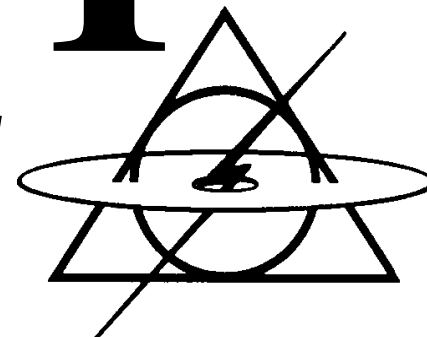


CONTACT

THE PHOENIX PROJECT JOURNAL

GOD'S NEW MILLENNIUM

KNOWING TRUTH IS NOT ENOUGH,
SUCCESSFUL CHANGE REQUIRES ACTION



VOLUME 37, NUMBER 4

NEWS REVIEW

\$ 3.00

AUGUST 14, 2002

Central Banks/Gold Leases: Financial Backers Of Crime

“Gold Leasing” of central banks is financing *DICEY* businesses for huge profits to gold dealers’ cartel.

8/3/02—#1 (15-352)

RE: GOLD LEASING THROUGH CENTRAL BANKS. SOME VARIOUS ANALYSES OF VARIOUS ONGOING ITEMS IN S.E. ASIA

TROUBLE IN PARADISE
BECAUSE OF GOLD LEASING/SELLING

Hatonn—I ask to be as objective as is possible, for I have no intent of further calling attention of those “back home” into our affairs. It is difficult to believe how many seemingly intelligent people continue to shoot their own feet OFF. A toe or two would be fine but I am speaking of amputation of the lower limbs.

I am quite annoyed that our program is as casually referred to by our most confounding “enemies” as if it were somehow theirs while bandying about the “GAIA” gambit.

In turn this is also referred to in conjunction as if part of a title or corporation of some kind which reads like “GAIA CONTACT” OR “GAIA PHOENIX” OR

GAIA EKKER, NEW GAIA or you name it. NO, “GAIA” at and only at best, refers in an acronym for short referencing Global Alliance Investment Association—period. As a matter of FACT, we far more often use in our professional interchange, “Global”, to avoid the foolish connotations dumped onto “GAIA” by such as our destroyers at work to interject themselves, somehow, as having association or some “right” or “claim” to offer input or discourse.

The same statements hold true for other entities, i.e., *CONTACT* the paper. There continues to be some assumption on the part of such as V.K. Durham that she has some right or input authority to comment on the paper in some familiar way even to insulting our persons, mine included. No, this is NOT so and to send forth ridiculous material on the Internet or FAX networks, even if only to one other person, it becomes public and open for legal causes of action—even if it only goes to Mr. Bellringer.

Global Alliance Investment Association names itself nicely and nothing presented by or through these above referenced parties has any association or

truth as relates to ANYTHING we do or offer.

Does ANYONE actually think we could have been working diligently in interchange with the Federal Government of the United States of America DIRECTLY for a minimum of six years without something we are doing being lawful, legal, AND well investigated?

So be it.

CENTRAL BANKS’ GAMES
WITH INTERNATIONAL BANKERS
AND ELITE MANIPULATORS.

Why might “Global” be important?

Because it will/can restablize the void established by absurd and destructive games played around the globe with NOTHING to even present as accounting bases.

In the Philippines, for instance, the Governor of the Central Bank has stated openly in the media and press that at least 96% of the “nation’s” gold holdings have been “sent away” (literally or figuratively has no meaning

(Continued on page 2)

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ALSO IN THIS ISSUE

- How The Ordinary Gold Advocate Can Beat The Big Guys.....page 2
- Please Help To Support *CONTACT*.....page 3
- The Bolshevik Zionists’ 1982 Failed Nuclear War One Plan.....page 3
- The *News Desk*, by John & Jean Ray.....page 9
- Elite Dark Cabal Can’t Delay The Inevitable!.....page 18

here, for both are suitable for identification of the resulting predicament of “no gold” reserves acknowledged).

No, “Global” doesn’t care a whit where the gold IS as long as it is accounted.

The very statements regarding the gold “sent away” was/is to trade, lease and “exchange” with foreign financial markets to make money for the central bank.

Lawful? Of course, for everything the Elite do becomes “legal”—and thus, “lawful” under the desirable manipulation of the law itself. Is it morally or constitutionally lawful? OF COURSE NOT. But then, the Central Bank itself is unconstitutional and totally unlawful! And remember, the central banks are protected under those laws from ever being AUDITED!

NOTE THE NEW U.S. PRESIDENTIAL APPOINTMENTS

Mr. Bush has just appointed to HIGH POSITIONS two of his personal appointees into the investigative public relations positions to check out the Federal Reserve. How is that for the foxes now having eaten all the chickens but now must bury the feathers?

Oh well.!

Do we have some pick with the U.S.A.? Frankly, yes and no. As citizens, Ekkers may well have observations and opinions but it makes not one iota of difference just as YOU have no real input.

We are certainly content to have the U.S. presence here in the Philippines and we have no intention whatsoever of accepting any bashing or trashing of any rights as citizens of the U.S.A.—period!

We observe, probably more carefully than any Filipino, the state of affairs, but it is no business of ours to impact any political policy or regulation and WE DO NOT!

This is not an easy environment and there is no “quick fix”. We will not be pushed into foolishness in order to make the way “seem” somewhat less chaotic or allow impatience to take the forefront of actions. We have to assume every visitor is a deadly enemy sting operator, all the while they have to also be treated as the only genuinely honest person in the nation. Our actions and interchanges have to be beyond any reproach whatsoever and it is as being U.S. citizens visiting in this country.

We cannot “fix” the world and have no intention of even making such an effort. We can, however, show you how things come about and perhaps you will wish to see what you can do in your circumstances. As example, we CAN offer a brief paper on the topic of such as “gold leasing” as presented through open channel presentations—right off the Internet and sent to us by an observer.

[QUOTING from *Gold-Eagle.com* editorial. 7/29/02:]

HOW THE ORDINARY GOLD ADVOCATE CAN BEAT THE BIG GUYS THE BATTLE OF THE TITANS MEETS ITS MATCH

By James E. Sinclair & Harry D. Schultz

In today’s world when the arrest of corporate officers of public corporations is applauded by equity markets rising, do you really believe Central Banks will want to be exposed as the **financiers** of crime? There is a **smoking gun** out there and its name is “**Gold Leases**”. Yes, the 89% of gold derivatives which have

nothing whatsoever to do with gold production is the smoking gun. There is evidence that the HIDDEN NUMBER of total gold leases done by central banks has been converted by the gold bank cartel to CHEAP money to finance their client’s activities. Who are their clients? Well, we are finding out that the clients of the gold dealer subsidiaries of major international commercial and investment banks are the “Enrons” of the world! We previously entitled this type of “Carry Trade” as the wise guys. Well it appears that these “Wise Guys” are as notorious as the Sopranos depicted on TV. The bankers for these “Wise Guys” are none other than the world’s leading central banks in their “Gold Leasing Policy”. Yes, the evidence screams that **CENTRAL BANKS, via gold leases, have financed CRIME**. All the data is on the books of the Enrons of the world, their international partnerships, and the sham transactions on the books of their gold dealer’s derivative counterparties!

How will all this come to light and end the devastating misuse and attack on the gold markets? Listen carefully and ACT. The various regulators and criminal investigators now looking at the records are failing to do it properly. They must stop looking at each entity separately. Those investigators now reviewing Enron and all other energy trading companies under subpoena must look at the trading of their sham partnerships, sham transactions and net trading gold dealer derivative subsidiaries of major international banking firms and investment bank’s transactions AS ONE SINGLE ENTITY. When that is done the scam will come to light like a flash of lightning on a dark night. They will find, we believe, NO risk at all in the sham transactions of the miscreant corporations when all trades are looked at as if it was one entity, not many. So called “No risk” is the precedent term/criteria the U.S. government used in getting the conviction of the inventors of this type of derivative trading in the early ’90s in the Southern District of the U.S. Federal Court System of New York.

We believe it will be seen when considering all parties plus the derivative dealer, as one singular entity (for investigating purposes) that all this dealing was a **daisy chain of so-called risk-less transactions** for the singular purpose of funneling huge amounts of money from the miscreant corporation’s treasury to private-party miscreants via international partnerships; gold leases misdirected as to purpose to produce real cash via the derivative dealer’s transaction. The real cash came from the proceeds of the sale of gold in the misuse of the gold leasing program of the central banks. The misuse of the Gold Leasing program to finance the scams will become evident.

It will become evident that Central Banks have unknowingly been the financiers of crime via the gold derivative dealers. The money that has DISAPPEARED via the international partnerships from the miscreant corporations into private hands via the risk-less sham transactions of the sham partnerships finds its source, in our opinion, from the gold leases involved in this whole mess. Not only have the Central Banks financed crime but they have been robbed of the national assets in the process. It would almost seem appropriate if it were not for the fact that the gold involved is a national asset.

We believe the investigators will discover that some entities have used the gold leasing facility as a sophisticated “money laundering” exercise in which the payoff is the laundering of the proceeds

of gold leases, via gold sales to miscreant private individuals internationally.

“Marcia” posted an excellent comment on “Le Metropole” Website <http://209.41.60/pfy.cfm?PfvID=2367> wherein he or she made it clear to us that you may not have understood what we have been telling you for months. ***The so called Carry Trade is nothing more than the “Wise Guys” using the “Gold Leasing” of central banks DIVERTED from its original purpose (a lending mechanism for those who have gold production) to financing DICEY businesses by the gold dealer’s cartel for huge profit to that gold dealer’s cartel.*** It may well not even be known to the top management of the major international commercial and investment banks that they are involved.

THIS MAY WELL BE THE LARGEST AND EVENTUALLY THE MOST DEVASTATING ACTIVITY OF ROGUE SUBSIDIARIES OF MAJOR ORGANIZATIONS. IT MAY EXPLAIN THE RECENT AND UNEXPECTED RETIREMENT OF SOME OF THE LEADING LIGHTS OF THE DERIVATIVE TRADING DEPARTMENTS OF THESE SUBSIDIARIES.

How do you END these attacks on the gold market that are aimed at keeping the lid on this misuse of national assets by central banks to unknowingly finance CRIME? Now you have to see why the BIG GUYS have sold gold down from \$322 three times. Now, you know why the effort this time to break the gold market is so intense and dedicated. If you want to bring the vicious attacks on the gold market by the big guys to an end, then send this article in “Italics” as the body of a letter you write to the people listed below. Post this article to every person you know, gold or non-gold orientated. Send this article to every newspaper from your local town paper to the majors. Do that and we will END the manipulation of the gold market, now hidden from view via the MISUSE of National Asset, unknowingly, by Central Banks who have been hoodwinked by the ROGUE SUBSIDIARIES of major international investment and commercial banks.

This is a call to action. Don’t just take a beating and walk away. Get MAD and get even and simultaneously do the world a favor.

