored

and developed personality simulation systems, an advanced technology used in military war games, FBI profiling, political campaigning and advertising. Part of my discovery was that:

- Unenlightened human minds are combinations of infantile beliefs and emotional patterns.
- These patterns can be simulated in profiling systems.
- These profiling systems can be used to program and control people.

Personality simulation systems are being used to create political campaigns that apply voter profiles to control their voting behavior. TV commercials and programs use personality simulation to profile viewers to control their purchasing and viewing behaviors. And sophisticated propaganda and brainwashing techniques are being used by the Bush junta to keep American citizens under control.

### **The Technology of Thought and Behavior Control**

The long evolution of developing procedures to control human behavior came to a head in the modern world with Pavlov, a Russian scientist. Pavlov made the discovery that you can condition a dog to salivate on command simply by associating food with the ringing of a bell. Once that association is fixed in the dog's mind, the food can be removed and the dog will salivate merely when it hears the bell.

Pavlov carried out the identical experiments on human beings with the same results. Those principles have been adapted to television and motion pictures and can now make Americans salivate in response to a wide array of bells and whistles. We can call it phase one in the evolution of human behavior control.

Phase two was accomplished by the same Russian scientist, Pavlov. Very few people know of this part of his research. During a particularly severe storm in Russia, heavy rains continued for days and Pavlov's laboratories were flooded. Pavlov and his research assistants were able to return to the laboratory only after the flood waters had receded days later.

Upon returning, Pavlov discovered something truly remarkable. Before the flood, many of the dogs had been conditioned to respond to various stimuli.

Lo and behold, all traces of the conditioning in the dogs had disappeared! Bells, food, nothing could induce the former salivation response that had been so carefully implanted in the dogs' nervous systems.

What mysterious influence could account for this remarkable turn of events, Pavlov wondered. So, being a good scientist, he studied carefully what had transpired while he was away from the dogs. They had been left without food or warmth. They had been isolated for days; some of them had drowned. They had been subjected to extreme stress, never knowing if they would live or die. These were the factors that had produced the washing away of the previous conditioning from the dogs' brains — brain-washing.

Pavlov and other Russians followed up this line of research, but it was the Chinese communists in the 1950s who first saw its real potential for use with human beings. They employed these very principles in brainwashing American and other Allied prisoners of war during the Korean conflict. Isolation, periodic denial of food or water, cold and exposure, extreme stress associated with uncertainty of life or death — these conditions, together with a continual barrage of indoctrination produced the erasing of previous beliefs and behavior patterns in American soldiers in particular. Thus brainwashing became phase two in the evolution of human behavior control.

But brainwashing is not very reliable, as the remarkable film *The Manchurian Candidate* shows. The trigger mechanisms can be tampered with, sometimes even erased, before the desired behavior can be carried out.

These procedures are only used now by the CIA and other intelligence services for programming special assassins (see the movie *Parallax View*). Neither classic Pavlovian conditioning nor brainwashing can produce the general results that black-budget project directors in intelligence services desire: absolute control of a human personality.



Phase three in the development of thought and behavior control techniques occurred at Stanford University in the 1960s with a scientist named William Colby. Colby was a Freudian psychiatrist whose work was funded by Department of Defense grants attempting to solve a problem outlined by the DoD: controlling human behavior. Colby learned how to capture the belief systems of his psychiatric patients. He then put these belief systems into computer programs. He refined his research until he was able to capture a patient's personality structure in the computer and then use this computer model to control the patient's behavior.

B. F. Skinner developed the concept of operant conditioning in which a subject—animal or human—receives reinforcement for desired behavior.

The techniques of Pavlov, Colby and Skinner have been taken over by political campaign managers, television producers and advertising executives. Today, the average person is bombarded with conditioning messages throughout each day. We are conditioned to believe, feel, think and act as other people choose. In study after study, cultural conditioning instruments (TV, popular music, web sites, newspapers, magazines) have been shown to elicit specific behaviors on the part of the "receiver."

In this chapter, I'm using the word "brainwashing" in a non-technical sense, to refer to any attempt to influence or coerce another person. All communication has some element of persuasion, even if only to persuade a person to receive and/or consider the communication. So in some sense I'm attempting to "brainwash" the reader of this chapter as does any communicator. You can distinguish between positive and negative "propaganda" or "brainwashing" by asking these questions:

- Does the communication make it clear that it is trying to persuade ("brainwash") the recipient (reader, viewer, etc.)?
  - ❖ If the propaganda is hidden or subliminal (below the ordinary threshold of awareness) then the purpose of the communication is often to control or manipulate the recipient.

- ❖ If the propaganda overtly acknowledges it is trying to persuade or influence the recipient, and invites reflection on the message, then the purpose may be benign or positive.
- Does the communication have the purpose of persuading the recipients to believe or act in ways that are inimical to their own interests?
- In the case of the Bush administration's propaganda efforts, I am arguing in this article that persons being "brainwashed" are being encouraged to believe and act in ways that are destructive of their personal interests.

This chapter encourages readers to reflect on what kind of propaganda ("brainwashing") they are experiencing, which reflection I consider to be of benefit to the readers.

### **Programming Americans to Accept New Views of War and the Military**

My time of service at the Army War College also gave me the opportunity to study:

- The varied mind-sets in the military.
- The dynamic relationship involved in the civilian control of the military.
- Brainwashing in the military.

When our nation was created, its founders understood that all facets of the government, including the military, are created to serve the needs of the people. The American colonists had fought against a British army which did whatever its corrupt civilian monarch and other leaders told it to do. This is why Samuel Adams made the important distinction between the need for and the danger of a standing army.

"A Standing Army," Adams asserted, "however necessary it may be at some times, is always dangerous to the Liberties of the People."

From the beginning of the establishment of a standing military, military personnel have had one of two primary mind-sets:

1. I will remain loyal to my sworn pledge to uphold the US Constitution, no matter what. If I consider a civilian or military order or operation to be contradictory to the Constitution, I will not follow the order and will do whatever is in my power to stop the unconstitutional operation. This mind-set is represented by such military leaders as (to name just a few):

- Colonel L. Fletcher Prouty.
- General Frederick Woerner - commander in Panama and replaced by Bush, Sr. when he wouldn't obey an illegal military order to attack Panama.
- Admiral William Crowe - Chairman of the Joint Chiefs of Staff and replaced by Bush, Sr. when he wouldn't obey an illegal military order to attack Panama.
- The six US Joint Chiefs of Staff in the time frame: 5/25/02 (before their arms were twisted by Powell and Bush to fall into line).
- Army Vice Chief of Staff Gen. John Keane.

2. I will do whatever my civilian and military commanders tell me to do, without reflection on whether or not what they are ordering is permitted by the Constitution (since I want to get ahead in the military). This mind-set is represented by such people as:

- Colin Powell, Chairman of the Joint Chiefs of Staff during Bush senior's presidency (took over when Admiral William Crowe wouldn't agree to Bush, Sr.'s illegal invasion of Panama).
- General Norman Schwarzkopf, commander of the Gulf War against Iraq.
- General Maxwell Thurman, commander of Operation Just Cause, the military attack on Panama (took over from General Frederick Woerner, when Woerner wouldn't agree to Bush, Sr.'s illegal invasion of Panama).
- The six US Joint Chiefs of Staff in the time frame: 8/7/02 (after they'd been coerced into agreement with Bush and Powell).

- General Tommy Franks, current US military commander in Afghanistan.

### **Distorted Concepts of War and the Military**

Since the Korean War, the “High Cabal” has been brainwashing the American public into new, distorted concepts of war and the military:

- The military can be used by the president for whatever purposes he chooses:
  - ❖ For a police action in Korea that the president makes sure the US does not win.
  - ❖ For a police action in Viet Nam that the president makes sure the US does not win.
  - ❖ For the invasion of Panama to capture Noriega, a criminal who had been hired by Bush, Sr. as a CIA operative and now threatened to reveal Bush’s criminal activities in the Iran-Contra and other gun-running, drug-smuggling operations.
  - ❖ For the invasion of Iraq to make a “regime change.”

Of all the enemies to public liberty war is, perhaps, the most to be dreaded because it comprises and develops the germ of every other. War is the parent of armies; from these proceed debts and taxes. And armies, and debts, and taxes are the known instruments for bringing the many under the domination of the few. In war, too, the discretionary power of the Executive is extended. Its influence in dealing out offices, honors, and emoluments is multiplied; and all the means of seducing the minds, are added to those of subduing the force of the people. The same malignant aspect in republicanism may be traced in the inequality of fortunes, and the opportunities of fraud, growing out of a state of war... and in the degeneracy of manners and morals, engendered by both. No nation could preserve its freedom in the midst of continual warfare.

— James Madison, April 20, 1795

## The “High Cabal” Propaganda Machine

A number of rabid right-wing organizations provide the Bush junta propaganda support:

- Project for the New American Century
- Center for Security Policy
- American Enterprise Institute
- Americans for Victory Over Terrorism - empower.org (Bennett, Kemp)
- World Anti-Communist League (Singlaub)

Any informed American is aware that the “High Cabal” carries on its efforts to turn America into a full-fledged dictatorship through a number of organizations. A partial list would include:

- Council on Foreign Relations
- Trilateral Commission
- Bilderberg Group
- Carlyle Group
- World Bank and International Monetary Fund

The Council on Foreign Relations is the “High Cabal’s” mandarin stable, where sycophants write articles and chair meetings to discuss what policies and strategies the current puppet government must follow. A recent Council On Foreign Relations Task Force report ordered the Bush Administration to upgrade public diplomacy because too many people in the world, especially Arabs, don’t like Americans.

Yowsuh! the Bush puppet gang replied, and went into immediate action, creating a new Office of Global Communications (OGC) to coordinate the administration’s foreign policy message and huckster America’s image globally.

The OGC supplanted a smaller propaganda group set up during the war in Afghanistan, when the Bush junta feared the US was losing the public relations battle even though winning the war.

The US government has had a propaganda arm since 1942, centered in the US International Broadcasting Bureau

(IBB). IBB broadcasts in 52 languages around the world and includes:

- The Voice of America
- The Office of Cuba Broadcasting
- The Worldnet Television and Film Service
- A new service, the Middle East Radio Network (MERN)

MERN's Radio Sawa, which began broadcasting overseas on March 23, 2002, is an interesting mix of pop music, news, opinion pieces, weather and sports, targeting the 25 and under demographic group. Radio Sawa (which means "together" in Arabic), funded by our tax dollars, is the brainchild of California media mogul, Norman Pattiz, US Broadcasting Board Governor and Founder/Chairman of Westwood One Radio. Funding for Radio Sawa was championed by Sen. Joseph Biden, D-Del., a friend of Pattiz, and \$35 million was approved for fiscal 2002, with more than \$16 million of those dollars going to build new transmitters, a one-time cost.

The umbrella group running this propaganda operation is the Broadcasting Board of Governors (BBG), an agency of the US Government. Radio Sawa is a service of US International Broadcasting, an arm of BBG. Radio Sawa operates on the assumption that communicating directly in Arabic with the peoples of the Middle East by radio will win their attention and respect.

Pattiz, a wealthy contributor to former President Clinton, describes the Radio Sawa mission as follows: "We are committed to making sure people can hear America's voice and better understand our country and what it stands for."

Programming includes talk-radio shows where people can call in and ask questions about the United States, its government and its people. As well as being available via Nilesat, Arabsat, and Eutelsat, Radio Sawa broadcasts 24 hours a day, 7 days a week on FM frequencies throughout the Middle East.

It appears that a large number of people in the Arabic world are not taken in by the Bush regime's clumsy effort to

brainwash youth in the Middle East, as an article in the Al-Ahram Weekly Online Web site indicates.