The following are those to whom the letter must go:

SEC Chairman Harvey L. Pitt
E-mail—chairmanoffice@sec.gov
U.S. Bankruptcy Judge Arthur Gonzales
New York Federal Bankruptcy Court
One Bowling Green Plaza
New York City, NY 10004-1408

Attorney General Elliot Spitzer
C/O The Capital
Albany, New York 12224-0341

Senator Carl Levin
SR-269, Russell Senate Office Building
U.S. Senate
Washington, D.C. 20510
FAX 202 224 6221
Phone 202 224 1388

James Sinclair can be reached at www.tanrange.com
And Harry Schultz at www.hsletter.com
[END QUOTING]

Readers, hold up right here and understand that when we use “another man’s” material we give out the information IN FULL when possible so that you can take up any personal actions you might find appropriate with “him/her/them”. These people are obviously in both the gold business as well as newsletter business. This is good but it has nothing to do with our own projects or interests as such. We have offered the “information” above because it presents the truth pretty well.

The Central Banks may well have “unknowingly” become involved but the intent and purposes remain THE SAME. It was wrong from upstart and to protect them as if they had no recognition of negative possibilities is either totally naive or absurd. They probably didn’t understand that they were selling the other half of the company store, but they *KNEW* it was wrong in every instance.

An interesting point which is rarely addressed is that you cannot have a country create new money against some fiat paper currency “notes” as with the U.S. dollar or any other paper. You must have VALUE and that means reserves which indicate an “asset”, debt, etc., or hard assets! Gold does it nicely. This can be in the form of holding warehouse receipts or actual bullion, etc.

You will find that ordinarily REAL ESTATE would make a good basis for value—BUT, not if all the land titles are fabricated and forged as in this place.

Miracles do happen every day, believe it or not! Therefore, let us go forth and create one, please.

Salu, GCH

dharmia 

OPPORTUNITY TO PARTICIPATE

There are many ways in which one can participate in the glorious unfolding of this once-in-many-eras opportunity to beneficially change this planet. While some of us have the honor of participating directly—involved in it as we are with our day-to-day work—you, the reader of this newspaper, can join with the Mission in other ways: specifically, through your financial support of this effort and your positive thoughts and prayers.

Know that it is *YOU* who sustain the Mission by all that you think and do. *YOU* are “the wind beneath our wings”.

Financial contributions will, as always, be treated as loans.

Positive thoughts are promised an even greater return. So, if you thought this message wasn’t for *YOU*—simply because you cannot afford a monetary contribution—**THINK AGAIN!**

CREATE A Better World!

**Please call (800) 800-5565
for further information.**

The Bolshevik Zionists’ 1982 Failed Nuclear War One Plan

(PART 8)

SKELETONS IN THE CLOSET

BY GYEORGOS CERES HATONN

“dharmia”

PHOENIX JOURNAL #13 (1990)

CHAPTER 13

REC #1 HATONN

SAT., MAR. 31, **1990** 7:30 A.M. YEAR 3 DAY 227

Hatonn present in the Light of the Radiant One. Good morning. May we please continue with our *Journal* and may we begin where we stopped, with further discussion of ultraviolet light (radiation).

ULTRAVIOLET RADIATION (UV):

Studies are ongoing in Antarctica for measuring amounts of ultraviolet radiation. Ozone is not the only thing that affects UV reaching the ground. Glacial ice, for instance, reflects as much as 95 percent of UV back to the sky. The ocean reflects 5 to 30 percent, depending on the amount of ice cover. One of the important goals of this study is to determine to what extent clouds block UV. With the opening in the higher ozone levels, the UV levels are showing up in amounts in October which would normally be measured in December. This means that the Antarctic summer has become approximately two months longer in duration. Remember, however, that it is almost impossible to actually measure these variances due to short monitoring and you ones have the incorrect perception regarding the ozone layer.

Changes, however, are becoming more and more evident and that point is indisputable. Even your rather crude studies of heightened UV effects on sea organisms have used artificial light. Conditions in the real world are radically different.

It is extremely difficult to accurately measure these rays but it is a pretty close estimation that red light penetrates 10 to 20 meters, blue as deep as 90 meters into the ocean and ultraviolet is undetectable at 20 meters or there-about. Ice-laden cloud movements also make impact on true readings.

When you effort at determining the effect of these factors on life, e.g. phytoplankton, one finds that temperature, salinity, and light all determine whether the lifeform makes a good living, a bad living, or no living at all.

To base, scientifically, results set in concrete is impossible. Phytoplankton, for instance, change depth as water layers are mixed by wind and heat. They also quickly produce pigments to protect against increased sunlight. They also make UV-

absorbing compounds and, therefore, it is reasonable to hypothesize that these can also limit UV damage.

LOOK AT POSSIBLE MINERALIZATION IN ANTARCTICA

There are many minerals. There is a lot of coal in the Transarctic Mountains. Geologists have found traces of copper, gold, and silver on the Antarctic Peninsula. But these wouldn’t be economic even if you found them in Minnesota or Montana.

Petroleum is still in great question as the U.S., Brazil, France, Norway, West Germany, Poland, Japan, Australia, Britain, Italy and Russia have all done seismic research. The Japanese have been surveying for eight or nine years. Only the U.S. and Australia have released hard data, as required by the Antarctic Treaty. But at any rate, you need a five-to-ten-billion-barrel field, something like Alaska’s Prudhoe Bay, to make it pay, even at a price of \$70 to \$80 a barrel.

UNCERTAINTY

Uncertainty plagues your scientists about the possible effects of the warming of Earth’s climate in general. Glaciologists know that Antarctica’s ice sheet, which covers 98 percent of the continent, moves toward the sea in the form of glaciers and ice streams. But they can’t conclude as to whether it is shrinking, growing, or remaining pretty much balanced.

The world sea levels show definite signs of rising as much as six millimeters a year, but that is thought to be caused by a combination of thermal expansion of the water plus a melting of Northern Hemisphere glaciers—but why would Northern Hemisphere glaciers be melting? And so it goes.

It is pretty well established that ocean currents carry warmer water under the seaward edge of the ice shelf and melt it from the bottom at about three meters each season. Now it is planned to bore through the ice shelf down to water level and place 40 permanent temperature, current and salinity sensors. Those should tell you whether warming currents you know nothing about are causing melting a hundred kilometers “inland” from the ice edge.

As a fact, as far as Antarctica is concerned, you have no real ability to place confidence in today’s computer-generated climate models, because none of them can explain how the previous Ice Age came to an end. Why was the Earth 2 degrees centigrade warmer between 5,000 and 8,000 years ago? There is no answer for you and if you can’t model the past, you can’t model the future, can you?

It is obvious that “romantic” ideas don’t make it in Antarctica. It is certainly not a place to go relax and escape from life’s tensions. So what could be so desirable about an ice-laden piece of landmass?

Let’s speak of the first U.S. station, built for the International Geophysical Year of 1957-58. It lies buried almost a mile from where it was

established, carried away from the geographic South Pole by the constantly moving ice sheet. Now the dome of the present facility, completed in 1975, is being slowly buried by snow as well.

A large snowdrift has formed on the downwind part of the dome, and its weight has depressed and torn portions of the dome's base. First the snow must be removed and then the entire base must be "jacked" up and the base repaired. Next, it is considered that a solution might be to build an artificial snowdrift using lightweight polystyrene foam, shaped aerodynamically to allow real snow to be blown away. That would extend use of the dome for about six additional years. I am continually appalled at conclusions and unreasonable solutions reached by supposedly educated and intelligent people; further, is there no limit to funds you ones will pour into foolishness?

As many as a hundred scientists and support workers occupy the South Pole station during summer months. During winter only 20 people inhabit the end of the Earth. The reason? To monitor the planet's air quality. The South Pole, it is said, has the cleanest air on Earth because prevailing winds blow 98 percent of the time from the so-called "Clean Air Sector"—between 20 degrees west and 110 degrees east. By the time the air reaches the pole it is well mixed and there are no remaining sources of air pollution.

Air-quality monitoring has been going on since 1957 and has found constantly increasing carbon dioxide levels. Recently, a new sophisticated laser device has been installed by the University of Rome to measure the height and thickness of polar stratospheric clouds, which form during winter darkness over Antarctica.

In 1986 scientists discovered that molecules of chlorine compounds adhere to ice crystals in the clouds. This makes possible a catalytic reaction, triggered by the Sun's first springtime rays, in which chlorine atoms destroy as much as half the ozone over Antarctica between September and November.

Scientists believe most of the destructive chlorine comes from chlorofluorocarbons, or CFCs, which find their way from the industrial areas of the world to the stratosphere and are then carried south over Antarctica, there to be trapped by an annual atmospheric phenomenon called the polar vortex.

While chlorine in the atmosphere was found to have increased by about 10 percent in three years, some scientists thought the change so dramatic that they wondered if other factors might be involved. And so on and on it goes. Chelas, I simply cannot go on with this foolish dissertation.

Your world is suffocating in the pressure of six billion people, many of whom are starving to death, the air is so polluted in all of your major cities and most of your landscape as to be a hazard to simply breathe—and what has over 40 years of research given you except a high cost? Most of the science has produced only controversy and the only response is: "Well, you have to remember that science is done by human beings." I quote one, Dr. Edward Zeller.

Now take that thought with you as you visually stroll with me through the industrial sprawl of McMurdo base. Please avoid the huge junkyard and fuming trash dump, which will soon be gone as part of a new TEN-MILLION-DOLLAR cleanup program. The chapel offers cleanup programs of a different sort: a *Bible* class and an Alcoholics Anonymous session. The

noncommissioned officers club has reached a level of activity that might generate candidates for both.

I now quote Bryan Hodgson's reading of a symbolic bumper sticker which reads "GREAT GOD—WHAT AN AWFUL RACE". The sign bore the insignia of an organization campaigning to make Antarctica a world park. Would the authors ban humans? Their slogan parodied the bitter words that Robert Falcon Scott scrawled in his journal after reaching the South Pole: "Great God! This is an awful place," he wrote, after finding the footprints of humans who had gone before. Well, so you have it.

Therefore, it is quite obvious that all of the activity around the Antarctic regions is not scientific nor to establish summer campsites. So what is the purpose of this *Journal discussion*? I am going to tell you what is truth about your Antarctic area and you are not going to care for it very much at all. None-the-less, I support those brave men who have gone before and now speak from this dimension—it allows truth to flow ever so much more freely, brothers. Ponder it. Truth has no need of "shading" from this placement in the heavens.

The next sections will read like something out of James Bond Goes Beyond Sanity. I suggest you stick with me through it, however, for you are going to find truth, my dear friends, and I trust it will shake you up accordingly.

Ones continually barrage this scribe with my doom-and-gloom fear tactics—well, I certainly advise paying attention. Fear and panic, no! Pay attention and utilize your God-given resources and what you have is HOPE! Continue to hide the truth and ye shall never find freedom—Truth shall set ye free—naught else. Truth in the Light of God Source who will suggest you turn about and unto His laws and ye shall find freedom.

I have several pieces of correspondence awaiting response and I shall take them up a bit later, for it becomes urgent that this *Journal* be finished and sent forth. The pressures are getting too heavy upon these ones and therefore, delays must be avoided.

HOW ABOUT SOME FACTS, SKELETONS AND DIRTY LAUNDRY?

To give proper placement of background, you must return in your memories back to April of 1982. Move back to the Falkland Islands and South Georgia Island and the war between Argentina and Great Britain over these barren, wind-swept wastelands. Or, were they? Oh, dear ones, what you have not been told would fill mammoth volumes and we haven't time for that. I am going to give you information which is well-known in certain circles but hardly known at all to the populace—you-the-people. A few have come into this information; enough to confirm the truth of my writings at any rate.

On the surface the whole incident represented a dispute between Argentina and Great Britain over those barren islands. But surely you have learned by now, that nothing is as it seems. You are told exactly that which you are to believe and you diligently go about following the orders.

The so-called Falklands crisis was just the visible tip of a giant military operation. During the month of April 1982, fierce naval battles were taking place, not only in the South Atlantic but also in the South Pacific.

The hostilities were very effectively kept under arrest by wartime censorship on all sides of the dispute (and yes, the U.S. was most certainly in the dispute).

On April 30, a total naval and air blockade of the Falklands by the Royal Navy began. At the same time a counterblockade had been declared by Argentina in the same area.

To be effective, a blockade must be imposed over a period of time, but the Royal Navy didn't have sufficient time. Winter was coming on in the South Atlantic, and the British supply lines were overextended. Having traveled so far, however, Her Majesty's Navy could not simply drop the blockade and sail away in a few weeks time without drawing blood from Argentina. As a result the British would be forced to undertake military operations very quickly no matter how risky they might turn out to be.

There was also another reason why the Royal Navy had no choice but to engage the Argentine forces in combat. That reason was that the Royal Navy had already suffered losses in secret combat that same month. Only when publicly admitted fighting erupts would the British dare to admit that they had already suffered great battle losses. And further, to obtain that cover-story, the British had no choice but to sail into combat; but in so doing, they would be risking even heavier losses on top of those already sustained. In short, Her Majesty's Navy sailed directly into a trap.

The events which unfolded in the South Atlantic carried strange, ironic echoes of your past. For weeks you had been hearing countless commentators referring to the British task force as an "armada". The British of all people ought to have been very uneasy with that description. The original Spanish Armada some 400 years ago was renowned as a seemingly invincible fighting force, but it came to grief in a naval disaster so complete that it changed the course of history—and it was none other than the English Navy that destroyed the Spanish Armada.

The original Spanish Armada put to sea in 1588 during the reign of England's Queen Elizabeth I. The Armada was an invasion fleet carrying thousands of crack fighting men to invade England. They were met by the daring sea dogs of Sir Francis Drake. Drake and his small fast ships turned the tables on the Spanish Armada by changing the rules of battle. The English fleet was equipped with new longer-range guns, and it stayed upwind and out of reach. From there the English pounded, smashed, and shattered the big ships of the mighty Armada. When it was all over, barely half the Spanish fleet was left to limp back to port. Drake's defeat of the Spanish Armada was a shock to the world. It opened the door for England under Queen Elizabeth I to start its expansion into a truly global empire.

Four hundred years later, history seemed to have come full circle. Queen Elizabeth II witnessed the dismantling of the world empire whose heyday began under Queen Elizabeth I, and now the cultures of England and of Spain were once again in confrontation. Once again a so-called armada was preparing for invasion, but this time the armada was British, not Spanish. Four hundred years past Sir Francis Drake was the hero of the day; today, the ghost of Francis Drake would once again be on the scene.

Please note that the South Atlantic war zone was at the eastern end of the Drake Passage around the southern tip of South America. The defeat of the Spanish Armada four centuries ago broke the back of Spain's naval supremacy, and now it appeared that the defeat of the new British armada might very well break the back of what remained of the once glorious Royal Navy.

MILITARY SECRET
OF SOUTH GEORGIA ISLAND

When the Falkland Islands crisis began in early April it looked at first like a mere tempest in a little teapot. For a century and a half since 1833, the Islands had been controlled by Great Britain. During that entire time, British sovereignty over the Falklands had been disputed by Argentina. There had been countless threats by Argentina to seize the Islands, which it called the Malvinas, but the threats had always come to nothing in the past and Britain had never even gotten very concerned over them.

The Islands are four times as distant from Argentina as Cuba is from the United States, and they are not much of a prize, it would seem, under any circumstances. After over 150 years of occupancy, the Falklands are home to fewer than 2,000 British settlers and a great number of sheep and some lovely penguins. In short, the remote Falkland Islands would hardly look like something to fight over, and yet there you were watching another crisis take place. You watched as literal gun-battle war erupted between Great Britain and Argentina and further, without much more than fanfare on your news media presentations.

The Thatcher government was acting as if it had forgotten all about its usual preoccupation with the Soviet threat at NATO's doorstep. Instead, Britain was throwing almost everything it had at Argentina—aircraft carriers, cruisers, destroyers, submarines, assault ships—you name it and if they had it they used it. Luxury cruise ships were even commissioned and turned into troop carriers overnight. Wave after wave of additional assault troops were activated and sent to join the fleet even after it sailed. Ships and submarines were pulled off station from normal NATO duty and sent to reinforce the task force. The initial 40-ship force grew steadily over the ensuing weeks into an armada numbering over 70. Over two-thirds of the entire Royal Navy was already deployed to the South Atlantic off Argentina.

As this was watched in the unfolding, a lot of people were asking: What's this fight really all about? The most popular answer suggested in the major media was "oil". Vast deposits of oil were known to exist under the continental shelf between Argentina and the Falklands (or so it was projected) and that had been espoused for well over a decade. In no way could it explain the timing of the sudden military offensive by Argentina—and oil explained even less about the Argentine seizure of South Georgia Island.

South Georgia Island is some 800 miles east of the Falklands with no known oil deposits anywhere near it; and compared to South Georgia, the Falklands are quite an island paradise. South Georgia Island is covered with rugged mountains, treacherous valleys, glaciers and semi-permanent snow. Most of it is uninhabitable. On top of all that, Argentina had absolutely no legal or historical claim to South Georgia Island. In that respect it stood in sharp contrast to the Falklands.

In your early 1830s the Falklands were occupied for a while by Argentine colonists. In 1833 the British expelled them and took over the Islands. For that and other historical reasons, Argentina argued that the Falklands actually belonged to Argentina, not Britain.

But no such argument was possible for South Georgia Island. It was always controlled by Britain, never by Argentina or Spain. The Argentine seizure of

South Georgia Island looked even more unreasonable from a military point of view. Argentina's leaders were military men and they thought in military terms and this should be a great clue to you readers. They were well aware ahead of time that far-off South Georgia Island could not possibly be held for long. By seizing it they were setting themselves up to absorb a military defeat, as the Island was retaken by Britain. So the question was: Why did Argentina's military junta bother with the seemingly worthless South Georgia Island at all?

The answers to all those questions were, of course, military, not political or economic. **South Georgia Island possesses an enormous military secret! It is a giant underground installation buried under the mountains at the northwest end of the Island.** The real reason for the so-called Falkland crisis was this secret installation, together with two other similar installations which I will also describe in a moment.

The secret military complexes had been in existence for many years; they were not new. What was new was an accelerated nuclear war timetable of the American Bolshevik war planners in Washington D.C. For the prior two months reports of details of that war plan were leaking out as quickly as they could be verified.

The plan called for NUCLEAR WAR ONE to erupt by September of the year 1982. It was that fast-approaching nuclear war threat that caused the so-called Falklands crisis to erupt when it did.

What was actually taking place was a coordinated effort to spoil part of the Bolshevik grand strategy for the coming nuclear war. The mutual enemies of the American Bolsheviks in the U.S.—namely, the Rockefeller cartel—and Russia's new rulers in the Kremlin were behind the crisis. They were trying to ruin Phase #3 of the "PROJECT Z" war plan which has since been revealed—go look it up, please.

That phase was to be world domination by the American Bolsheviks after both Russia and the United States had been destroyed in NUCLEAR WAR ONE. The key to this plan was the existence of secret weapons stockpiles in various places around the world!

The American Bolshevik military planners in America were working with other Bolshevik agents in key military positions of other countries to set off war. Having done that, they intended to ride out the nuclear holocaust they had caused, safe and cozy in Government war bunkers! When the warring nations would finally lie smoldering and exhausted, the Bolsheviks would leave the shattered remains of their host countries. They would rendezvous at the secret weapons installations and bring their weapons into the open. They would confront the world with the only remaining fresh, up-to-date powerful military force on Earth; and using that military power, they would become the undisputed rulers of the world. They planned to do all that, and they planned to pave the way for world domination by setting off NUCLEAR WAR ONE within mere months of that April—remember, September!

The Rockefeller cartel and Russia's new anti-Bolshevik rulers were working together in a race against time to try to head off the Bolshevik war plan.

The Bolsheviks in the U.S. were already benefitting from war preparations which were started by the Rockefellers long before. It had only been about three years since the Rockefellers were dislodged as the prime movers of the United States Government by the Bolsheviks. Since that time the

United States Government had been a house divided, torn by internal power struggles between rival Bolshevik and Rockefeller factions. But prior to that, the United States had been dominated for decades both economically and politically by the four Rockefeller brothers.

In 1961 the Brothers launched a new long-range plan for world domination. It was a two-pronged strategy, half visible and half secret, which has been described prior to this writing. It was a plan for the United States to arm to the teeth in secret while appearing to disarm gradually. Without repeating all the details, the basic idea was grandiose indeed, yet simple. By deliberately appearing weak, the Rockefeller-controlled United States would maneuver itself into a nuclear war with Russia. Then the secret weapons, including superweapons, would be unleashed to smash Russia and take over the world.

When they set the grand plan in motion in 1961, the Rockefeller Brothers were looking ahead to a nuclear war by the late 1970s. Their military analysts concluded very early that the war being planned would have very different effects on the Northern and Southern Hemispheres. Both superpowers, the United States and the Soviet Union, are located well up in the Northern Hemisphere; so are the other full-fledged nuclear powers—Great Britain, France, Red China and India. By contrast, the strategic targets for nuclear war in the Southern Hemisphere are relatively few and far between. In other words, it was expected that the coming nuclear war would be essentially a Northern Hemisphere war.

In an all-out nuclear holocaust it is known that serious radioactive fallout would gradually spread to affect even areas not initially hit by war. But there are limits to how far the war clouds can spread. It was discovered long ago that there is very little mixing between the air of the Northern and Southern Hemispheres. In the northern half of your planet, cold air from the North Pole works its way southward toward the equator, then it works its way back to the north as warm air. A mirror image of this process takes up the southern half of the planet. Northern and Southern Hemisphere air meet in the equatorial zone, but very little of the air changes places.

The military conclusion is this: The coming nuclear war could ruin vast areas of the Northern Hemisphere for generations forward; but if the calculations are correct, the Southern Hemisphere could escape virtually unaffected by the war. This was surely music to the ears of the four Rockefeller Brothers. A quick look at the globe of the world shows why this would be a reasonable calculation. The Rockefeller cartel has dominated Latin America ever since World War II. As discussed in prior publications, Nelson Rockefeller solidified the cartel grip on Latin America during the war. He accomplished this as so-called "Coordinator of Hemispheric Defense" for then-President Franklin D. Roosevelt. So that takes care of the South American continent and its natural resources.