“What’s wrong with propaganda?” asks Ayman El-Amir in this article.

“Nothing, except if you claim that it is not what it appears to be. Almost all countries practice propaganda in one form or another, depending on the policy agenda and the region of interest.

“The United States has consistently been a good exporter of its short-term myopic interests, and a bad promoter of the ideals of the value system on which it was founded. That may explain why outside Europe, the US of the post-World War II era found itself more in the bad company of ruthless dictators, rather than in the good company of democratically elected leaders.

“The chances are the Arab youth themselves will split the strategy: take the US sound and discard the US agenda.”

### **Bush’s Fake Economic Forum**

As this book is being written (August, 2002), Dubya is trying to brainwash the American people into thinking the economy is okay, that only a few “bad-apple” CEOs of corporations have crossed the line of criminal behavior, and no new legislation is necessary to stop runaway corporate crime that his administration has encouraged.

Fortunately, a considerable number of Americans, including even some of the usually supine press, are seeing through this propaganda swindle. An August 13, 2002 MSNBC opinion piece by William Saletan brands the effort “‘Bush’s Fake Forum.’ This afternoon at the President’s Economic Forum in Waco, Texas, President Bush and Vice President Cheney sat side by side on the stage of a packed auditorium for more than an hour. That’s the first time they’ve been that close together for that long in public since Sept. 11. Evidently they’re no longer afraid of terrorists. What they’re afraid of is Americans.”

An August 14, 2003 *Washington Post* editorial called the “forum” a confidence game: “The theme of those reports was

that the country needs lower taxes, that most corporate executives are honest and that the solution to corporate scandals is less, not more, regulation.

“‘Recession and the cost of war and the cost of homeland defense have increased our deficits,’ Mr. Bush said yesterday. At his forum, there was no one to remind him that tax cuts are playing their part too. In the real world, they’re part of the arithmetic.

“The fake forum was seen in its true colors when the Bushites had to admit that the participants were coached in what to say. Their attempt to call the coaching material ‘talking points’ just didn’t cut it.”

### **Paradoxical Psychological Manipulation**

A powerful strategy of clandestine brainwashing is to send a communication with two paradoxical messages.

For example, the movie series *The Godfather* contained these two contradictory messages:

- Mafia crime families are just like ordinary people.
- A mafia criminal will kill his own family if necessary; don’t think he would hesitate to kill you if ordered to.

Even intelligent people can be taken in by this brainwashing technology of paradoxical messaging. An example of this phenomenon is a current operation by the Advertising Council.

The Ad Council expresses its overall purpose in this way: “We marshal [sic] the volunteer forces of advertising agencies and media companies to affect [sic] positive social change.”

One of the Council’s current operations is called the “Campaign for Freedom.” If you believe the Council, “The initiative is designed to assist Americans during the war on terrorism through the development and distribution of timely and relevant public service messages. This first round of PSAs for the campaign has been created to celebrate our nation’s freedom and remind Americans about the importance of freedom and the need to protect it for future generations.



“According to research, Americans are looking for messages that will inform, involve and inspire them during the war on terrorism. This inspirational campaign is advertising’s gift to America on the occasion of its birthday, Independence Day.”

All of the ads conclude with the powerful tagline, “Freedom. Appreciate it. Cherish it. Protect it.”

The first of six video clip “messages” involves the image of an American urban block, with the voiceover: “On September eleventh, terrorists tried to change America forever.”

The image changes to the same urban street but this time with American flags hanging in front of every house. “Well, they succeeded.”

Now, that seems rather prosaic, doesn’t it? The message is: “We showed those terrorists what we’re made of!” Nothing to quarrel with, is there?

Well, maybe. Note the critical element of the image/message: EVERY house has a flag in front of it.

So the paradoxical message is: America is changed forever to a 200 percent patriotism that can see no wrong with whatever the Bush administration does.

I recommend you examine all six Ad Council “messages” to see the paradoxical communications in each.

The other Ad Council “message” I’ll analyze here is one in which a college age kid goes into a library and hands a list of books on a request slip to a female librarian. The boy says to the librarian, “I can’t seem to find these books anywhere.”

The librarian types them into the computer and says, “These books are no longer available.”

He says, “I didn’t know.”

The librarian says, in an accusatory voice, “May I have your name please?”

“Why?” the boy replies.

As he walks away, he’s seized by two men.

“What did I do?” he asks in desperation.



“We just have a couple of questions.”

We hear the kid gasping as they roughly drag him off.

The “message” ends, as all six do, with the tag: “Freedom. Appreciate it. Cherish it. Protect it.”

Some rather bright people have taken the “message” of this video clip to be: “Thank God, that can’t happen in America.” And based on that reading of the communication, they assume that the showing of the video on national TV is a positive thing.

You can only believe that “message” if you don’t know that the FBI is already checking libraries to see what people are reading. In other words, that isn’t a scene of a non-reality but of a very present reality.



**Part III**  
**What Can We Do To**  
**Awaken Our Country?**



## Chapter Twenty-Two

### Freedom and the Internet

A federal court has just ruled unconstitutional the government's proposals for control of a public communication domain. No, this is not the Internet today; the year is nineteen twenty-six (1926)—and the domain is radio. Seventy years later—1996—history repeated itself as the Philadelphia 3—three federal judges—ruled unconstitutional the government's attempt to restrain the Internet with the Communications Decency Act (CDA).

In 1926 Secretary of Commerce Herbert Hoover proposed that the new radio communication realm should be controlled by government allocation. The nation-wide, high power, "clear channel" frequencies would go to the large national companies such as NBC and CBS, and the lowest power, "static-channel," local stations to the universities.

Even though Secretary of Commerce (soon to be President) Hoover's actions were ruled unconstitutional by a federal court in 1926, the Radio Act of 1927 made legal Hoover's sellout of radio channels to the big corporations. Within three years, half the radio stations operated by educational institutions had been driven out of business. When television channels came up for grabs in later decades, the same business-government seizure took place. Unless we do something now, the Internet will suffer the same fate as radio and television in America—confiscation by commercial interests through collusion with a corporation-dominated government.

The Internet is a marvelous global meeting place where you can express your ideas for very little cost or effort. You can broadcast your thoughts and creations on the Internet to vast numbers of people worldwide, without paying millions to buy a radio or a television broadcasting station, without being judged relevant or literary or stylish by some newspaper, magazine or book publishing editor. No wonder it's being viewed with such alarm by the people who now have a stranglehold on the communications media.

We must free the Internet from the dangers facing it. We must see that commercial and government interests don't confiscate it, that information overload doesn't degrade its operation and that it is not strangled by repressive ordering principles such as "decency" or some other moralistic scam.

The Philadelphia Three (three Federal Court justices) gave the Internet a temporary or permanent reprieve from government enforcement of "decency" standards. But the Internet is still not free—free from the danger of government or commercial control or from encroachment on the Internet infrastructure by commercial-military-government interests such as Science Applications International Corporation.

### **The Internet As a Public Technology**

The Internet was created with American tax dollars. As early as 1957, when President Eisenhower created the Defense Advanced Research Projects Agency (DARPA), federal funds developed a military telecommunications network which could survive a nuclear attack—hence the de-centralized nature of the Internet.

The federal government then used this tax-money-created network to support military and academic research, before handing it over to the National Science Foundation. At the beginning, the Internet could only be used for non-commercial purposes—since it had been created with public tax money. As the commercial possibilities became too tempting for American business interests to ignore, the Commercial Internet eXchange (CIX) was patched into the Internet, and in

the last several years the Internet has gone commercial in a big way.

But no matter how much the Internet has been commercialized, it has remained a public forum. We can only keep the Internet free if we retain this public forum format. The sad history of radio and television need not be repeated.

As the Internet has evolved, pieces of this tax-money-created technology have been sold to select commercial interests and the government has allowed corporations such as Microsoft, America Online, CompuServe and Prodigy to use the technology free of charge without enhancing the infrastructure for their millions of new users.

Then the National Science Foundation, a government agency, allowed a commercial company, Network Solutions, Inc. (NSI) of Herndon, VA, to begin charging \$50 a crack for domain names on the Internet, the names used to identify a particular site. Now we have a public technology, Internet domain names registration, declared the property of a private company.

Next, we learned that Network Solutions, Inc. had been purchased by Science Applications International Corporation (SAIC) four months before NSF and NSI announced the user fee system. This user fee enterprise is a \$5.9 million annual windfall for SAIC.

What is SAIC? Stephen Pizzo told us in an October 1995 article in *Web Review* that it's "a \$2 billion company whose ranks bristle with former defense and intelligence officials." Pizzo pointed out that the SAIC Board of Directors is a veritable Who's Who of retired defense and intelligence officials: Admiral Bobby Inman, former National Security Agency head and deputy director of the CIA; Melvin Laird, defense secretary under President Nixon; Retired General Max Thurmon, commander of the Panama invasion; Donald Hicks, former head of research and development for the Pentagon; and Donald Kerr, former head of the Los Alamos National Laboratory. Fortunately, the NSI contract ended on March 31, 1998.

Some seemingly well-intentioned people and groups, such as Al Gore and the Electronic Frontier Foundation (EFF),

believe that the Internet can remain free only if it's privately owned and controlled. Government regulatory agencies have an unsavory history of getting into bed with the very industries they are supposed to regulate, and the prospect of government censorship is unwelcome.

But commercialization is not the answer. As Andrew Shapiro says in *The Nation* (July 3, 1995), "speech in cyberspace will not be free if we allow big business to control every square inch of the Net. The public needs a place of its own."

The commercial sectors of the Internet, the big on-line providers, have already started to throw their weight around. Prodigy cut off subscribers who dared to criticize its policies. America Online does everything possible to keep its members spending money "in-house" and away from the Internet. Microsoft continues to create Internet browsers and other Web software that will only work with Microsoft products.

Government control or commercial ownership won't work. To keep this unprecedented public forum, we should demand that the government turn over the Internet infrastructure to a public, non-profit organization. A public, international organization must be commissioned to provide direction for the Internet. Only non-government, non-corporate personnel should serve as members of the steering committee. This non-profit organization would use the fees from domain name registration and other government funding (tax dollars) to maintain and enhance the Internet infrastructure and operation.

Of course, placing the Internet under the direction of a public organization will not automatically ensure the Internet's freedom. Internet users worldwide will have to participate actively in upholding freedom of speech and communication. Once autonomy is assured, we can begin to fine-tune this wonderful instrument.

### **Information Overload**

The Internet is being threatened with information overload. Thirty to fifty million Internet users are currently producing a terabyte of data a day – the equivalent of 70 million 300-page



books per month. And the number of users is growing at astounding rates. In 1995, the Microsoft Network alone added millions of new users onto already overstretched Internet communication lines. We should see to it that Microsoft, America Online, Compuserve, Prodigy, and other large-user-base companies pay to beef up the Internet infrastructure, or we will continue to suffer from the intolerably slow access times users frequently experience.

In *Megatrends*, John Naisbitt points out the dangers of our present information hypertrophy: "We are drowning in information but starved for knowledge. This level of information is clearly impossible to be handled by present means. Uncontrolled and unorganized information is no longer a resource in an information society, instead it becomes the enemy."

### **The Battle to Maintain Freedom of Speech on the Internet**

Jan. 21, 1999: a Shanghai court sentenced a computer engineer to two years in jail in a case indicative of official efforts to control China's growing use of the Internet.

The Shanghai No. 1 Intermediate Court ruled that Lin Hai, 30, committed a subversive act in January, 1999, when he sent 30,000 Chinese e-mail addresses to VIP Reference, an electronic publication based in the United States that the Chinese authorities consider hostile to Beijing.