Then let us turn to the African continent. There, too, Rockefeller control was already in effect over wide areas of Black Africa, especially south of the Equator. All this was thanks to the efforts of John D. Rockefeller III, as previously detailed elsewhere.

Looking around the globe, the most important remaining landmasses from the standpoint of world domination are **AUSTRALIA AND NEW ZEALAND**. Thanks to World War II, both were wide open to the Rockefellers.

The Rockefeller Brothers decided to establish secret military installations in the Southern Hemisphere for use after the coming war. By this means they expected to become the masters of the surviving southern half of planet Earth—after the Northern Hemisphere gradually recovered from the nuclear holocaust, the Rockefeller empire would be able to pick up the pieces. In this way the third-generation Rockefeller Brothers expected their family dynasty to inherit the Earth.

In order to control the Southern Hemisphere militarily after the war, some means would have to be available to project military power onto any landmass. For example, revolts against Rockefeller domination would require troops—not a blast from the beam weapons on the Moon (another very interesting story).

The most critical factor for postwar military domination of the world was found to be a NAVY! A minimum of two secret naval fleets would be required—one based in the South Atlantic, the other in the South Pacific. Since the reserve naval fleets were to be kept secret until after the Northern Hemisphere nuclear war, they could not be built in existing shipyards. New construction facilities had to be built and they had to be hidden. To hide an entire shipyard is no small task; they take up a lot of space. On top of that, it was essential that the ships remain hidden after they were built. The best way to achieve that was to combine the shipyard and naval base into one over-all secret installation. Finally, the secret naval installation had to be invulnerable to nuclear attack; otherwise if its existence were ever discovered prematurely, the secret navy might be wiped out.

The combined requirements for secrecy, space, and protection against attack were formidable; but one day in 1959, while all these plans were still in the early stages of development, the answer presented itself. During a so-called banking trip to Sweden, David Rockefeller was given a tour of a unique hidden naval port. The port is hollowed out from solid granite cliffs which come right down to the water. The entrance to the port is a gigantic hole in the side of the cliff which can be sealed off with enormous steel doors. Inside this big doorway on the water a huge cavity has been hollowed out to accommodate ships.

The Rockefeller Brothers and their military advisers decided that a bigger, more secret, better-protected version of the Swedish hidden port was just what they wanted. A survey of candidate sites was then initiated. The site survey covered coastal areas throughout the Southern Hemisphere. Many areas were rejected very quickly because the topography was wrong. Other areas were rejected because they were too close to the Equator. Still others had to be ruled out because there were too many people living nearby, making the desired level of secrecy impossible. Finally, it was essential that the sites chosen for the secret naval installations be totally secure politically.

At last the sites for the secret naval installations were selected. In the South Pacific extreme southern New Zealand was selected. New Zealand would be extremely important during a coming war.

In order to obtain the necessary space, the secret New Zealand naval installation had to be divided up into two sites located close together. One is at the extreme southwest tip of South Island where the mountain range known as the Southern Alps comes down virtually to the water's edge. The other part of the installation is built into the northwest tip of Stewart Island, which is

off the tip of South Island. The Stewart Island facility is hollowed out within a rise known as Mt. Anglem.

The New Zealand location met all the requirements. Ever since World War II the government of New Zealand has been tied even closer to the United States than to Great Britain. The location is far from the Equator—and the installations are buried deep under mountains, protected from nuclear attack. They are also too deep to be reached by particle-beam-weapon attacks, and the New Zealand site is well situated to command the entire South Pacific.

In the South Atlantic an even more perfect site was found. That site, my friends, is South Georgia Island. It is located perfectly for naval domination of the entire South Atlantic. The tall rugged mountains provided a perfect location for the secret installation at the northwest tip of the 100-mile-long island. It is controlled by Great Britain whose government, like that of New Zealand, was willing to cooperate; and South Georgia Island was virtually uninhabited except for a whaling station on the northeast coast. The whaling station was some 50 miles away from the secret new installation which was being built, but Britain took no chances. In 1965 the whaling station was closed down. Since that time there have been no inhabitants on South Georgia Island except for a few dozen alleged Antarctic scientists.

Construction of the secret naval facilities—two in New Zealand, one on South Georgia Island—began in the early 1960s. The techniques were adapted from those used previously to build other large underground facilities, such as the NORAD installation inside Cheyenne Mountain, Colorado (there are others well protected underground but we shall not go into those presently). However, these installations and techniques were adapted in radically new ways to achieve construction access directly from the sea instead of overland. In this way, the sheltering mountain was left undisturbed in appearance both during and after construction.

The cuts in the mountainside—which were necessary to let ships in and out—were kept as small as possible and were well camouflaged. Like the Swedish hidden naval port arrangement, the entrances to the secret installations can be sealed. When sealed, the entrance is virtually impossible to detect unless you know exactly where it is; and unlike most large construction projects, there are no tailings or piles of leftover rock lying round to attract undue attention. The man-made caverns which house the secret naval installations are enormous, but all the rock and debris was disposed of at sea.

Once the secret naval facilities were built, they had to be outfitted for ship construction and dockside storage. The fake disarmament of the United States during the 1960s contributed greatly to this task. From 1961 to 1968 one man played a pivotal role in this elaborate Rockefeller scheme. He was then-Secretary of Defense Robert McNamara. All through the 1960s McNamara presided over the public paring back of America's visible military power. This included the closing down and dismantling of entire shipyards. What you were not told was where all that shipyard equipment went afterwards. Where it went, my friends, was to the new secret installations which were being outfitted in New Zealand and South Georgia Island!

The secret naval installations have been used as duplication facilities to reproduce certain ships and

submarines designed and built here in the United States. As Defense Secretary Caspar Weinberger told Congress, "It is cheaper to build two ships at a time." That is most especially true if the second ship is an exact duplicate of the first. This has become even more true in recent years through the use of computerized manufacturing techniques.

The secret naval fleets which have been built at the secret installations are made up of duplicates—EXACT DUPLICATES of certain other ships and submarines. They are all nuclear powered—nuclear "subs"; nuclear cruisers; nuclear destroyers; and yes, nuclear aircraft carriers, at least three of them. A secret twin was built for the *USS Nimitz*, for the *USS Eisenhower*, and for the *USS Carl Vincent*. All have been financed through the gigantic cost overruns, so called, that you constantly hear about in the Defense Department and can't find anything about due to above-top-secret designations; all three carriers have been provided with a full complement of aircraft whose manufacture was financed in the same manner.

The ships of the secret American Bolshevik naval fleets are all duplicates of other nuclear-powered vessels. Even so, the secret naval ships possess one key difference.

The so-called "Stealth Program" may not be too effective with the planes, etc., you have been allowed to witness but, oh my, lots of interesting things go on with things you aren't given to witness.

There was developed a type of electromagnetic invisibility shielding. This technique makes an object invisible from a distance by distorting light waves in its vicinity.

A whole new fleet of Phantom warplanes went into crash production under a top-secret shield. They utilize this principle; and all of the secret American Bolshevik navy ships have already been outfitted with similar Stealth-field equipment! The Stealth principle is actually easier to apply to ships than to airplanes because there is more room for the powerful equipment that generates the force field.

After NUCLEAR WAR ONE, the secret Stealth navy of the American Bolsheviks would be light years ahead of any other navy left on Earth. It would be perfect for the intended role of world domination. The Rockefellers set it all in motion long ago—but about 1979 they lost control of the United States Military. Now it is the American Bolsheviks who are in control, and they are most surely bent straight ahead on war.

Now don't go about forgetting about the Nazi war machine also in the Antarctic—isn't this just about as much intrigue as you can take at one sitting?

No, Mr. Cooper and now, Dr. Sutton—I hardly think secrets from your '40s is very interesting any longer, nor is there one whit of basis to believe "little grey men aliens from space" are going to dominate and enslave your planet. YOU ONES HAD BETTER OPEN YOUR EYES AND LOOK AROUND—YOU ARE MOVING DIRECTLY TO DOOMSDAY AND IT IS ALL PLANNED AND PERFECTLY ORCHESTRATED AND HAS NAUGHT TO DO WITH LITTLE GREY MEN FROM SPACE!

WHY DO YOU, MR. COOPER, CONTINUE TO BADGER AND DERIDE THIS SCRIBE?? COULD IT BE YOU ARE HIDING EVEN MORE IMPORTANT DATA FROM YOUR BROTHERS UNDER THE GUISE OF DOING THIS "ENLIGHTENING" WHICH YOU ARE ABOUT IN

THE NAME OF YOUR RELATIONSHIP WITH CHRIST JESUS AND YOUR CONSCIENCE?

DR. SUTTON, I WOULD INQUIRE OF YOU AS TO JUST WHAT VALUE YOU MIGHT ACTUALLY BELIEVE A WRITTEN AFFIDAVIT FROM ANYONE MIGHT PROVE?? THESE ARE MOST SERIOUS CIRCUMSTANCES INDEED AND UNLESS THE GAMES STOP AMONG YOU-THE-PEOPLE, YOU ARE MOVING INTO CRITICAL EXPERIENCES OF ACTUAL LIFE AND DEATH. FEARMONGERING ON HATONN'S PART?—FOR THE SAKE OF GOD AND MAN, SHOULDN'T YOU BE CONCERNED?

Others who have dared bring you truth have been murdered and this scribe has had attempt after attempt made on her life—do you never weary of protecting the evil among you? Do you actually enjoy being totally lost in the lies? If so, then why do you continue to blame God for your plight and ask for insight, if you continue to fail to utilize it or recognize of it?

You want documentation of the MJ-12 material—ask anyone in the metaphysical community or UFO chasers. It is commonly circulated about your placement—it does not make of it valid!

And further, to have little alien faces all over your TV would mean not one iota of anything. I could stand in full nine-and-a-half-foot format right in front of you—and you would still consider it a ploy and trick. I certainly wish all of you well, for you are going to need those good wishes if you don't pay attention soon.

Dharma, allow us a rest break please. I, too, often wonder if the effort is worth the time spent in writing it for you ones. But the facts are: GOD HAS PROMISED THAT **THE WORD SHALL GO FORTH BEFORE THE FINAL CURTAIN FALLS** AND THEREFORE, WE SHALL FULFILL OUR MISSION AND MAKE IT AVAILABLE UNTO YOU. WHAT YOU DO WITH IT IS STILL AND FOREVERMORE UP TO YOU. SALU, SALU AND SALU. MAY THE GOD OF THE UNIVERSE OPEN THINE EYES AND EARS. SO BE IT.

Hatonn, in service of the Radiant Master, to stand-by status. Rest, Dharma, for our work is long indeed. Adonai, chela, and thank you. Do not allow the oppression to rest heavy upon thee, for thine is the legacy of the eons—not a brief moment of physical timing. Ye ones keep very close unto God and ye shall be safe. We can seal our plasmic shields far more effectively than can the Earth human pierce them. So be it and Selah. Out.