VIP Reference, one of many electronic publications that distribute news about China, is compiled by Chinese democracy advocates in Washington. Editors of the newsletter say they send information to 250,000 e-mail accounts in China. Lin's two-year sentence, harsh by any international standard, is relatively light for a charge of political subversion in China. In a recent crackdown on efforts to set up a democratic political party, three leading dissidents were given sentences ranging from 11 to 13 years in prison.

A March 26, 1999 court decision in Britain may affect the entire ethos of freedom of speech on the Internet and leave UK businesses lagging behind the rest of the world in elec-

tronic commerce. Mr. Justice Morland in London's High Court ruled that Demon Internet, the pioneer in Internet provision in the UK and now part of Scottish Telecom Internet Services, is responsible for the information that is posted to and made available from newsgroups that are held on its servers. The case arises out of a posting made by an unknown individual in the US, not by a Demon Internet customer.

There are approximately one million individual postings to the Internet's usenet news service each day. These articles are held by ISPs around the world for access by individuals.

This and other cases must be fought so that ISPs are not liable for Internet content. Otherwise the entire Internet will fall under the dead hand of censorship.

Ultra-conservatives in many countries are trying to force censorship on the Internet using the excuse that young children should be protected from unsavory content. In more repressive countries, Internet censorship is already a harsh reality.

For example, several months ago in Turkey a teenager received a suspended jail sentence for making comments critical of police in an online forum.

In the US, reactionary parents are using overly restrictive filtering software to "protect" their children from the dangers of Internet smut and pornography. Some of these filtering systems actually filter out sites which oppose pornography, since a site using such words as "pornography" is excluded from display.

Hopefully, the idiotic extremes to which the advocates of censorship go will make it clear that freedom of speech on the Internet must be preserved. The Internet ought to have the same constitutional guarantees of freedom of speech that print and broadcast media enjoy.

### **The Current State of the Internet**

The present anarchical nature of the Internet also poses a very real danger: that some repressive organization will convince people that it should control the chaos. We can be pleased that the Internet is an anarchy – that's certainly much better than

its being totally controlled by commercial or governmental interests. But we must provide organizing principles for the Internet that have a socially conscious outlook; otherwise the Internet anarchy will be taken over by the same power elite.

At present the Internet forum is in a similar state to that of 16th through 18th century Europe after the invention of the printing press in 1455. With Gutenberg's new invention (a modified wine press which held letters in a tray on which a piece of paper was screwed down to produce a printed page), the common man could for the first time have in his hands books which had previously been too expensive or too controlled by the Church or the state for his study. Within forty years there were over two hundred and fifty printing shops scattered all over Europe producing more than thirty thousand different publications, with over twenty million books circulating among a hundred million Europeans.

Printing brought an anarchy of information, a storm of publications flooding Europe. And as a first step, this was certainly much better than the previous situation where most information had been completely dominated by political and religious despots. But it was only a first step.

Protestant leaders used printing technology to overthrow part of the old regime and establish a new ecclesiastical order, which was as repressive as the old in critical ways. The Roman Catholic Church, the most powerful political-religious-propagandist organization in Europe, devised its own "ordering" schemes for the anarchy of printing, such as creating an Index of books which a Roman Catholic was forbidden to read, on pain of being executed by order of the Inquisition. Books and pamphlets could be printed only with the approval of Kings, Queens, or Princes, under pain of execution, imprisonment, or exile.

It was only when a new, socially conscious ordering principle arose with Enlightenment activists such as Voltaire and Diderot in Europe and Franklin and Jefferson in America that the anarchy could be directed toward truly humanitarian goals. Enlightenment ideas provided the foundation for a new nation, the United States of America.

In providing socially conscious ordering principles for the Internet, to protect it from the imposition of repressive ordering schema by government, religious, or commercial interests, we can look to the foundational principles of the Enlightenment for guidance. We need to create a New Enlightenment movement.

We have a choice between Enlightenment principles and the blatantly skewed ideals of 20th century thinkers.

We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness.

– Declaration of Independence

“Freedom is the by-product of economic surplus.”

– Aneurin Bevan (1897–1960), British Labour politician

The Internet can be the locus for new embodiments of such Enlightenment instruments as the French Encyclopedia, Franklin’s Almanack, and the Committees of Correspondence of the American activists. In line with the progressive principles of the 18th century Enlightenment, this new Internet-assisted movement would include:

- Creating a periodically updated Encyclopedia of the most important information in all major fields of study.
- Rendering of information in simple, clear terms, so issues are understandable to the non-expert, intelligent world citizen.
- Focusing the New Enlightenment movement on major issues for human betterment.
- Centering on a humanist-populist, practical, socially conscious point of view.
- Exposing political, religious, and social repressions which continue to degrade and destroy human lives.

We must prevent the Internet from being taken over by unprincipled, ruthless commercial and government agen-

cies — or we the public will certainly pay the price: the loss of a marvelous global public meeting place, a world-wide forum which can be used to forward humankind's advance out of political, economic, and social bondage to its highest levels of enlightenment, creativity and freedom.



## Chapter Twenty-Three

### **Wilhelm Reich: Listen, Little Man! A Review**

John Stuart Mill said that “mankind can hardly be too often reminded, that there was once a man named Socrates, between whom and the legal authorities and public opinion of his time, there took place a memorable collision [so that Socrates was] put to death as a criminal.”

In a similar vein, Americans can hardly be too often reminded that there was once a man named Wilhelm Reich who died in an American federal prison on charges that today would be laughed out of any court.

Reich had attained his medical degree in Germany and studied psychoanalysis with Sigmund Freud, becoming one of Freud’s favorites. Reich was an activist in the German Communist party during the 1930s, but his ideas and teaching disagreed with the party line, and he was expelled from the party in 1933. He later became one of its most unrelenting opponents.

In 1939, with World War II approaching, Reich moved to the United States.

In 1947, following a vicious smear article in the *New Republic* by Mildred Edie Brady, the US Food and Drug Administration (FDA) began an investigation into Reich’s orgone energy accumulator. The Brady article claimed that Reich was conducting a sex racket, and the FDA assumed his

books must be pornographic literature. The FDA Gestapo was uninterested in scientific information concerning the accumulator, and when Reich refused to cooperate with their witch hunt, the investigation bogged down, lacking any evidence against the accumulator.

In 1954, during the Joe McCarthy era, the American feds decided to go after Reich again. Without any proof whatsoever, the Food and Drug Administration succeeded in having a federal court brand the accumulator a fraud, with the added dictum that orgone energy does not exist, and the order that all literature even mentioning orgone energy should be burned. The FDA placed a ban on transporting or using Reich's orgone boxes. Because one of Reich's co-workers continued to transport the orgone boxes, Reich was imprisoned. He died of a heart attack in prison at the age of 60 in 1957, the day before he was to go up for parole.

Today, Reich's books are on sale throughout the world and orgone accumulators are sold in the United States, Germany, and other countries. An orgone box is a 5- by 2 1/2- by 2 1/2-foot box made of layers of sheet metal and wood that Reich claimed pulled a physical-psychic energy from the universe. The accumulators were purchased by doctors and psychiatrists in both the US and abroad.

In 1940 Reich spent five hours with Einstein. When Reich left, he said to Einstein, "You understand now why everyone thinks I'm mad." Einstein replied: "And how."

Reich wrote *Listen, Little Man!* in 1946 and it was published in 1948. The book is Reich's warning to the common man in all societies that he, the little, average man, is lethally responsible for the rapidly spreading social cancer of fascism. Reich had seen how common citizens in Germany embraced their enslavement by their Nazi overlords. He was now seeing the reappearance of the same phenomenon in the United States and Europe. Someone needed to tell the average citizen that his personal characteristics were at the root of the world-wide plague of totalitarianism.

Most of the chapters in this book and in alternative, progressive magazines and newspapers worldwide, point out the



fascistic tendencies of the ruling elites in the various nations. But it is particularly relevant at this period in our national experience as Americans to be aware of the fatal collusion of the “average man and woman” in the rapid increase in totalitarianism, such as the secret military tribunals, the failure of the Bush administration to investigate the causes of the 9/11 attacks, the give-away of trillions to the moneyed interests, and the deliberate attacks on constitutional liberties.

In *Listen, Little Man!*, Reich lambastes the average citizen for not only cooperating with dictators such as Mussolini, Hitler, and Stalin, but actually embracing them and worshipping them, as is now happening in the “high approval ratings” for our illegally non-elected, illiterate, unilateralistic, plutocratic, dictatorial American president. The TV stations and *New York Times* editorials bore us silly with how Bush has turned from a sow’s ear into a silk purse, becoming a genuine leader and “making the hard decisions.”

It’s almost enough to make one think: “the American people are getting the kind of leaders they deserve.”

Almost, but not quite. No nation deserves the kind of raping and pillaging of our American way of life that the current Bush administration is carrying out.

The 200% American jingoism that we suffered from for several months is somewhat subsiding—one doesn’t see the pickups with two large flags blowing in the breeze or the flags flying in front of homes 24 hours nonstop as much as before.

But Americans are going to have to wake up and take responsibility for this new dictatorship or we’re all going down the tubes!

In the same vein as Reich’s message, in this book I am explaining how the “common man and woman” must learn to think for themselves before they end up as cannon fodder in a so-called new world war against terrorism (which is actually a new war against American liberties).

As Reich explains in his introduction to the book:

It reflects the inner turmoil of a scientist and physician who had observed the little man for many years and seen, first with astonishment, then with horror, what he does to himself; how he suffers, rebels, honors his enemies and murders his friends; how, wherever he acquires power 'in the name of the people,' he misuses it and transforms it into something more cruel than the tyranny he had previously suffered at the hands of upper-class sadists.

Those who are truly alive are kindly and unsuspecting in their human relationships and consequently endangered under present conditions. They assume that others think and act generously, kindly, and helpfully, in accordance with the laws of life. This natural attitude, fundamental to healthy children as well as to primitive man, inevitably represents a great danger in the struggle for a rational way of life as long as the emotional plague subsists, because the plague-ridden impute their own manner of thinking and acting to their fellow men. A kindly man believes that all men are kindly, while one infected with the plague believes that all men lie and cheat and are hungry for power. In such a situation the living are at an obvious disadvantage. When they give to the plague-ridden, they are sucked dry, then ridiculed or betrayed.

It is high time for the living to get tough, for toughness is indispensable in the struggle to safeguard and develop the life-force; this will not detract from their goodness, as long as they stand courageously by the truth... Anyone who wants to safeguard the life-force from the emotional plague must learn to make at least as much use of the right of free speech that we enjoy in America for good ends as the emotional plague does for evil ones. Granted equal opportunity for expression, rationality is bound to win out in the end. That is our great hope."

## Chapter Twenty-Four

### **If You're So Rich, Why Aren't You Wise? An Introduction to the Concept of Social Intelligence**

When Alfred Binet devised a measure to predict which Paris youngsters would succeed and which would fail in the primary grades at the beginning of the twentieth century, he started what was to become the vast intelligence quotient-IQ sub-culture. This new intellectualist clan expanded widely when Binet's test was used with over one million American military recruits for World War I. Since then the IQ sub-culture has expanded into the Scholastic Aptitude Test (SAT), the American College Test (ACT), the Graduate Record Examination (GRE), the Miller Analogies Test (MAT), and many others. Like any sub-culture, once it started rolling it had its believers and its detractors.

Edward L. Thorndike maintained that there are three intelligences: abstract, mechanical, and social. In a *Harper's Magazine* article in the 1930s, he defined social intelligence as the ability to understand others and "act wisely in human relations. He maintained that social intelligence is different from academic ability and a key element in what makes people succeed in life. But beyond those general characterizations of social intelligence, Thorndike didn't have much to say.

Part of the test of a concept is what it accomplishes in human life. If we look at the social effects of the IQ sub-cul-

ture I think we must say it's been a dismal failure. IQ measures have been used to make invidious distinctions between people: higher IQ persons were supposed to be "superior" to low IQ persons in some mysterious way. The American concept of "intelligence" has narrowed down to two basic images: 1) the Double Jeopardy kind of quiz kid mentality which sees the memorization of unorganized information as the height of intelligence, and 2) the mis-identification of intelligence with financial success, epitomized in the phrase, "If you're so smart, why aren't you rich?"

It's not surprising that the IQ cult has landed us in such deplorable intellectual straits; its basic concepts were regressive to begin with. The IQ "tests" merely tap an individual's capacity:

- To follow directions (accept a problem to be solved and the way to solve it).
- To make sure you're following the right steps and arrive at the correct solution (correct as defined by the test maker).
- To have memorized the cultural "great ideas," historical figures and battles, scientific data, and other inert "facts" deemed important by the test makers.

## Multiple Intelligences

In developing the concept of social intelligence, I have found Howard Gardner's concept of multiple intelligences to be fruitful. Also helpful is the concept of emotional intelligence developed by Solovey and Mayer<sup>2</sup> and reviewed by Goleman.<sup>3</sup> Gardner is able to see through the American obsession with the logical-mathematical concept of intelligence, identifying seven kinds of intelligence: linguistic, logical-mathematical, spatial, musical, personal, interpersonal, and intrapersonal.

I find these seven concepts of intelligence useful as a counterbalance to the cultural bias toward the IQ tests which focus exclusively on logical-linguistic-spatial-mathematical

mental skills. They also help obviate the idiocy that persons are to be judged as intelligent by the happenstance of their being wealthy.

### **Social Intelligence**

A definition is a way of placing a concept in a general category and then distinguishing the particular concept from others in that category. So we define a wine bottle as being in the category of container and distinguish it from other containers as being usually a glass container.

In defining social intelligence we're talking about a general category: the human capacity to understand what's happening in the world and responding to that understanding in a personally and socially effective manner. We have to confine our definition of social intelligence so we're not including within it all positive human attributes, making it a kind of definitional panacea.

What we're trying to do in defining social intelligence is get at a quality in human beings which makes them capable of awareness and understanding in the broadest possible terms. Not mere financial or academic or interpersonal success but understanding that makes it possible to make their lives worthwhile and their society better during their lifetime. Social intelligence is in the tradition of wisdom, not the more current idea of "smartness."

A definition is a way of producing specific results. By defining social intelligence we want to create a new model for human behavior and a new way of viewing reality. The model will attempt to get rid of truncated, lopsided definitions of intelligence, so we could no longer speak of a socially intelligent murderer or a socially intelligent corporate CEO who takes American jobs to Mexico and destroys vast parts of American life (cities, families, facilities).<sup>4</sup>

Our definition of social intelligence also has to include such a person as Socrates, a man who ended his life as a condemned criminal but who achieved timeless success through passing on his understanding of what intelligence is—the

recognition of one's own ignorance and faithful dedication to one's principles.

### **Testing Definitions of Intelligence for Specificity**

The difficulty with previous definitions of intelligence is that they refer to certain qualities or skills that may lead to effectiveness or limited success, but do not refer to the specific grouping of qualities we include in social intelligence. Yes, it takes a certain kind of mental skill to pass IQ tests; it requires a great deal of psychological shrewdness to acquire wealth; we recognize when a person is emotionally mature by their ability to take responsibility for their own emotions, among other things. But none of these factors, either separately or in tandem, points to social intelligence. Some definitions of intelligence seem to be nothing more than isolated skills.

Gardner's concepts of musical and spatial intelligence appear to be no more than discrete abilities, but not social intelligence. If we put each of the old definitions of intelligence to the test of specificity, they all fail.

So our procedure in defining social intelligence is 1) examining current and historical models of intelligence, and 2) analyzing current and past conceptions of what characteristics make up human intelligence. We then arrive at a combination of elements which make up social intelligence; no single ingredient is adequate by itself. For example, we examine John Stuart Mill's conception of a wise person:

In the case of any person whose judgment is really deserving of confidence, how has it become so? Because he has kept his mind open to criticism of his opinions and conduct. Because it has been his practice to listen to all that could be said against him; to profit by as much of it as was just and expound to himself, and upon occasion to others, the fallacy of what was fallacious. Because he has felt, that the only way in which a human being can make some approach to knowing the whole of a subject, is by hearing what can be said about it by persons of every variety of opinion, and studying all modes in which it can be looked at by every character of mind.

No wise man ever acquired his wisdom in any mode but this; nor is it in the nature of human intellect to become wise in any other manner. The steady habit of correcting and completing his own opinion by collating it with those of others, so far from causing doubt and hesitation in carrying it into practice, is the only stable foundation for a just reliance on it; for, being cognizant of all that can, at least obviously, be said against him, and having taken up his position against all gainsayers—knowing that he has sought for objections and difficulties, instead of avoiding them, and has shut out no light which can be thrown upon the subject from any quarter—he has a right to think his judgment better than that of any person, or any multitude, who has not gone through a similar process.<sup>5</sup>

And we examine characteristics of certain groups which would preclude their possessing social intelligence, as in C. Wright Mills' 1956 characterization of the power elite's mode of thought:

The person who will be chosen to positions of power by the power elite... must "fit in" with those already at the top... So speak in the rich, round voice and do not confuse your superiors with details. Know where to draw the line. Execute the ceremony of forming a judgment. Delay recognizing the choice you have already made, so as to make the truism sound like the deeply pondered notion. Speak like the quiet competent man of affairs and never personally say No.

Hire the No-man as well as the Yes-man. Be the tolerant Maybe-man and they will cluster around you, filled with hopefulness. Practice softening the facts into the optimistic, practical, forward-looking, cordial, brisk view. Speak to the well-blunted point. Have weight; be stable; . . . and never let your brains show."<sup>6</sup>

### **If You're So Smart, Why Are You A Unabomber?**

A good deal of heat was generated by discussion of the

Harvard-educated Berkeley professor turned unabomber. Apart from the renewal of America's tendency toward anti-intellectualism, the unabomber issue raises the question again of how a person could be an IQ superstar and a murderer at the same time. The issue helps us recognize that there is something fundamentally wrong with our identification of academic or logical-mathematical skill as intelligence.

If you retain the IQ definition of intelligence, then Theodore Kaczynski was a mental whiz. But if you broaden the concept of intelligence to include interpersonal compassion and social concern then the unabomber was not intelligent, merely academically bright. The whole episode helps to clarify the bankruptcy of the IQ sub-culture.

By social intelligence, then, we mean the qualities of:

- Seeing through the current social myths and diversions.
- Understanding the necessity of life-long self-education.
- Recognizing the necessity of social action, including discerning what the social situation requires and creating a program to realize social reform; and developing genuine feelings of compassion and regard for one's fellow human beings.

The world social situation is in such a state of crisis that no other group of qualities qualifies a person to be deemed socially intelligent.

Social intelligence, in my view, includes the whole range of mankind's relationships with other humans and with the world in general. Social intelligence, in other words, is much broader than political awareness or psychological savvy or enlightened activism. It includes discernment of all social conditioning, from ritual to religion, from MTV to metaphysics, from jet-set to down-sizing, from anti-terrorist legislation curtailing our freedom to the Orwellian crippling of our language and our minds. Thus, in creating a definition of social intelligence, we are talking about the whole range of human thought and action. It includes an examination of the mythologies of contemporary science and a review of the work of investiga-



tors who are pushing us beyond the current Newtonian-Einsteinian ideologies to new ways of viewing reality.

Social intelligence includes what Theodore Roszak calls "spiritual intelligence" in his book, *Unfinished Animal*:

It is spiritual intelligence the moment demands of us: the power to tell the greater from the lesser reality, the sacred paradigm from its copies and secular counterfeits. Spiritual intelligence—without it, the consciousness circuit will surely become a lethal swamp of paranormal entertainments, facile therapeutic tricks, authoritarian guru trips, demonic subversions.

But where is spiritual intelligence to be found, especially in this society whose peculiar history renders it as incompetent at dealing with the subtleties of the spiritual life as the Bushman-Hottentots would be at programming a computer? The answer that suggests itself at once to my own taste is: we must find it in sacred tradition, in those ancient springs of visionary knowledge which are the source of the mystic and occult schools, and from which we draw our entire repertory of transcendent symbolism and metaphysical insight. The "perennial wisdom," the "secret doctrine," the "old gnosis"... if the idea of such an original and universal epiphany is a "myth," then it is one of the good myths; in fact, the myth which underlies our very conception of truth as that to which all people voluntarily acquiesce in their common humanity.

In this chapter, I have outlined the concept of social intelligence and indicated some of its roots in the thought of social thinkers and activists. It remains for later studies to illustrate separate aspects of social intelligence that lead to personal and social action. Some of the other dimensions of social intelligence that we are currently investigating include:

- How we can train in and increase social intelligence, unlike the fixed quotient concept of IQ.

- How we can realize group social intelligence through intellectual and psychic flocking.
- How people with social intelligence are able to identify others with social intelligence in non-ordinary ways.
- How people with social intelligence are able to attain social invisibility.
- How social intelligence relates to the wisdom tradition (wisdom literature, wisdom as enlightenment, etc.).
- How to distinguish between “having” and “being” in relation to social intelligence, a la Erich Fromm and other thinkers.
- How levels of social intelligence are manifested in political and spiritual awareness.

### Notes:

- 1 Howard Gardner. *Frames of Mind: The Theory of Multiple Intelligences*, 1983.
- 2 Peter Solovey and John D. Mayer. “Emotional Intelligence,” *Imagination, Cognition, and Personality* 9. 1990, pp. 185-211.
- 3 Daniel Goleman. *Emotional Intelligence*, NY: Bantam Books, 1985.
- 4 *Roger and Me* - a film by Michael Moore; and the latest media stories about today’s firing of a new group of American workers and the multi-million dollar salaries of American corporate CEOs
- 5 John Stuart Mill. *On Liberty*, NY: Cambridge University Press, 1859, 1994.
- 6 C. Wright Mills. *The Power Elite*, NY: Oxford University Press, 1956.
- 7 Paulo Freire. *Pedagogy of the Oppressed*, NY: Seabury, 1973.

## Chapter Twenty-Five

### **Building a Unified Activist Citizen Taskforce**

“All that is necessary for evil to triumph is for good men to do nothing.”

– Edmund Burke

Americans still enjoy a wide range of basic constitutional rights. However, ruthless corporate, financial, and political looters are rapidly undermining our civil liberties and pushing the middle and lower economic classes into privation, poverty, and homelessness. As we become aware of their attacks on American values and institutions, there is no need for anxiety, hatred, or hopelessness. This is simply the situation—no matter how unfortunate—and we need to face it and get on with the business of bringing about fundamental change in our society. On the other hand we should not simply sit about idly theorizing or smiling at the devastation of human beings in our society and around the world. Something must be done!

Our current situation is similar to that which American patriots faced in the 1770s: a country ruled by “foreign” and “domestic” plutocratic powers and a divided citizenry uncertain of their vital interests.

Unlike the first Americans who fought militarily to win their freedom against British oppression, it would be idiotic to

use violence in our present struggle to create a New America where the well-being of all its citizens is the common goal. The “High Cabal” (power elite) controls armed violence (military, intelligence agencies, police) in the United States. And, as we’ve seen in such foreign incursions as Afghanistan, Kosovo, the Persian Gulf and Panama and domestic incursions such as Waco and Ruby Ridge, it does not hesitate to use violence against anyone it brands as an enemy.