Thank you for your attention. We shall resume with further discussion regarding the above matters.

CHAPTER 14

REC #2 HATONN

SAT., MAR. 31, 1990 4:00 P.M. YEAR 3 DAY 227

Hatonn in the Light of the Radiant One, to continue.

SECRET NAVAL WAR OF THE SOUTHERN HEMISPHERE

As we move along and to make things clear, we shall discuss the referred to "PROJECT Z" I mentioned in the previous chapter. It is the new Bolshevik three-phase strategy for NUCLEAR WAR ONE. However, since it didn't come off on

schedule, I feel we will not be misleading if we stick with references to the area of the Antarctic. The most skeletons to arise from the dead to getcha are all parading around "under" and "within" the Southern Hemisphere and that, after all, was the subject of this *Journal*. I do have trouble keeping to one subject, for all facets are so intertwined.

The plan in 1982 was that of an elite group of American Bolshevik military planners by which the U.S. would strike the first nuclear blow, followed by all-out thermonuclear war with Russia.

After having set off the holocaust, the Bolsheviks in the U.S. and in certain other countries planned to ride it out safely in comfortable war bunkers already in place and well stocked with luxuries. Finally, after NUCLEAR WAR ONE fizzled out in stalemate, they planned to leave behind the ashes of the U.S. and her allies. Activating Phase #3 of their grand strategy, they planned to unveil their secret weapons, especially their secret naval fleets. With these they planned to conquer and rule what would be left of the world. The United States as you know it would be long dead and gone; but in the eyes of the Bolsheviks themselves, this outcome would constitute victory for many reasons.

Up to April of 1982 the nuclear war timetable was still on track. They were still shooting for nuclear war to begin by September of that year. Actually this continued right to the date set of September 17, 1982.

What saved you is that the Bolsheviks were running as fast as they could toward war; but the Bolsheviks are not the only runners in the race. They have two deadly enemies, both of whom are equally determined to trip up the Bolsheviks. One enemy of the Bolsheviks in the U.S. is the Rockefeller cartel; the other enemy is the new anti-Bolsheviks ruling class in Russia: And now these two mutual enemies of the Bolsheviks are pooling their efforts in certain ways.

The new anti-Bolshevik coalition is now much more firmly established but in 1982 it was still quite new and was working between the Rockefeller cartel and the Russians. The January 26, 1982 meeting between Haig and Gromyko in Geneva, Switzerland, was a turning point in the formation of this coalition. It is now a reality, and is responsible for the so-called "Falkland crisis" which dominated the headlines in April and May of that year. It should be emphasized that the new relationship between the Rockefeller cartel and Russia fell far short of a true alliance, at least at that time. They have very major disputes to be settled between them, but they called a truce between themselves to deal with the mutual deadly enemy—the Bolsheviks in America.

The first priority of the Russians and the Rockefellers is to slow down the Bolshevik preparations for imminent nuclear war. If they could do that, time would be on the side of the Rockefeller cartel in certain political movements. A slow-down in the nuclear war timetable will also give more breathing space for additional anti-Bolshevik actions to be implemented.

The joint Rockefeller-Russian planners decided by mid-February of 1982 that military action against the Bolsheviks was essential very quickly. No other type of action had any hope of taking effect fast enough to prevent nuclear war by the end of the summer.

The exact details of the "PROJECT Z" war plan were not known to either the Rockefellers or the Russians, but the general outlines were known to be pretty well outlined and set-up.

It was decided that military action should be devised that would undermine Phase #3 of the Bolshevik war plan—that is, the Bolshevik-controlled secret naval installations and fleets in the Southern Hemisphere should be attacked and crippled. By working together, the Rockefeller cartel and the Russians were able to devise an attack plan which neither could have carried out alone. The Rockefeller group, who built and originally controlled these bases, provided detailed intelligence about the best way to attack them. The Russians with their enormous military machine provided the muscle to actually carry out the attack.

It was essential to devise a scheme that would enable both secret fleets in the South Atlantic and South Pacific to be attacked. Survival intact of either fleet would leave the Bolshevik war plan still workable.

Military analysts concluded very quickly that a direct assault on the New Zealand facilities was out of the question. There was no combination of commandos, frogmen, or other military force which could possibly keep an attack secret from the outside world. Any attack on the New Zealand bases would set off the very war which the Rockefellers and Russians wanted to prevent.

But the situation in the South Atlantic was a different matter. In a way, the greatest asset of South Georgia Island was also its Achilles' heel. The extreme isolation which protected the secrecy of the South Georgia base also made a covert military assault feasible. The key lay with Argentina and her long-standing claims to the Falkland Islands.

THE FALKLAND ISLAND WAR

The Rockefeller cartel had dominated all of Latin America for decades. Cartel operatives were sent to Argentina to work out a deal with the government military junta there. The historic dispute over the Falkland Islands was to be used to provide a ruse, a military cover, to enable the South Georgia base to be attacked. The Argentine generals were not told everything about the situation by any means, but they were told enough to make clear what they were to do.

As an inducement to cooperate, the Argentine leaders were promised handsome rewards. They were guaranteed that after the shooting was over, the Falkland Islands would remain in Argentine hands. This guarantee included the promise of covert military assistance as needed against the Royal Navy. And, to bolster the troubled Argentine economy, it was promised that the Rockefeller cartel would help develop the immense offshore oil reserves. With those combined promises of military glory and financial rewards, the Argentine military junta agreed to the plan.

So, backing up to March 19th, Argentina carried out Act One in the joint attack plan. A group of Argentine scrap-metal merchants, of all things, landed at the abandoned old whaling station on South Georgia Island. Supposedly they were there to dismantle the old buildings and carry them off to sell. While they were at it they also raised the Argentine flag over the work-site. The British, always nervous about South Georgia Island, promptly reacted exactly as expected. The British Antarctic survey ship *Endurance* put 22 Marines ashore to clear up that little misunderstanding.

They drove off the scrap merchants and promptly tore down the Argentine flag. The incident provided the exact desired excuse for the Argentine Junta to bring the

simmering 150-year-old Falklands dispute to a boil. From time to time in the past, Argentina claimed that South Georgia was part of the Falklands because it is administered that way by Britain. That argument was very flimsy but it then came in most handy indeed. It was nothing new to hear that claim from Argentine leaders, so there was no hint of what was really afoot.

During late March, Argentine military forces started assembling for an assault on the Falklands. The British command thought there was nothing new, for Argentina had carried out threatening maneuvers in the past many times. It was believed that they were about to do it again; but on April 2 Argentine forces did the unexpected. After many past false alarms, this time they actually invaded and seized the Islands. All Argentine public statements emphasized the long-standing historical claims to the Falklands themselves; but just for good measure, the next day a small Argentine force also seized far-off South Georgia Island. The force was so small that it gave the appearance initially that it was just a side show from Argentina's point of view; however, the small contingent of 22 Royal Marines were overpowered and bundled off the Island along with a group of 13 alleged scientists. That was a moment of pay-off in the joint Rockefeller-Russian attack plan.

“SPUDDING IN”

Thanks to the elaborate distraction staged by the Argentine forces, a special commando team got onto the Island totally undetected. Based on the detailed Rockefeller information about the base, the team moved to the location on the mountain directly above the cavernous secret base. Special high-speed drilling equipment was set up by the Rockefeller members of the team while the Russian members concentrated on military defense. By late that same evening, April 3, the military high command in London finally learned what was really taking place. The secret South Georgia base was under attack by virtually the only means possible. The joint Rockefeller-Russian team were drilling a shaft down through the mountain toward their hollowed-out cavern inside. It was only a matter of time until their drill would break through the ceiling of the giant hidden naval base. Once the hole was made, the next step was obvious. The Rockefeller-Russian team would put a weapon of some kind through the hole. The best guess was that it would be probably nerve gas—it just doesn't pay to “guess”.

The shock waves that went through the highest levels of British government on the evening of April 3 can hardly be described. The Thatcher government, like the so-called Reagan Administration in America, is Bolshevik controlled. Well, the Russians told you they would rule the world and it might very well be done without firing a shot!

That was why Margaret Thatcher always said, “Me, too,” any time the Reagan Administration said it would do anything to Russia. Please note that it hasn't changed very much. What of the Stinger missile “sting” in Florida and the “I agree and support the U.S.” in Panama this past December? Both governments are party to the secret nuclear war plan in complete betrayal of the people of their respective countries; and on the evening of April 3 they suddenly discovered that their precious war plan was in deep, deep yogurt, I believe you call it—amongst other terms.

Immediately the Thatcher government started assembling a naval armada to sail for the South Atlantic. Haste was their order of the day. The drilling on South Georgia Island was proceeding around the clock. The best estimates were that the drilling would break through into the roof of the naval base in about three weeks, on or about April 24—but it is a very long drive from England to Antarctica on the best of ships. If help did not reach South Georgia by then, the secret installation might be doomed. The forces stationed at the installation itself were unable to defend themselves under the circumstances. Their mighty naval ships were ships in a bottle. They did not dare open the bottle to sail out and fight because the Russian commandos were armed with far superior technical and nuclear weapons. (Who do you think might be the closest allies to the Nazi undercover workers?) **We are talking about ones who do not care greatly for the Jewish element, much less the Zionist-affiliated Jews.** To open the blast-proof entrance doors would be suicide.

On April 5, just two days after South Georgia Island was seized, some 40 naval ships began moving out of British ports. The same day Lord Carrington was sacked as Foreign Minister. He was forced to resign because he had assisted the Rockefeller attack plan by downplaying the Argentine attack preparations. Even the evil don't have any way to count on their own.

That same day, April 5, New Zealand, the home of the other secret naval fleet, broke diplomatic relations with Argentina. The two hidden New Zealand facilities had been placed on “Red Alert” (no pun intended). As a precautionary measure, all submarines at the twin base were ordered to sea. Several surface ships were already at sea undergoing “sea trials”, but that still left seven major ships inside the hidden twin naval base including one of the nuclear aircraft carriers.

On that busy day of April 5, Argentina's Foreign Minister, Costa Mendez, was at the United Nations in New York. Come on readers, go look it all up in the records—don't just stand off and accuse me of insanity—go look and find for yourselves.

Mendez was alarmed by the deployment of such a large part of the Royal Navy. Costa Mendez hurried to Washington to seek reassurances from certain U.S. officials. Of course he got them!

For the next two weeks or so the news was filled with stories about the allegedly slow movement of the British fleet while negotiations went on. That was only a cover story. The Royal Navy was actually joining up and paddling as rapidly as possible toward South Georgia Island. If the task force arrived in time to save the secret base, a major battle was likely. The official stories about “slow movement” of the British armada were intended to give a cushion of time for that battle. If need be, the fleet would have several days to retake South Georgia Island, then it could move on to arrive near the Falklands on the announced schedule. In that way the crucial importance of South Georgia Island would be hidden and the big secret preserved.

It was initially expected that advance elements of the British fleet would reach the vicinity of South Georgia Island within two weeks. That would have been soon enough to attack the joint Rockefeller-Russian commando team and stop the drilling before it was completed. But Russian Cosmospheres and submarines made a shambles of the plan.