So if we cannot—and should not—use violence to recreate America, what viable means do we have at our disposal in our struggle toward equality of opportunity and justice? We must work to develop a united taskforce composed of American activists who understand the general principles and particulars of the operations of the power elite. This informed activist group would respond to crises as they unfold, such as:

- Bush and the Supreme Court seizing the US presidency through a *coup d’etat*.
- Bush seizing power to declare a person a “terrorist” and placing him or her under the jurisdiction of the Secretary of Defense and not allowing this person to use US or foreign courts.
- The oil war in Afghanistan.
- The Panama invasion.
- Globalism.
- NAFTA.

This activist citizen taskforce would need to develop a broad-based, activist agenda to combat the ongoing depredations of the “High Cabal.” Beyond just responding to specific horrors as they occur, we must have a general program, a plan for reforming this country. This program would have to be developed by the persons who join in this united effort, not beforehand by a coterie of theorists or self-appointed leaders. Paulo Freire is correct; revolutionary agendas must be the creation of all the people involved based on their understanding of the crises that face us.

In this chapter I am:

- Raising a call to action, in the face of a rapidly-forming police state in our midst.
- Arguing for joint action: that if we don't unite we will lose our freedom
- Outlining how a joint taskforce would be started and organized.
- Recommending the development of a long-term program that speaks to all major crisis points.

The people have won some important partial victories over the "High Cabal": the women's rights movement, the civil rights struggle, and the Vietnam war resistance.

Today there are myriad individuals and groups who are fighting on multiple fronts: environmental issues, boycotts, corporate crime and government corruption, to name a few. Many of these individuals and groups are doing an outstanding job.

Where would we be now without the courageous efforts of such people as Senator Patrick Leahy, L. Fletcher Prouty, Mike Ruppert, Henry Gonzalez, Molly Ivins, Ralph Nader, Greg Palast, Chalmers Johnson, Marilyn Waring, former Representative Cynthia McKinney, William Greider, Howard Zinn, Catherine Caufield, Oliver Stone, Al Martin, Representative Russ Feingold, Paul Krugman, Robert Scheer, and others?

But we lack a united front. We have not developed a true solidarity based on shared principles, priorities, and strategies.

Joann Wypijewski's article "A Stirring in the Land" (*The Nation*, 9/8/97) makes clear that activist efforts are splintered and that replicating local activist campaigns will not begin to solve the larger social problems: "Even if [local campaigns were] replicated 500 times they would not begin to attack the core problems of homelessness or joblessness or insecurity or the vast disparity between wealth and poverty, though they would create the illusion that something is being done, that the system delivers; it, too, 'works.'"

As Paulo Freire reminds us, "not infrequently, revolutionaries themselves become reactionary by falling into sectarianism in the process of responding to the sectarianism of the Right. [The oppressed peoples'] vision of the new man is individualistic; because of their identification with the oppressor, they have no consciousness of themselves as persons or as members of an oppressed class." (*Pedagogy of the Oppressed*)

We work in our isolated groups: a liberal journal writing about the destruction of civil rights through the new "security" legislation, an e-magazine exposing the war on Afghanistan as a new oil imperialism, a former civil rights worker writing an indignant letter about the Bush administration to *The Nation*, numerous alternative web sites voicing opposition to the escalating police state attacks on civil liberties.

We assume we are doing something to improve the world through our disunited efforts, but the crisis worsens as thousands more workers world-wide are thrown out of work or are forced into jobs incapable of sustaining a bare subsistence, as the very fiber of our society is changed into a police state. As Marilyn Waring has the courage to say in her powerful tape, "Sex, Lies and Global Economics," we are literally at war!

The power elite has managed to balkanize America, dividing citizens into competing groups based on ethnicity, gender, age, and special interests. Now it appears that the "High Cabal" intends to make this atomization of our country permanent.

Michael Clough, a senior fellow at the Council on Foreign Relations, tells us to say goodbye to the idea of America as one nation. In an article in the *Los Angeles Times* (7/7/97) he indicates that politico-cultural diversity has set the stage "for a series of economic and cultural civil wars pitting regions of the country against each other."

Immigration and economic globalization have transformed the United States into a microcosm of the world. The exceptional uniformity that characterized American society in the early post-World War II period has been supplanted by extreme diversity. The most integrated national market in the history of the world is splintering into an array of niches.

Evidently Clough sees the United States exclusively as a “market,” not a nation of people. The view of America as a unified nation, says Clough, is old-fashioned. “The idea that the United States is and will remain one nation with a common culture and a clear set of ‘national’ interests is deeply engrained in the American political psyche. It is a vision based largely on a myopic view of US history.”

“America,” says Clough, “is destined to become a country of distinct, relatively independent regions, each with its own politico-cultural economies, metropolitan centers, governing elites and global interests. It’s possible to imagine 20 or more core regions stretching across the country.”

The old idea of a nation united by common interests, according to Clough, is not only old-fashioned; it’s positively dangerous. “Given the strength of the centrifugal forces at work, it is a naive and dangerous ambition to cling to the idea of one nation, one culture.”

We must certainly avoid a jingoistic super-nationalism, as is so popular at present, but we must also be aware of whose interests are served by this splintering of our nation into competing factions. The monolithic plutocracy cannot be overcome if we remain divided. Unless we develop a unified front we will continue to see our liberties whittled – or hatcheted – away.

The world’s power structures have always “divided to conquer” and have always “kept divided to keep conquered.” As a consequence the power structure has so divided humanity – not only into special function categories but into religious and language and color categories – that individual humans are now helplessly inarticulate in the face of the present crisis. They consider their political representation to be completely corrupted, therefore, they feel almost utterly helpless.

– R. Buckminster Fuller. *Critical Path*. NY: St. Martin’s Press, 1981

The basic ideology of the “High Cabal” is monetarist egomania. Money is seen to be the ultimate value against

which all humans are measured. Individuals must compete in a dog-eat-dog fashion to prove their personal superiority, to the point of becoming obsessed with their own self-interest no matter its effect on others. This idea of an activist citizen-based organization will be understood by and appeal to only those persons of a critical consciousness who have a broader interest in trying to improve their world.

We must create an organization to fight for the rights of all Americans, recognizing that we are involved in more than a comfortable college debate—that we are struggling for our very lives. Unfortunately, current organizations, such as the Nader group's Public Citizen, Common Cause, or Campaign for America's Future, don't seem to be capable of being broadened to include the full range of American interests. So a new organization will have to be created by interested persons.

This newly-formed umbrella organization will need to collaborate with a number of currently active groups. The taskforce I'm outlining should serve as a focal point for broad-based support from many individuals and groups so it can develop the combined power to speak from a position of strength on critical issues.

This citizen taskforce should not be limited to any special interest group or political party. For example, the organization Democrats.com is carrying out commendable initiatives in exposing the Bush administration's onslaughts against constitutional liberties, but it requires that a person be a member of the Democratic party and "support the principles and candidates of the Democratic Party." We need a coalition taskforce that can embrace persons from any legitimate organization.

In creating a citizen taskforce, a research team representing a diversity of interests might study issues, prioritize projects and recommend specific, unified actions which the membership could carry out. Individual members, of course, would be free to participate only in those activities with which they agreed, but membership in the organization would imply basic agreement with and commitment to its principles and strategies.

For example, the advisory committee might recommend boycotting a particular corporation which is practicing



unbridled globalism, resulting in massive layoffs of American workers, paying non-subsistence slave-wages in foreign countries, and receiving corporate welfare funds (taxpayer money) from the US federal government. The committee might recommend solidarity with a particular union's fight for living wages and decent working conditions. The committee might recommend a demonstration against an unjust military incursion into a foreign nation, as we saw in Panama and are now seeing in Afghanistan, the Philippines, Russian Georgia and may soon see in Iraq.

The taskforce could develop into a complete sub-society, while remaining active in the larger culture as well. It might develop its own means of exchange (barter and/or local currency) and its own means of informing and maintaining itself. Along with informing people about public issues and sending emails and letters, as current activist groups do, this organization would also act in more direct ways: boycotts, refusal to cross picket lines, campaigns against specific public officials who merit special attention, and perhaps even a general strike.

The organization should address the interests of as many groups as possible: gender rights, ethnic rights, consumer rights, civil rights, reproductive rights, environmental protection, anti-war efforts, among many others. In this way it can represent the consensus of a broad-based coalition.

No one person should be seen as the spokesperson for the organization, though there would necessarily be those who are most active in the organization's development and operations and provide needed leadership.

The organization will need an active Web site for ongoing communication with all its members. The Web site could include:

- A means of voting on specific issues—to see where the membership stands at any given time.
- Information on key issues which the research team is studying.
- Means for individual members to make recommendations about issues for study and action.

Any action the membership agreed on could be directed toward a specific point of concentration, with the full force of the combined organizational membership behind it. A large number of people refusing to purchase the products of corporation X could have the kind of clout which we now lack as individuals and separate groups.

The organization would have to develop the kind of political savvy necessary to avoid being pre-empted, smeared or radicalized into a violent extremism. While avoiding stridency and militancy, such a group would inevitably draw attention to itself. The taskforce members would need to learn how to operate intelligently and effectively in this bizarre and dangerous world of plutocratic despotism.

As Howard Zinn has shown in *A People's History of the United States*:

The American system is the most ingenious system of control in world history. With a country so rich in natural resources, talent, and labor power the system can afford to distribute just enough to just enough people to limit discontent to a troublesome minority. It is a country so powerful, so big, so pleasing to so many of its citizens that it can afford to give freedom of dissent to the small number who are not pleased. How wise to turn the fear and anger of the majority toward a class of criminals bred — by economic inequity — faster than they can be put away, deflecting attention from the huge thefts of national resources carried out within the law by men in executive offices.

Given the current life-or-death struggle in today's world, intelligent citizens must respond now to the overall crisis, not waiting for additional national and world emergencies and catastrophes to stir them to action. They should inform themselves of the continuing horrors of oil imperialism, homelessness, unemployment, lack of healthcare, environmental degradation, corporate welfare and the buying of politicians by corporations; then act immediately to stop these horrors through united effort.

The activist citizen-based taskforce is now being formed from persons who have responded to an article on my Web site: <http://www.hermes-press.com/restore1.htm>. You can make a difference by becoming a member of the taskforce. Your unique experience can be very helpful in assisting the taskforce to understand what needs to be done from your perspective.

The taskforce recommends actions at several levels:

- Local level:
  - ❖ Organize groups around specific problems or issues, for example, supporting key city council or mayoral candidates in local elections.
  - ❖ Organize a group to present specific issues in public meetings – videos from such people/groups as:
    - \* Mike Ruppert of [copvcia.com](http://copvcia.com) (video: *The Truth and Lies of 9-11*).
    - \* Alex Jones of [Infowar.com](http://infowar.com) (videos: *911 The Road to Tyranny*, *Police State 2000*, *Police State II: The Takeover*).
  - ❖ The empowerment project at [empowermentproject.org](http://empowermentproject.org) (videos: *The Panama Deception and Coverup*).
  - ❖ Marilyn Waring, former member of the New Zealand Parliament at <http://home.earthlink.net/~mediatorken/> (video: *Sex, Lies and Global Economics*).
  - ❖ Justicevision at [justicevision.org](http://justicevision.org) (videos: *The Why Tape*, *Democracy University Volume 39*).
- State and national level:
  - ❖ Help elect representatives who will work for the interest of the people, not the corporations.
  - ❖ DO EVERYTHING POSSIBLE TO SEE THAT BUSH IS NOT ELECTED FOR A SECOND TERM.
  - ❖ Support Democratic candidates: it's still too early to settle on any Democratic candidate for the presidency, but Senator Patrick Leahy, Senator John Kerry and Senator John Edwards bear watching.
  - ❖ Organize a group to present talks and show videos exposing the Bush attack on constitutional liberties.

I urge you to join this committee as an active member. If you wish to do so, email me (norman@hermes-press.com), providing your full name, address, and a brief statement about your background.

### **Recommended Action:**

- Stop the Government from Turning Neighbor Against Neighbor!
  - ❖ Consider this petition of the Committee of Radical Attorneys (CORA) to repeal the Patriot Act: <http://www.shamon.com/cora/petition.htm>.
- Preview this site of the American Federation of State, County and Municipal Employees to see what issues are facing us: (<http://www.afscme.org/action/index.html>), then consider sending in your opinions on:
  - ❖ The Bush tax cuts for the obscenely wealthy: <http://www.capwiz.com/afscme/issues/alert/?aletid=128274&type=CO>
  - ❖ The plutocrats trying to steal our water supplies: <http://capwiz.com/afscme/issues/alert/?aletid=128296>
  - ❖ Privatizing Social Security: <http://capwiz.com/afscme/issues/alert/?aletid=128319>

You may want to send emails to your Congressional representatives on other issues as well.

### **Related Web sites:**

- Independent Judiciary
- Common Cause
- Citizens for Legitimate Government
- Public Citizen
- Independent Progressive Politics Network
- UnansweredQuestions.org
- Progressive Majority
- American Civil Liberties Union Freedom Network
- Progressive Online Action Clearinghouse

- Tools for Activists
- Online Resources for Activists



## Chapter Twenty-Six

### Completing the American Revolution

Americans are conditioned to see our present form of government as a true representative democracy. We're almost incapable of understanding that:

- We live in a plutocracy.
- The United States Constitution was deliberately constructed so that the nation is ruled by the wealthy.

The word democracy derives from two Greek words: *demos*, meaning "the people," and *kratos*, meaning "rule." Democracy is a way of governing in which the entire body of citizens takes charge of its own affairs. In a true democracy, the citizens are the source of power. Lincoln defined it as a government of the people, by the people, and for the people.

#### The Two American Revolutions

We've been taught to believe there was only one American Revolution, a struggle to throw off the tyrannies of Great Britain. And relative to that revolution, we're conditioned to believe that the heroes were revolutionary patriots such as George Washington, Alexander Hamilton, Sam Adams, John Adams, Benjamin Franklin, James Otis, the Sons of Liberty and the Committees of Correspondence.

But in reality there were two American Revolutions:

- The revolt against British oppression by Americans.
- The revolt against wealthy American merchants and financiers by the common people of America.

The first American Revolution was completed with the end of the Revolutionary War in 1781. The second American Revolution is seldom if ever taught in our schools because it would make clear just what kind of a country this is: a plutocracy—the rule of the wealthy. And it's this second American Revolution that we must now complete. Only a few of its battles have been won and much work remains in our efforts to rid ourselves of the ideology and practice of plutocracy.

We see then, that in the context of the struggle for independence, the specific aspirations of common people put them into conflict with the people we think of as the “Founding Fathers” or Framers. The Sons of Liberty, the Loyal Nine, and the Boston Committee of Correspondence and other such groups which the Framers organized were rooted in the “middling interests and well-to-do merchants” and upper classes. They have been wrongly described as revolutionary. The truth is that they took great measures to keep the peace and defuse revolutionary tendencies.

As mass resistance to British policies mounted, for example, they urged, “No Mobs or Tumults, let the Person and Properties of your most inveterate Enemies be safe.” Sam Adams agreed. James Otis urged, “No possible circumstances, though ever so oppressive, could be supposed sufficient to justify tumults and disorders...” The Boston Committee of Correspondence actually did its best to contain and control the militancy of activists involved in the Boston Tea Party.”

— Jerry Fresia. *Toward an American Revolution*, 1988

### **What Was Colonial Life Really Like?**

In Colonial America, the rich were getting richer and the poor were getting much poorer. In 1687 in Boston, the top 1%



owned about 25% of the wealth. By 1770, the top 1% owned 44%. In those same years, the poor—those who owned no property—represented 14% in 1687 and 29% in 1770.

In the various colonies the wealthy merchant class introduced property qualifications for voting in order to disenfranchise the poor and protect their own privileges:

- In Pennsylvania, white males had to have 50 pounds of “lawful money” or own fifty acres of land.
- The result was that only 8% of the rural population and 2% of the urban population of Philadelphia could vote.

George Washington was the richest man in America, a man who enslaved 216 human beings who were not emancipated until after he and his wife had both died. Benjamin Franklin had a personal fortune worth at least \$20 million in today’s money. He was a champion of the Quaker plutocrats in Philadelphia and vigorously opposed the democratic western farmers of Pennsylvania.

John Hancock was an extremely wealthy Boston merchant who had made his fortune as a military contractor during King George’s War (1739-1747). In 1748, Hancock engineered a merciless devaluation of Massachusetts currency as a cure to inflation, which reduced huge numbers of workers to poverty. Alexander Hamilton grew rich through his father-in-law’s connections. James Madison created a large fortune with his vast slave plantations. The top 1 percent of American property owners in 1770s America held 44 percent of the wealth. The top 10 percent of the white male leaders in America owned half the wealth and *held as slaves one-seventh of the country’s people*.

To common people, freedom meant freedom from the oppression of colonial aristocracy as well as freedom from British rule. One of their favorite slogans was: common people must be free from all “Foreign or Domestic Oligarchy.” They thought in terms of liberation from all oppression, not just “independence from Britain.”

During colonial times, the “common people” were sometimes in control of their local governments. To control

the Boston Town Meeting, urban workers, artisans and country farmers formed an alliance in 1768. A group of Boston merchants complained: "At these meetings, the lowest Mechanicks discuss upon the most important points of government with the utmost freedom."

The "common people" were not taking orders; they were speaking and acting for themselves. They were making it clear that their vision of a new society was not that of the wealthy merchant class.

In Philadelphia, the working class was successful in gaining political power. In 1770, the mechanics held their first political meeting specifically restricted to their own class. By 1772, the working class had organized their own political organization, the Patriotic Society, to promote their own candidates and agenda. By mid-1776, laborers, artisans and small tradesmen, had taken command in Philadelphia.

The Pennsylvania constitution was created primarily by farmers and artisans. As one historian describes it, "the extent of popular control" put forward by these common people "exceeds that of any American government before or since." (Kenneth M. Dolbeare. *Democracy at Risk*, 1986).

The Pennsylvania Constitution of 1776 ignored women, slaves, servants and the poor, but it did challenge property rights: all free men who paid any public taxes whatsoever were entitled to the vote. This constitution is of major importance in American history because it reveals that the working class had a clear vision of government and the intelligence and resourcefulness to gain and use political power. By contrast the later federal Constitution is clearly seen as an elitist document which empowered the wealthy class.

The Pennsylvania Constitution was a high mark of democratic ideals.

A one-house Assembly whose members were elected annually was made the seat of almost all power. The Assembly was required to function in open public sessions, and to keep full records. Legislation had to indicate its purpose clearly in the preamble, and except in emergencies had

to be published and distributed publicly by the Assembly before it could be considered for enactment—but only by the *next* session of that body, after another election had been held.

The office of governor and its veto power were eliminated in favor of a weak Supreme Executive Council of 12 members, four of whom were elected each year for three-year terms. Judges were elected for seven-year terms, but were made removable for cause by the Assembly. A council of Censors was to be elected every seven years to review the government's performance and recommended a new constitutional convention if changes in its structure or powers were required. The extent of popular control involved in such a system exceeds that of any American government before or since. Indeed, opponents at the time referred to it as "mob government."

—Kenneth M. Dolbeare. *Democracy at Risk*, 1986

During the "War for Independence," many of the colonial states changed the form of their state constitutions to reflect their democratic ideals. In most states there was a movement toward subordinating the executive branch of government and conferring primary power on the legislature. In many states, the governor was elected and in ten states his term of office was one year. In every state there was an executive or privy council which the governor was required to consult on all important decisions. The purpose of such a council, usually appointed by the legislature, was to provide an important check on the governor. In every state, judges could be impeached by the lower branch of the legislature. In none of the states could the courts declare the acts of the legislature null and void.

The efforts of the working class to build widely popular governments similar to Pennsylvania's in other states failed by and large. In Massachusetts, for example, property qualifications for voting were increased rather than decreased. Ninety percent of the population in Maryland was excluded from

holding office because of property qualifications. However, the Regulator movement in 1766-1771 organized against wealthy and corrupt officials in the colonial states and tried to get middle and lower class people elected to their assemblies.

The wealthy merchant class grew fearful of the working class's power and made sure that delegates to the first Continental Congress in Philadelphia in 1774 were selected from the "ablest and wealthiest men in America." John Jay, later to become the first chief justice of the Supreme Court, was elected as president. His sentiment was a forecast of what the Constitution would establish: "The people who own the country ought to govern it."

### **Dangerous Delusions**

After the wealthy merchant class had decided to declare its independence from Britain, it needed cannon fodder for its "war of independence."

Those upper classes, to rule, needed to make concessions to the middle class, without damage to their own wealth or power, at the expense of slaves, Indians, and poor whites. This bought loyalty. And to bind that loyalty with something more powerful than material advantage, the ruling group found, in the 1760s and 1770s a wonderfully useful device. That device was the language of liberty and equality, which could unite just enough whites to fight a Revolution against England, without ending either slavery or inequality."<sup>1</sup>

As in all wars in our national history, the working class answered the call to arms. However, the war exacerbated the growing class conflict when the working class soldiers experienced grievous inequities:

- The rich could buy their way out of the draft.
- Officers received much more pay than common soldiers.
- Common soldiers often received no pay:

- During the war some common soldiers who had not been paid attacked the headquarters of the Continental Congress in Philadelphia, forcing the members to flee to Princeton across the river.
- After the war, the lack of pay to common soldiers was one of the major causes of the Shays rebellion.

Civil strife due to class conflict continued throughout the war in Delaware, Maryland, North Carolina, South Carolina, Georgia, and Virginia. The working class was seeking what President Lincoln would later describe as a government of the people, by the people, and for the people.

### The Post-War Era

[The Framers of the Constitution]... had no wish to usher in democracy in the United States. They were not making war upon the principle of aristocracy and they had no more intention than had the Tories of destroying the tradition of upper-class leadership in the colonies. Although they hoped to turn the Tories out of office, they did not propose to open these lush pastures to the common herd. They did believe, however, that the common people, if properly bridled and reined, might be made allies in the work of freeing the colonies from British rule and that they – the gentry – might reap the benefits without interference. They expected, in other words, to achieve a “safe and sane” revolution of gentlemen, by gentlemen, and for gentlemen.

– John C. Miller, *Origins of the American Revolution*, 1943

A small group of wealthy people in America has always ruled the nation for its own benefit, not for the welfare of the people. The huge land holdings of the British loyalists, for example, was one of the obscenities against which poor soldiers fought in the American “War for Independence.”

But after the war Lord Fairfax, a friend of George Washington, was allowed to retain his five million acres encompassing twenty-one counties in Virginia.

The first American revolution resulted only in a change in rulers: from the British elite to an American plutocracy. Sixty-nine percent of the signers of the Declaration of Independence had held colonial office under England.

But not all of the 56 men who signed the Declaration of Independence were plutocratic chickenhawks. Five signers were captured by the British as traitors and tortured before they died. Twelve had their homes ransacked and burned and two lost their sons who were serving in the Revolutionary Army; another had two sons captured. Nine of the signers fought and died from wounds or hardships in the Revolutionary War. These men signed the Declaration knowing full well that the penalty would be death if they were captured. They had security, but they valued liberty more. They pledged: "For the support of this declaration, with firm reliance on the protection of the divine providence, we mutually pledge to each other, our lives, our fortunes, and our sacred honor."