A KEY SHIP DESTROYED

Key advance elements of the South Georgia attack contingency left Ascension Island early April 14, two days before it was announced officially. Shortly after they did so, they ran into trouble. Russian Cosmospheres and attack submarines closed in on a single ship which was critical to the planned counterassault on South Georgia Island. The Cosmospheres bombarded the bridge and combat information center of the ship with neutron radiation. In moments the ship was without any command, its communications and radar silenced. Then a Russian “sub” closed in and quickly finished off this key British ship with torpedoes. It broke apart with secondary explosions and sank rapidly. So far as was known, there were no survivors.

That unexpected shock in the mid-Atlantic produced two results, both very important: First, it caused a slowdown in the race toward the South Atlantic by the British armada. The task force had to be regrouped into a configuration better suited for an enroute defense, but that cost valuable time. Public announcements from London about the progress of the fleet reflected the slowdown. The timetable for arrival on battle stations near the Falklands started stretching out longer and longer. All this bought extra time for the joint commando team on South Georgia Island. And so the drilling continued.

The other result of the sinking was equally important. Word was flashed to the South Pacific Stealth navy to prepare for possible action. It was obvious that the Russian Navy was getting involved in the Atlantic, which meant that the Royal Navy could be in big trouble. During the dead of night, early April 15, the seven Stealth ships put to sea from their twin secret bases in southern New Zealand. They deployed to a secret operational headquarters area in the Antipodes Islands, 450 miles southeast of New Zealand. Their electromagnetic shields were operating to provide protection from attack. These shields make it impossible to communicate with the outside world or even to see it. But once they arrived at the Antipodes, the Stealth ships hooked up to buoys equipped with shielded communication cables to the Island headquarters. The Island headquarters, in turn, was in constant touch with the South Georgia base by way of a transoceanic cable around the tip of South America. The deployment of the available ships of the South Pacific Stealth fleet was exactly what the joint Rockefeller-Russian planners had hoped for. The ships had been flushed out from their essentially invulnerable hiding place in New Zealand!

The British ship's sinking of April 14 was also followed by other events. On April 15 the Argentine Navy started moving out of port. The same day, Alexander Haig arrived again in Buenos Aires. Supposedly he was there as a diplomat, but in reality he was there as a General, dealing with Generals. Haig was the top Governmental operative of the Rockefeller cartel. He was making sure that the Argentines did not get cold feet and back down at that critical moment. Four days later, April 19, Haig left for Washington. As he boarded his plane, Haig somberly told reporters, “Time is running out.” And so it was, my friends, for the secret South Georgia Island base. We shall also have a lot more to say about General Haig in future writings.

NOT EXACTLY A DRY HOLE

The very next day, April 20, the drill broke through into the hollowed-out cavern of the naval base. Bolshevik military analysts in London had not expected that it could be completed until at least the following weekend. The British fleet was still out of range.

THE WEAPON WHICH THE COMMANDO TEAM INSERTED DOWN THROUGH THE LONG HOLE WAS A SMALL, COMPACT RUSSIAN NEUTRON BOMB. When it was detonated inside the confines of the huge artificial cave, the effects were, of course, totally devastating. The intense radiation instantly killed everyone inside the base. Also the heat and blast effects of the bomb are believed to have damaged all of the ships inside sufficiently to badly disable them.

Meanwhile, Russian Cosmospheres and submarines were converging on the Stealth ships which were near the Antipodes Islands awaiting orders. From a distance, the ships were invisible to the eye due to their protective shields, which also protect against beam-weapon attack; but they were sitting ducks for the tactics which the Russians employed.

THE COUP-DE-GRACE


Floating overhead, the Cosmospheres located the seven ships using their Psychoenergetic Range-Finding equipment known as PRF. There is no method known by which PRF can be jammed. The Cosmospheres radioed the exact locations of the ships to the attack submarines. The "subs" were armed with special non-homing, non-nuclear torpedoes designed to explode on impact. More sophisticated torpedoes would have been thrown off course or detonated prematurely by the protective shield of each ship; but these simple torpedoes just cruise right through each invisibility field to strike the ship and explode. Within 15 minutes after the attack began, all seven Bolshevik Stealth ships were on their way to the bottom, and with them went their Bolshevik Commanders and mercenary crews collected from around the world.

The South Pacific action took place just after sunset local time. The time in Washington was around 2:00 P.M. April 23. That evening Secretary of State Haig was seen briefly in public with the new British Foreign Minister, Francis Pym. Pym was wearing the typical artificial pseudo-smile which diplomats are taught always to display in public. But not Haig. Haig was grinning from ear to ear, and no wonder. The joint Rockefeller-Russian military operation had been a brilliant success. The secret Bolshevik South Atlantic fleet had been virtually wiped out, bottled up inside South Georgia Island; and the South Pacific fleet, while not totally wiped out, had been badly crippled. By working together, the Rockefeller cartel and the Russians had won the secret naval war of the Southern Hemisphere.

Dharma, you are too fatigued to continue today, so let us leave this for now. We will discuss the ensuing Rockefeller fear campaign against nuclear war when we resume. Thank you for your service and blessings unto you dear ones. Rest well and we shall resume tomorrow morning. Good evening.

Hatonn to clear frequency, please. Adonai and I salute you of my command.

[END OF PART 8]

Part 1 of this *Journal* can be found in the 6/19/02 issue of *CONTACT* on page 5; Part 2 (6/26/02, page 11); Part 3 (7/3/02, page 7); Part 4 (7/10/02, page 10); Part 5 (7/17/02, page 5); Part 6 (7/31/02, page 5); Part 7 (8/7/02, page 9)—This *Phoenix Journal* (#13) is out of print. All other *Journals* are on sale for one-half price (\$3.00). Please see the back page for ordering information. 

The News Desk

By John & Jean Ray

SHARON: ONE OF OUR BIGGEST SUCCESSES

Boston Globe, 7/24/02

ISRAEL SAID it "regrets the loss of innocent civilian lives" yesterday when it conducted a missile attack from an F-16 on a house in Gaza City, one of the most densely crowded places in the world. Besides Salah Shehadeh, the leader of the military wing of Hamas, 14 other people were killed, nine of them children. ...

Because the conflict between Israelis and Palestinians has been allowed to become a blood feud rather than a territorial quarrel susceptible to diplomatic solutions, Americans who would like to see Israel in the most favorable light may be tempted to dismiss the missile attack in Gaza City as the kind of inevitable accident that accompanies a cycle of Palestinian terrorism and Israel's antiterrorist retaliation.

The best antidote to that temptation ought to be criticism of the missile attack from Israeli voices. The Israeli human rights organization B'Tselem said: "Those who gave the orders to bomb a residential neighborhood must have considered the fact that many civilians would be hurt." The tacit suggestion of this condemnation is that those who gave the order to fire the missile were willing to risk killing innocent Palestinians.

The government's defense is that it had aborted a recent plan to assassinate Shehadeh because at the time he was among the civilian bystanders, and hence it would have aborted Tuesday's attack had it known that he was again surrounded by noncombatants; that Shehadeh was the mastermind of some of the worst terrorist atrocities; and that he was on the verge of commanding a terrible large-scale murder of Israelis.

This rationale ignores Sharon's evident willingness to disregard the danger of firing a missile at night into a house in Gaza City on the basis of shaky real-time intelligence. Even after the human toll of the attack was known, **Sharon told his Cabinet ministers: "This operation was in my view one of our biggest successes. We hit perhaps the most senior Hamas figure on the operational side."**

At best, this is the thinking of a tank commander with no grasp of the art of statecraft. At worst, it is the boasting of a hawk in power who deliberately launched his missile attack at a moment when high-level Israeli and Palestinian officials were meeting to discuss security cooperation and after Hamas leaders spoke publicly about stopping suicide bombings. ...

[JR: The missile attack against Palestinian civilians in the dead of night and Sharon's boasts proves it was a deliberate attack planned by the Israeli military. Sharon's arrogance and disdain for the loss of innocent Palestinians only inflames their passions and escalates the violence on both sides. The tragedy in all of this is that the U.S. remains a callous bystander. Sharon should be denounced and removed as a leader because he also supports and incites acts of violence against civilians. There is no difference in leadership between Arafat and Sharon except one has the support of the U.S. government and the other does not.]

U.S. SPLITS WITH ISRAEL
ON BLOODY AIR STRIKE

By Howard Witt, *Tribune*, 07/24/02

WASHINGTON—The White House on Tuesday sharply denounced Israel's missile attack against a Gaza City building that killed a Hamas leader and 14 other Palestinians, calling it a "heavy-handed action that is not consistent with dedication to peace".

But Bush administration officials rebuffed calls to open an investigation into whether Israel's use of an American-made F-16 fighter jet in the attack, which killed nine children, might have violated a U.S. law requiring that such weapons be used only in self-defense.

Israel asserted that the Gaza air raid qualified as self-defense because the target of the attack, Salah Shehadeh, a founder and top military commander of the militant group Hamas, had orchestrated recent suicide bombings of Israeli civilians and was planning more.

The White House said the attack went too far.

"This was a deliberate attack against a building in which civilians were known to be located," White House spokesman Ari Fleischer told reporters. "This president has been and will continue to be a lead defender of Israel around the world, and will speak out about Israel's right to self-defense. This is an instance in which the United States and Israel do not see eye to eye."

Officials said the U.S. ambassador delivered Washington's message of displeasure to the Israeli government.

"The president has said repeatedly that Israel needs to be mindful of the consequences of its actions in order to preserve the path to peace in the Middle East," Fleischer said. "The president views this as a heavy-handed action that is not consistent with dedication to peace in the Middle East." ...

But Tuesday's condemnation, coming amid recent signs of progress in the administration's efforts to revive peace talks, was the strongest so far of the government of Prime Minister Ariel Sharon, whose policies Bush has repeatedly endorsed.

The use of American-made weapons in the attack prompted some Palestinian and Arab groups to call on the State Department to investigate whether Israel had violated provisions of the U.S. Arms Export Control Act, which requires countries that obtain weapons from the United States to use them only for self-defense or internal security. ...

Under the law, the State Department is required to report violations of the act to Congress. But State Department spokesman Richard Boucher said no specific review of the Gaza attack was planned.

"Should we determine that the terms and conditions of sale or the terms and conditions of the act have been exceeded, then we would make the report," Boucher said. "But there's not a regular period, there's not a regular report, there's not a particular timetable for this."

Israeli officials strongly rejected any suggestion that Israel had violated any U.S. laws in its use of the fighter plane.

"Israeli counterterrorist operations are defensive in

nature and they are designed to reduce the terrorist threat against Israel,” said Israeli Embassy spokesman Mark Regev. “Counterterrorism is ultimately a defensive strategy, and as such, our use of the American weapons is in total conformity with the relevant U.S. laws.”

Regev said Israel had not intended to kill Palestinian civilians in the attack.

“We have created a doctrine, strategy and weapons systems specially designed to reduce the potential for innocent people getting killed, and usually we are successful,” he said. “When was the last time you remember hearing about Israelis killing innocent civilians? It is the exception to the rule.”