The national situation in the post-war mid-1780s was incendiary. The merchants and coastal wholesalers had tried to re-establish large-scale trade with Great Britain, but the British merchants stopped giving credit, demanding cash ("specie"). In turn, wholesalers demanded hard money from shopkeepers and the shopkeepers demanded that farmers immediately repay their loans in cash.

American farmers had been used to paying back loans in crops, goods, and labor. Suddenly, farmers were dragged into debtor courts, their land or goods seized when they couldn't pay, or they were imprisoned for unpaid debts.

As an example, in the farming community of Hampshire County Massachusetts:

- 32.4% of the county's men over sixteen were hauled into court from 1784 to 1786.
- Many were thrown into jail: in one cell, 26 prisoners were held without proper food or ventilation; many got sick and some died.
- Not a single retailer went to jail.

In Massachusetts, the state government (the instrument of the merchant class) shifted the tax burden away from merchants and onto farmers. State laws demanded that taxes be paid in hard money. The excuse for this attack on the working class was that this promoted commerce.

Nevertheless, there were a number of uprisings by enlightened elements of the middle class and the lower class because they recognized that the nation suffers under an oppressive plutocracy.

- In May, 1779, the First Company of Philadelphia Artillery petitioned the Pennsylvania Assembly concerning the plight of “the middling and poor” and threatened “those who are avariciously intent upon amassing wealth by the destruction of the more virtuous part of the community.”
- Following the “War for Independence,” debtors took over the Rhode Island legislature and began issuing paper money to pay off their debts.
- Daniel Shays, a veteran of the Continental army, wounded in action, finally left the army in 1780 because he did not receive the pay promised him. Like hundreds of other unpaid army veterans, Shays found himself in court for nonpayment of debts when he returned home. He organized 700 armed farmers, most of them veterans of the war, led them to the Massachusetts capitol, and broke up a court which was passing judgment on war veterans for nonpayment of debts. In 1787, he marched a thousand men toward Boston but they were defeated by a blizzard and an army unit led by General Benjamin Lincoln supported by money raised by Boston merchants.

Many farmers, like Daniel Shays, were veterans who had trudged home from the “War for Independence” without having received their pay. They had been given government certificates which soon decreased in value so much that they were sold to speculators. Adding to the farmers’ postwar plight, heavy land taxes were levied against the farm towns. Farmers grew irate as they watched the furniture, grain and

livestock of their relatives and neighbors sold off to pay debts. Farmers were hauled into debtors' court, charged high legal fees and often imprisoned.

When the Shays Rebellion broke out, Sam Adams engineered a Riot Act which prohibited 12 or more persons from congregating in public and which empowered county sheriffs to kill rioters. Sam Adams, who in the Declaration of Independence had defended the right of a people to revolt, now reversed himself:

In monarchy the crime of treason may admit of being pardoned or lightly punished, but the man who dares rebel against the laws of a republic ought to suffer death.

The Founding Fathers did lead the war for independence from Britain. But they did not do it for the equal right of all to life, liberty, and equality. Their intention was to set up a new government that would protect the property of slave owners, land speculators, merchants, and bondholders. Independence from England had already been secured in parts of the country by grassroots rebellion a year before the battles at Lexington and Concord that initiated hostilities with Britain... It is one of the phenomena of modern times that revolutions are not favored unless they are led by people who are not revolutionaries at heart.

Howard Zinn, in his essay "The Greatest Generation," published in *The Progressive*, October 2001, explains how the ideals of the American revolution were subverted.

I would rather recognize the greatness of all those who fought to make sure that the Founding Fathers would not betray the principles of the Declaration of Independence, to make sure that the dead and maimed of the Revolutionary War did not make their sacrifices in vain. And so I would honor the soldiers of the Pennsylvania and New Jersey lines, who mutinied against George Washington and Mad Anthony Wayne. They were rebelling against the luxurious treatment of their gentry officers, and their own mistreatment: 500 lashes for misconduct, Washington decreed, and executed a few mutinous leaders to set an example.



Add to the honors list in that great generation the farmers of western Massachusetts who resisted the taking of their homes and land for nonpayment of exorbitant taxes. This was the Shays Rebellion, which put a fright into the Founding Fathers, especially as it led to uprisings in Maryland, South Carolina, New Jersey, and Pennsylvania. That rebellion persuaded the Founding Fathers that a strong central government was needed to maintain law and order against unruly dissidents, slave rebels, and Indians. These were the true revolutionaries of the Revolutionary generation.

### **The Federalist Conspiracy**

Of the fifty-six men who had signed the Declaration of Independence in 1776, *only six* of those attended the Federal Convention in Philadelphia in 1787 where the specially selected delegates secretly concocted a plutocratic structure of rule. Such democratic leaders as Thomas Paine and Patrick Henry did not attend.

In 1787, the vast majority of American people lived in a community-oriented culture, on farms or in cities working as artisans and laborers. Their concept of independence was associated with interdependence and cooperation—all for the common good. Women worked with men, families traded labor and animals. In this culture of mutual concern and mutual obligation, working class people took care of one another. They shared common values and interests, completely different from the values of a market-driven approach to life. According to this common welfare approach to life, merchants and financiers would be restricted to what the community decided about how resources are used. The working class had put its democratic, interdependent ideals into their state constitutions and in town and city charters when possible.

The wealthy class—shopkeepers, lawyers, bankers, speculators, commercial farmers—had adopted a completely opposite way of life: every person for himself. The world view of the wealthy class saw the community as a system of

exchange between producers and consumers, capitalists and workers. The holy of holies for the merchant class was the “free market” ideology, according to which each man pursues only his own self-interest. Society is held together, not on the basis of common welfare, but by the “invisible hand of the market” implemented through impersonal contracts.

Civil government, so far as it is instituted for the security of property, is in reality instituted for the defence of the rich against the poor, or of those who have some property against those who have none at all.

– Adam Smith, *Wealth of Nations*, 1776

According to the view of the merchant class, the state is to be controlled by elites or “better people” who decide what is best for the “common people.” Government’s role is to protect the single human capability of *ownership*. All other capabilities—learning, pursuit of happiness, freedom, human concern—are to be subordinated to *property*. The state’s only role is to assure that the impersonal *market system* runs smoothly. This requires that the government use violent force when it becomes necessary to protect personal property.

The delegates to the 1787 Constitutional Convention in Philadelphia were selected by state legislatures—*not by popular vote of the people*. The capitalist class was frightened by how much power the working class had been able to muster in the separate colonies and they could see from the Shays rebellion that the people were quite capable of rebelling against the wealthy class when it seized their hard-earned lands, crops, and animals.

Delegates to the Constitutional Convention were instructed that their only job was to amend the Articles of Confederation and that any proposed changes were to be approved by all the states before they were adopted. A conspiratorial junta, led by Hamilton and Madison, had already decided they would scrap the Articles of Confederation and write an entirely new constitution which would create a centralized government controlled by the wealthy class. The Convention met entirely in secret, and it would be fifty-three years before American

citizens were allowed to see the record of what had transpired in this *coup d'etat* which enshrined mercantile capitalism as the imposed way of life for Americans.

The illegal Constitution these conspirators contrived:

- Was in effect an economic document, enshrining property as the primary value.
- Was anti-majoritarian, making sure the “common people” could no longer gain political power over the minority capitalist class.
- Contained no checks against plutocratic (corporate) power.
- Created the private control of government by the capitalist class, including the creation of domestic and foreign policy.
- Disallowed city or state assemblies to make decisions which the federal government was to make.
- Assured that effective political power was unavailable at the local level.

Knowing that the popular majority in all the states would oppose this oligarchic document, the framers of the Constitution inserted the provision that it would go into effect *when ratified by only nine states*.

### **Completing the Second American Revolution**

The first post-constitutional major skirmish in the ongoing battle of the “common people” against the wealthy class was the passage of the Bill of Rights in 1791. These first ten amendments to the Constitution embodied many of the working class’s concerns which had been expressed during the ratification process. But it is exceptionally important to recognize that the original Constitution and the Bill of Rights omit any protection for common people against corporations or capitalist employees.

Following the imposition of a plutocratic Constitution on American citizens, there have been continual uprisings by enlightened elements of the middle class and the lower class in America because they have recognized that the nation suffers under an oppressive capitalist class.

- The Anti-Renter movement in the Hudson River Valley near Albany, New York in 1839 was a protest against the patroonship system, created in the 1660s when the Dutch ruled New York, in which the rich had vast land holdings and the tenants paid taxes and rents. The Rensselaer family, for example, ruled over about eighty thousand tenants and had accumulated a fortune of \$41 million. The movement grew to ten thousand men and was finally put down by a cavalry unit of three thousand who came up from New York City.
- The Dorr Rebellion in Rhode Island in 1841-1843 was led by Thomas Dorr, a lawyer from a well-to-do family. He advocated that the twelve thousand working class people in Rhode Island without the right to vote, should not pay taxes or serve in the militia for the five thousand who had land and could vote. Thousands joined the Dorr uprising and in 1841 they organized their own "People's Convention" outside the legal system. The convention drafted a new constitution without property qualifications for voting. In 1842 fourteen thousand people in Rhode Island voted for the new constitution, including about five thousand with property, a clear majority in the state. In April of 1842 they held an unofficial election in which Dorr ran unopposed for governor and six thousand people voted for him. The "official" governor of Rhode Island requested federal assistance to put down the rebellion and President John Tyler sent in federal troops to quash the uprising. In the Rhode Island elections of 1843, the Law and Order group, opposed by former Dorrites, used intimidation on a grand scale. Military officers threatened their men. Employers intimidated their employees, landlords their tenants, to elect the proper people. The Law and Order group lost in the industrial towns, won in the agrarian areas, and took over all major offices. Dorr was convicted of treason and spent twenty months in jail before being pardoned.

- In the early twentieth century, the workers formed the AFL, IWW, CIO and many other labor organizations to try to force the rich industrialists to provide American workers a living wage and safe working conditions.
- Even during the second world war, supposedly the most “popular” war in history, there were 14,000 strikes involving 6.7 million workers, more than in any other comparable period in American history. In 1944, a year before the end of WWII, there were a million workers on strike, in mines, steel mills and in the auto and transportation equipment industries.

### **The Obscenities of Irresponsible Wealth**

Since that time, the rapacious increase in wealth by American plutocrats has been fostered by the US Constitution’s plutocratic structure of government. In 1850, 1,000 southern families received about \$50 million a year income while all the other 660,000 families combined received about \$60 million a year.

In 1920s America one-tenth of one percent of the wealthy at the top received as much income as the combined income of 42 percent of the people at the bottom. In 1995 American corporate CEO salaries increased by 92 percent; corporate profits rose 75 percent, worker layoffs increased 39 percent, consumer prices went up 17%. The highest paid CEO received more than \$65 million in 1995. The top 1 percent in America own approximately 60 percent of all wealth. Approximately 35 percent of American families are living below the poverty line in 1998. For a current exposé of the widespread corruption spawned by a plutocratic society, I would recommend Kevin Phillips’s book, *Wealth and Democracy*.

### **Precarious Civil Liberties**

No nation in man’s history has ever achieved a true democracy. Even the Athenian democracy, perhaps the closest to the ideal, excluded women, slaves and males without property.

American citizens have historically enjoyed a wider range of liberties than most citizens in other countries. But those American liberties have always been at the sufferance of the rulers. When they have felt it necessary they limited or destroyed American liberties without compunction. Americans have suffered under restrictions to civil liberties throughout our history.