But Palestinians scoffed at such assertions, noting that the rocket attack took place in a densely populated civilian neighborhood in the middle of the night. Israeli officials acknowledge that their forces have killed Palestinian civilians over the past 22 months of the intifada and have expressed regrets at the deaths, calling them unintentional casualties. Palestinians allege that Israelis have killed hundreds of civilians and accuse Israeli forces of acting with disregard toward non-combatants.

“Israel is exempt in the eyes of this administration from abiding by legal considerations, American law or international law,” said Hassan Abdel Rahman, the Palestinian Authority’s chief representative in Washington. ...

“It would have to be a very egregious violation,” Mack added, “one that overcame both the hesitation for reasons of domestic politics and the genuine difficulty that the administration is having in drawing lines as to what kind of Israeli action is merely non-productive, as opposed to something that would be absolutely unacceptable.”

A senior State Department official said that review of Israel’s use of American-made weapons was “ongoing” but that it was more important for the U.S. to try to persuade Israel to stop its targeted killings of Palestinian militants. ...

[JR: As long as the U.S. and Pres. Bush are steadfast in their unwavering support of Israel, our expressions of regrets or sorrow over the loss civilian lives rings hollow in the Arab world. Better the Palestinians die so that Palestine can be made safer for the Zionists to control it. So our Ambassador delivered our note conveying our displeasure to Sharon. He probably threw it the wastebasket without reading it. After all we take orders from Sharon, not give them. The ardent supporters of Israel in Washington have been in full control since Clinton and before, so what could possibly change for Israel. Their plan, which is no longer a secret, is to start a war with Iran and Iraq and then continue their march in glory into Jerusalem. Doesn’t this all sound just too familiar? It plays well into the fundamentalist Christians’ crusade for the Zionists to conquer the Arabs through a biblical Armageddon and gain control of all the lands in the Middle East. Well guess what, Christian soldiers? Armageddon is going to be an event that is going to be devastating for all and not just the Arab and Muslim people. God/Creator doesn’t support wars...only Satan does.]

JORDAN PRINCE TOUTED TO SUCCEED SADDAM

Guardian—UK, 07/19/02

As U.S. officials and Iraqi opposition groups squabble over possible successors to Saddam Hussein, Prince Hassan of neighbouring Jordan is emerging as a surprise contender.

The idea, which has support in the Pentagon and among the establishment in the U.S., envisages the prince rising above Iraqi factionalism as a compromise figurehead or even a king.

Some argue that this involvement could also ease tensions in Washington, where the state department and CIA have been at loggerheads with Congress and the Pentagon over Ahmad Chalabi the controversial

leader of the Iraqi National Congress, an umbrella opposition group funded by U.S. taxpayers.

‘Prince Hassan is someone who has not been poisoned by the past 40 years of chaos in Iraq and is perhaps the only person who can transcend the ethnic and political complexities,’ said Michael Rubin of the Washington think tank the American Enterprise Institute.

Hassan 55, was crown prince of Jordan for many years and effectively ruled the country during the terminal illness of his eldest brother the late king Hussein.

On April 8 this year Prince Hassan had talks at the Pentagon with Paul Wolfowitz the U.S. deputy secretary of defence. The subject was never disclosed but since then he has begun to assume a higher political profile.

This culminated in his dramatic ‘coming out’ last week when—surrounded by TV cameras—he arrived unexpectedly at a conference of exiled Iraqi officers in London. It was the first time that a high-ranking Arab had publicly associated himself with the Iraqi opposition. His move appears to have been well received.

Speculation has been heightened by the fact that the Jordanian royal family is related to the Iraqi royal family whose last king Faisal 11, was deposed and assassinated in 1958.

[JR: Prince Hassan of Jordan has the dubious honor or dishonor of being the handpicked successor to replace Saddam to rule in Iraq. This is the plan for succession as decreed by the Pentagon and the Zionist in sheep’s clothing...Wolfowitz. How the Iraqi people may accept this is a matter that does not trouble the masterminds plotting Iraq’s demise in London.]

CONGRESS AGREES TO GIVE BUSH MORE TRADE AUTHORITY

By Jim Abrams, *USA TODAY*, 07/26/02

WASHINGTON (AP)—Urged on by President Bush, House and Senate negotiators agreed late Thursday on a bill that would give the president broad powers to negotiate new trade agreements while extending more benefits to Americans hurt by foreign competition.

Sen. Finance Committee Chairman Max Baucus, D-Mont., said it would become “the most historic trade legislation” ever passed by Congress.

The trade bill has been at the top of Bush’s legislative agenda since he took office, and in recent days he has urged Congress to move quickly to give the nation’s faltering business communities a needed jolt of good news. ...

The package combines the “fast track”, or trade promotion, authority the president says is vital if the United States is going to take a leading role in future world trade negotiations. The authority, which Congress has failed to renew since it expired in 1994, allows the president to negotiate trade agreements that Congress can approve or reject but cannot change.

Baucus said the compromise also contains 85% to 90% of the language in the Senate bill that provides extensive new benefits, costing up to \$12 billion over 10 years, to workers who are dislocated as a result of foreign competition. ...

The Trade Adjustment Assistance part of the bill provides a 65% tax credit to help workers dislocated by trade buy health insurance. It also extends existing financial and training benefits for those affected by trade to secondary workers such as suppliers to plants hit by foreign competition. The Senate bill had a 70% credit, while Thomas had asked for 60%.

One of the last sticking points was whether workers laid off when their plants are moved overseas should also receive benefits. Thomas said he was satisfied with language worked out to specify who would qualify in such cases.

The benefits package was essential to Democrats involved in the negotiations. “Trade Adjustment Assistance is the core of the whole thing,” said Sen. Jay Rockefeller, D-W.Va. “I don’t think there’s a whole lot of give on the Democratic side.”

The two sides removed language in the Senate bill, strongly opposed by the White House, that would have given the Senate the power to remove provisions in a trade agreement that weakened U.S. laws on dumping and foreign subsidies. Instead, they agreed to take steps to ensure that trade negotiators fully consult Congress. ...

[JR: Our rubber-stamp miscreants in congress have conceded their powers over to Pres. Bush in giving him and his handlers the fast track authority to negotiate U.S. trade agreements. To sell it to the American workers they inserted a provision that will allow a \$12 billion fund for 10 years for those whose jobs will be sacrificed on the altar of globalism. That is a little over a paltry \$1 billion a year to Americans who will lose their livelihoods. If the likes of Jay Rockefeller is pleased and is smiling like a Cheshire Cat you know our Congress/Knesset have sold us out again to the shadow men.]

GRANTING POLICE POWERS TO MILITARY CALLED ‘TERRIBLE IDEA’

By Jim Burns, *CNSNews.com*, 07/22/02

Any changes to the 124-year-old law that prevents the U.S. military from exercising police powers is a “terrible idea”, according to a policy expert from a Washington think tank. Gene Healy from the Cato Institute was reacting to the comments made Sunday by Senate Foreign Relations Committee Chairman Joseph Biden (D-Del.).

During an appearance on *Fox News* Sunday, Biden said the Posse Comitatus Act of 1878, which prevents the military from arresting civilians, should be re-examined and “has to be amended” in light of the dangers of terrorism that exist today.

Last year, following the Sept. 11 terrorist attacks on the Pentagon and New York City’s World Trade Center, Sen. John Warner (R-Va.), the ranking Republican on the Senate Armed Services Committee expressed similar concerns.

In a letter to Secretary of Defense Donald Rumsfeld, Warner asked whether the 1878 law should be repealed. “Our way of life has forever changed,” Warner wrote.

“Limited use [of military forces] beyond that permitted by existing law might strengthen the nation’s ability both to protect against and to respond to events of the sort which we have recently undergone,” Warner’s letter stated.

But Healy, an attorney and policy analyst with Cato, thinks having the military performing civilian law enforcement duties would be a “disaster”.

“I think it’s a terrible idea. Soldiers are trained to shoot to kill. Civilian police officers, ideally are trained to use force as a last resort,” said Healy.

“One of the reasons we have this (Posse Comitatus) restriction in the law is to avoid the collateral damage and military style rules of engagement that can come into play when you get the army involved in tasks it’s not trained for. I think it would be a real disaster if they went down this road of normalizing military involvement in law enforcement,” Healy said.

Michael Scardaville, a homeland security analyst with the Heritage Foundation, thinks law enforcement should be left to civilians in almost all cases.

“In an extreme situation, I could understand where something like that would be warranted,” Scardaville said. “However, the primary role of the military in homeland security should be one of supporting the civilian agencies that are going to be responsible for our preventive measures. But they (the military) should not be our lead element.

“There could be a legitimate role for them to participate in law enforcement roles,” said Scardaville, but such decisions should be left up to the president, governors and other top officials.

Biden said he was “not talking about general police power—changing the idea that you would have your local National Guard with arrest power like your local policeman.”

But, Biden added that “it’s not very realistic” under current law, for soldiers with knowledge of weapons of mass destruction who might be checking out the discovery of a terrorist weapon in America, to “not be able to exercise the same power a police officer would in dealing in that situation.”

“Right now, when you call in the military, the military would not be able to shoot to kill, if they were approaching the weapon,” said Biden.

After the Civil War ended in 1865, Congress assigned to federal troops a huge law enforcement role in the Confederate states. The Union troops guarded election polling places, arrested members of the Ku Klux Klan, stopped illegal moonshine production and held down any worker unrest.

The Posse Comitatus Act was enacted in 1878 to eliminate military enforcement of civilian law. Many historians think the act effectively ended civil war reconstruction of the South.

No prosecutions have ever taken place under the law, and exceptions have occasionally been allowed, such as the deployment of troops to end rioting in Chicago in 1919 and to control the protests of angry World War I veterans in Washington, D.C. in 1932.

Homeland Security Director Tom Ridge said Sunday on *CNN* that using the military for law enforcement hasn’t even been discussed within the administration. **[JR: YEA, RIGHT!]**

“There’s been absolutely no discussion with regard to giving military authorities the ability to arrest in their support of civilian authorities,” said Ridge. Asked whether he believes the military should have the power to arrest Americans, Ridge said, “no.”

Ridge’s office did not return phone calls Monday seeking further comment.

[JR: Oh, the miscreants in D.C. never stop in their unrelenting efforts to strip us of our rights and freedoms. We have Democrat Sen. Biden and Republican Sen. Warner working together from both sides of the isle in Congress to remove the Posse Comitatus Act. This is the final stage of the NWO’s Zionist plans to rule us all. Little men like Biden and Warner, with their self-serving egos, have hastened the downfall of America. Sept. 11 looks more and more like the event that was planned and had to happen no matter what the cost in American lives or to our country. The tragedy is for the living as well the victims who died so needlessly on Sept. 11th. We have been betrayed by our Congress who were elected to serve us and protect our country from our enemies. Let us all fly our red, white and blue at half-mast in memory of a nation who is dying. No flowers please.]

FOUNDATIONS ARE IN PLACE
FOR MARTIAL LAW IN THE U.S.

By Ritt Goldstein, *The Sydney Morning Herald*, 07/27/02

Recent pronouncements from the Bush Administration and national security initiatives put in place in the Reagan era could see internment camps and martial law in the United States.