- The 1780 Riot Act allowed the Boston authorities to keep people in jail without trial.
- The Sedition Act of 1789 made it a crime to say or write anything “false, scandalous and malicious” against the government, Congress, or the President.
- The 1917 Espionage Act led to imprisonment of Americans who spoke or wrote against World War I.
- President Truman’s March 22, 1947 Executive Order 9835 initiated a program to search out any “infiltration of disloyal persons” in the US government.
- The 1950 Internal Security Act laid the groundwork for the insane trampling of civil liberties called McCarthyism.
- The 1996 “Antiterrorism and Effective Death Penalty Act” deprives Americans of our Constitutional protections of *habeas corpus* review in federal courts.
- The tyrannous “Patriot” Act instituted by Bush creates, among other outrages, “roving wiretap” authority, unsubstantiated subpoena of anyone the FBI chooses, and arrest of anyone who tells others of these illegal subpoenas; search and seizure of assets as long it is claimed that the search is “related to terrorism or clandestine intelligence activities,” etc., ad nauseam.

### **The Struggle of the Oppressed**

Most of what we hear or read today perpetuates the dangerous delusion that we live in a democracy. Even iconoclasts who strip away the democratic myth to reveal the reality of plutocracy often end their discussions with generalized theories of reform which have no hint of reality to them. A more

realistic point of view is to outline the elements of a democratic way of life and complete the American Revolution of freeing ourselves from the mental and political restraints of imperialistic capitalism.

First, we need to realize that we don't live in a democracy, that the politicians who buy their way into office don't work for the good of people but for their own monetary gain. The richest one percent of Americans have gained over a trillion dollars in the past dozen years as a result of tax breaks.

The decayed condition of American democracy is difficult to grasp, not because the facts are secret, but because the facts are visible everywhere. American democracy is in much deeper trouble than most people wish to acknowledge. Behind the reassuring facade, the regular election contests and so forth, the substantive meaning of self-government has been hollowed out. What exists behind the formal shell is a systemic breakdown of the shared civic values we call democracy.

At the highest levels of government, the power to decide things has instead gravitated from the many to the few, just as ordinary citizens suspect. Instead of popular will, the government now responds more often to narrow webs of power—the interests of major economic organizations and concentrated wealth and the influential elites surrounding them.

In place of a meaningful democracy, the political community has embraced a permissive culture of false appearances. Government responds to the public's desires with an artful dance of symbolic gestures—hollow laws that are emptied of serious content in the private bargaining of Washington. Promises are made and never kept. Laws are enacted and never enforced.

— Greider, *Who Will Tell the People?* 1992

With all its shortcomings, the United States still provides its

citizens with a wide range of freedom, more than any other country in the world, primarily because of the Bill of Rights that the common people forced on the capitalist class. In our struggle to complete the American Revolution, the people have won some other important partial victories over plutocracy:

- The women's rights movement.
- The civil rights struggle.
- Vietnam war resistance.
- The growing force of Internet-based news and analysis sources that are exposing the onslaughts of the Bush junta against our civil rights.

### **A Training Program**

We must train ourselves in the democratic way of life by:

- Learning how to think critically.
- Gaining an awareness of our world, including an empowering historical perspective.
- Learning the skills of community organizing.
- Developing group decision-making skills.

To improve democracy and make it work, citizens must have not only democratic knowledge and values but skills and propensities: to organize with one another for common ends; to stir one another to action; to voice their concerns in speech and writing.

— Larry Diamond, "Cultivating Democratic Citizenship: Education for a New Century of Democracy in the Americas," presented to the Civitas Panamericano Conference, "Education for Democracy," Buenos Aires, September 29-October 2, 1996

Learning to think critically involves examining our own self-delusions and incapacities and recognizing the essential ingredients in the democratic way of life. Certain of our delusions and incapacities make democracy impossible.



- We've allowed ourselves to become consumed by egomania. Ego-obsession is the image we see everywhere—the individual feeling that he or she is the most important thing in the world. Movies, television, music, literature, all encourage us to feel that we are the center of the universe. We haven't learned to discriminate between ego-obsession, self-respect, and servility. Yes, we want to attain a healthy respect for ourselves and avoid a demeaning feeling of servility, but most people have gone to the extreme of ego-mania—literally becoming crazy about themselves. In a general social atmosphere of ego-obsession, democracy is impossible. People are not able to see beyond their own immediate, momentary interests to the good of a larger group interest which ultimately serves their individual well-being as well.
- We have allowed ourselves to become splintered into special interest groups and factions, based on ethnicity, age, gender, or other characteristics.

Democracy is only possible when people see the improvement of their society as a common good and are willing to develop a genuine sense of solidarity with others. One of the major difficulties with our present society is the inability and unwillingness of the wealthy rulers to work toward the good of all the people in our society. They act to serve only their own interests, gaining wealth and power. As we train for democracy, we must learn to work toward a society which will serve the interests of all its citizens, rich and poor, old and young, men and women, and people of all ethnic backgrounds and value orientations.

We need to develop group decision-making skills as a foundation for the democratic way of life. This requires that we learn how to think critically, resolving issues through the use of evidence, not merely what we happen to feel or what some supposed authority has told us.

There are specific factors required for the democratic way of life.

- First, we must realize that democracy is not an external condition or system but a way of life. As such, it must be pursued, achieved, and then continually maintained. By definition, it requires of its participants certain values, qualities of character, and capacities. Those values, qualities, and capacities must be central to one's whole life and being.
- This means that it is not possible to practice democracy in one area of life—say on the job or in a civic organization—and yet remain acquiescent to or unmindful of the fascism of a political-economic system, or remain tyrannical in one's personal relationships.
- This also means that democracy, by its very nature, cannot be *given* to us by decree, or mandate, or vote, or constitution, or even political revolt. It is a capability for group decision-making which we must achieve for ourselves and which then requires continual effort and vigilance. Democracy is not an end to be achieved once-and-for-all and handed from one generation to another. It is a process used by people in ordering their lives toward critical common goals such as constitutional liberties. Each generation's goals change, so democracy is a process which is never completed or achieved, any more than the process of learning is something we get the hang of and then stop doing.
- Democracy can emerge only when certain persons decide to join with others in selecting and fulfilling common goals. To opt for democracy must come out of the understanding that other seemingly simpler and more efficient processes of decision-making lead inevitably to the oppression of one group by another.

We gain this understanding by experiencing oppressive forms of decision-making in the family, the workplace, the community, and the nation. By experiencing the oppression and life-destruction which anti-democratic regimes entail we gain an intense desire for the democratic way of life. We're

presently experiencing the oppression of wealth and power under the fascistic Bush regime.

Obscenely rich people are using political, economic and military force to drive America into a society with two classes: the wealthy and the poor.

Americans have difficulty in understanding what democracy means because we've lived, in the past decades, in a fairly affluent era ruled by a plutocracy masked as democracy. We're only now realizing that the United States isn't a democracy after all.

It's of importance to recognize the extent to which intelligent independence and self-direction in any realm are an achievement.

The ability to be an independent, self-directing personality is present in possibility in original nature; but this possibility is made an actuality only through the proper kind of education. The same is true of a group.

Independent, self-directing group conduct is... an achievement. Merely to offer democracy to a group does not mean that the group is able to conduct itself democratically. Just as individual independence comes gradually, first in more restricted and then in wider areas of life, so independence in a group comes gradually, first in more restricted and then in ever and ever widening areas of conduct. Whether the group be a family, a gang, a class in school, or a nation, it cannot change suddenly with any success from complete autocratic control to entirely independent self-direction."<sup>2</sup>

### **Modern Times**

Now that the conditions of widespread affluence and freedom of mobility are no longer profitable for the American plutocracy, some of the more unpleasant and inevitable features of their oppressive order are beginning to affect American citizens directly. Perhaps the harsh realities of unemployment, slave wages, tax-slavery and government harassment will provide the kind of incentive we need to

consider deeper values in life beyond mindless, superficial, addictive entertainment and sports—the “circuses” provided by the present rulers. Perhaps now we can begin to ask what democracy is and how we can train for it.

We must first realize just what led to our present enslavement under a fascist plutocracy, what characteristics in us allowed for our self-delusion, our being controlled by lust for possessions and social acceptance, our willingness to let others rule us as long as we feel we are getting our share. If we can understand what personal qualities lead to enslavement we can then begin to understand their opposite: the positive qualities that make democratic self-rule possible.

### **The Democratic Way of Life**

The democratic way of life is possible only with that kind of person who desires to work toward full human potential. Democracy cannot exist in a context where some always say: “I can’t do that or I can’t understand that, let someone else decide who can do more or who understands more.”

Democracy is very difficult to initiate because at almost any moment in time a ruling group is faced with people who’ve been trained to be and feel incompetent. The ruling group’s temptation at that point is to say: “Since the people clearly can’t rule themselves, we’ll rule them now and continue to rule them.”

Democracy can only begin when a small group of persons—having suffered under an oppressive form of rule and having prepared themselves for self-rule—take over the direction of a group or community. This preparation involves, among other things, the close examination of real, as opposed to assumed or imagined capacities, and the development of real competence. Even then there will be some persons in the community who can’t yet participate effectively in decision-making. This is one of the major challenges of democratic rule. Will the leaders of democratic reform activate a process whereby others can learn to participate effectively in group decision-making or will they use

the undeniable incompetence of others as an excuse for taking more absolute and final control?

It's hard for us to realize that we lack certain mental and behavioral skills required for a democratic way of life. We must train ourselves in the skills and understanding which democracy requires.

Democracy can only come to those who are willing to work for the best and highest in human development for all. At almost any point in a nation's history it can be said: "Yes, there are problems here, but it could be worse. Instead of being a malcontent working for unnecessary change, be thankful for what you have." That has been said to every enslaved or oppressed group in human history. That's what the white owner said to his black slave, the British trying to mollify the oppressed colonists in America and India in the 1770s. The good is often enemy to the best. Today we hear: "What oppression? We never had it so good. Don't rock the boat." For many people, life under this present plutocracy, which they have been fully programmed to experience as a democracy, appears rewarding and complete.

A democratic process is the best way to grow men and women. It is he who does the thinking, who faces the problems, who makes the plans, who alone achieves both the growth and the happiness. Our present idea and practice of leadership reserve these supreme values to the leaders. Life has become, for a large number of people, pure drudgery. Men become "robots," machines for executing other people's desires. The leaders grow, the individuals in the crowd decline."<sup>3</sup>

This critique does not rely upon any idealized notions of what democracy means, but on the elementary principles everyone recognizes. Accountability of the governors to the governed. Equal protection of the law, that is, laws that are free of political manipulation. A presumption of political equality among all citizens (though not equality of wealth or status). The guarantee of timely access to the public

debate. A rough sense of honesty in the communication between the government and the people. These are not radical ideas, but basic tenets of the civic faith.

Nor does this analysis pretend that American democracy once existed in some perfected form that now is lost. On the contrary, Americans have never achieved the full reality in their own history or even agreed completely on democracy's meaning. The democratic idea has always been most powerful in America as an unfulfilled vision of what the country might someday become—a society advancing imperfectly toward self-realization.

— Greider, *Who Will Tell the People?* 1992

Mr. Smith doesn't need to go to Washington; he and other American citizens need to complete the American Revolution and learn to refashion a government *of, by, and for* the people by training for democracy. Mr. Smith and other citizens should look forward to the day when their skills are developed to the point that they can begin to make a difference in their community and their nation, taking back the government that's been stolen from them.

The difficulty in securing democracy has been that more attention has been paid to defending it as a philosophy than to developing the methodology by which it could be made to function in life.<sup>4</sup>

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### Notes:

- 1 Howard Zinn. *A People's History of the United States*, NY: Harper. 1995, p. 58.
- 2 Harrison S. Elliott, *The Process of Group Thinking*, 1938. NY: Association Press. 1938, p. 12.
- 3 Harrison S. Elliott. *op. cit.*, p. 6.
- 4 Harrison S. Elliott. *ibid.*

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