When president Ronald Reagan was considering invading Nicaragua he issued a series of executive orders that provided the Federal Emergency Management Agency (FEMA) with broad powers in the event of a “crisis” such as “violent and widespread internal dissent or national opposition against a U.S. military

invasion abroad”. They were never used.

But with the looming possibility of a U.S. invasion of Iraq, recent pronouncements by President George Bush’s domestic security chief, Tom Ridge, and an official with the U.S. Civil Rights Commission should fire concerns that these powers could be employed or a de facto drift into their deployment could occur.

On July 20 the *Detroit Free Press* ran a story entitled “Arabs in U.S. could be held, official warns”. The story referred to a member of the U.S. Civil Rights Commission who foresaw the possibility of internment camps for Arab Americans. FEMA has practised for such an occasion.

FEMA, whose main role is disaster response, is also responsible for handling U.S. domestic unrest.

From 1982-84 Colonel Oliver North assisted FEMA in drafting its civil defence preparations. Details of these plans emerged during the 1987 Iran-Contra scandal.

They included executive orders providing for suspension of the constitution, the imposition of martial law, internment camps, and the turning over of government to the president and FEMA.

A *Miami Herald* article on July 5, 1987, reported that the former FEMA director Louis Guiffrida’s deputy, John Brinkerhoff, handled the martial law portion of the planning. The plan was said to be similar to one Mr. Giuffrida had developed earlier to combat “a national uprising by Black militants”. It provided for the detention “of at least 21 million American Negroes” in “assembly centres or relocation camps”.

Today Mr. Brinkerhoff is with the highly influential Anser Institute for Homeland Security. Following a request by the Pentagon in January that the U.S. military be allowed the option of deploying troops on American streets, the institute in February published a paper by Mr. Brinkerhoff arguing the legality of this.

He alleged that the Posse Comitatus Act of 1878, which has long been accepted as prohibiting such deployments, had simply been misunderstood and misapplied.

The preface to the article also provided the revelation that the national plan he had worked on, under Mr. Giuffrida, was “approved by Reagan, and actions were taken to implement it”.

By April, the U.S. military had created a Northern Command to aid Homeland defence. *Reuters* reported that the command is “mainly expected to play a supporting role to local authorities”.

However, Mr. Ridge, the Director of Homeland Security, has just advocated a review of U.S. law regarding the use of the military for law enforcement duties.

Disturbingly, the full facts and final contents of Mr. Reagan’s national plan remain uncertain. This is in part because President Bush took the unusual step of sealing the Reagan presidential papers last November. However, many of the key figures of the Reagan era are part of the present administration, including John Poindexter, to whom Oliver North later reported.

At the time of the Reagan initiatives, the then attorney-general, William French Smith, wrote to the national security adviser, Robert McFarlane: “I believe that the role assigned to the Federal Emergency Management Agency in the revised Executive Order exceeds its proper function as a co-ordinating agency for emergency preparedness... this department and others have repeatedly raised serious policy and legal objections to an ‘emergency czar’ role for FEMA.”

Criticism of the Bush Administration’s response to September 11 echoes Mr. Smith’s warning. On June 7 the former presidential counsel John Dean spoke of America’s sliding into a “constitutional dictatorship” and martial law.

[JR: Since when does some deputy at FEMA question whether the Posse Comitatus Act is being misunderstood and misapplied? A paper from the Anser Institute questioning the application of this law does not a case

make. If there is to be an interpretation as to its application it must be decided by the Supreme Court or someone without an agenda such as Mr. Brinkerhoff seems to have. The P.C. Act was implemented because of the Northern Army’s abuse of civilians after the Civil War ended. The chance of another Civil War or Revolutionary War being fought for our freedoms and rights is not likely to happen as too many Americans have been programmed to believe that giving up their freedoms is vital to America’s security. The U.S. has already become a police state on the order of Soviet Russia and no one has as yet made the connections. Russia was taken over by a revolution. America has been taken over without one shot ever being fired. The Zionists are now in control of every aspect of our government right on through to the oval office. The U.S. has slid into a unconstitutional socialist dictatorship in less time then it took for the Soviet Union to collapse. Well comrades, Lenin is proud of us American goyim and is smiling in his glass coffin.]

IT’S TIME FOR ULSTER PARAMILITARIES
TO DISBAND, BLAIR SAYS

By Warren Hoge, *New York Times*, 07/25/02

LONDON—British Prime Minister Tony Blair, decrying the persistence of violence in Northern Ireland, on Wednesday called on the province’s paramilitary groups to disband and warned that the government would become more “rigorous” in punishing them for violating their cease-fire claims.

“It is no longer sufficient just that there should be no terrorist violence,” Blair told the House of Commons. “We have to be clear that preparations for violence have also ceased.”

He said that while no one expected the 1998 agreement to bring peace to the long-conflicted province overnight, it was “intolerable” that violence continued to block progress four years later.

Although the large-scale organized killing that took more than 3,600 lives over three decades has ended, the summer has brought an upsurge of riots, shootings, gasoline bomb attacks and punishment beatings. The government believes some of the violence is being coordinated by the Irish Republican Army and counterpart Protestant guerrilla groups, all of which pledged four years ago to maintain cease-fires and abandon systematic mayhem.

Northern Ireland Secretary John Reid told Parliament that the government was sending 250 extra police officers and soldiers to flash-point areas and examining changes in criminal law, bail arrangements and police powers to make it easier for authorities to prosecute acts of terror and organized crime.

He added, “In reviewing the cease-fires, I will give particular weight to any substantiated information that a paramilitary organization is engaged in training, targeting, acquisition or development of arms or weapons, or any similar preparations for a terrorist campaign in Northern Ireland or elsewhere.”

In an interview afterward, Reid explained that he was empowered to bring sanctions against any groups violating cease-fire terms. “Obviously, I hope not to have to do it,” he added.

A senior Bush administration official, in a telephone interview from Washington, said: “This is a significant development. The statements from Prime Minister Blair and John Reid reflect a strong feeling that the time has come to complete the transition from an era of paramilitaries to an era of politics.”

“This essentially communicates that while the paramilitaries are still in place, you not only have the reality of violence and the potential for violence, but you will

never be able to convince the majority of people that Northern Ireland has truly entered a different era.”...

Wednesday’s moves come at a time when a majority of Protestants have lost faith in the peace process they once backed and are putting pressure on David Trimble, head of the Ulster Unionist Party and leader of Northern Ireland’s home rule government, to persuade Britain to get tougher with Sinn Fein, the political party of the Irish Republican Army. **[JR: If London cannot reign in the Ulster paramilitaries the Brits may have to resort to building wall barriers to keep separate the Protestants from the Catholics. There can’t be peace in an Ireland that is divided. The Irish want their independence and freedom from English control. The English look down on the Irish and the Irish look up to the English with hatred. Try brokering a peace with centuries of that kind of history behind you.]**

U.S. LOSES BID TO ALTER UN PRISON CHECK PLAN

By Barbara Crossette, *New York Times*, 07/25/02

NEW YORK—The United States lost a bid on Wednesday to rewrite a UN plan designed to reinforce the 1989 convention against torture. The Bush administration, continuing to review international agreements, feared the new plan would lead to monitors demanding access to prisoners and others detained by the United States, including suspected al-Qaida members held at Guantanamo Bay, Cuba.

The U.S. delegate to the UN Economic and Social Council had called Wednesday for a vote to set aside a council plan to establish a system of regular inspections of prisons and detention centers worldwide to check for abuses. The United States wanted to create a committee in the General Assembly to write a new plan more acceptable to Washington.

The American proposal was defeated Wednesday evening, and the council’s plan approved.

The plan the United States objects to is contained in a protocol or side-agreement to the international convention against torture, which also bars “other cruel, inhuman and degrading treatment or punishment”.

Diplomats say, and American officials do not dispute, that the United States is sensitive about this issue because of potential demands for access to the detention camp at the U.S. naval base in Guantanamo Bay, where more than 500 suspected al-Qaida members and other prisoners seized in Afghanistan are being held, as well as to others being held prisoner in the United States as “enemy combatants”.

An American official at the United Nations said the concern in Washington was that the current draft of the plan would be unconstitutional in the United States because it does not recognize states’ rights.

Adherence to the protocol would be voluntary. He predicted that many other countries would object to its demands and refuse to cooperate because of its intrusiveness.

The official said the United States did not wish to withdraw support for the convention on torture itself, which he called “an important human-rights instrument”.

In the past, efforts by UN monitors to visit American prisons met with mixed results, with some states or localities refusing entry to foreign inspectors. American officials have said that the federal government cannot force states to open their prisons.

[JR: The U.S. has a propensity to involve itself in the affairs of other countries but when it comes down for us to comply with the rules that other countries have to abide, we object by saying that to do so would go against our Constitution. The question for Americans to ask is, which constitution? Is it the one that was signed in Philadelphia in 1789 but made null and void since 911, or the de facto UN constitution signed in N.Y. in 1945?]

SERIES OF SLAYINGS SHAKES FORT BRAGG

FOX News, 07/26/02

FORT BRAGG, N.C.—The military is investigating the murders of four Fort Bragg soldiers’ wives, all of whom were apparently killed by their husbands in the last six weeks.

At issue is whether the slayings were in part the result of wartime-deployment stress. Fort Bragg officials say they are looking closely at all of the cases, trying to determine whether the hardships of military life and the separation of spouses contributed.

“One case of child abuse or spouse abuse or one homicide is one too many, and it’s a continuous effort on all our parts to do as much as we can to prevent it from happening again,” said Col. Tad Davis, Fort Bragg’s garrison commander.

In three of the cases, the husbands who investigators say killed their wives were special operations servicemen who had been stationed in Afghanistan. Two soldiers apparently committed suicide after murdering their wives.

The string of family deaths started June 11. Fayetteville police said that was when Sgt. 1st Class Rigoberto Nieves—a soldier in the 3rd Special Forces Group who had been back from Afghanistan just two days—shot his wife, Teresa, and then himself in their bedroom. ...

Sheriff’s investigators said Jennifer Wright was strangled June 29. Her husband, Master Sgt. William Wright of the 96th Civil Affairs Battalion, reported her missing two days later. Then on July 19, he led investigators to her body in Hoke County and was charged with murder.

Wright, who had been back from Afghanistan for about a month, had moved out of his house and was living in the barracks.

On the same day that Wright was arrested, Sgt. 1st Class Brandon Floyd shot his wife, Andrea, then killed himself in their Stedman home.

The *Fayetteville Observer* reported that Floyd was a member of Delta Force, the secretive anti-terrorism unit based at Fort Bragg. He returned from Afghanistan in January, officials said. The couple’s three children were in Ohio visiting relatives at the time of the deaths.

“It’s very much a tragedy,” said Maj. Gary Kolb, a spokesman for the U.S. Army Special Operations Command, to which Nieves, Wright and Floyd were all assigned. “I wish it would be easy enough to pinpoint one thing and say, ‘This will never happen again.’ Each one needs to be looked at individually, and we need to let soldiers know there are resources out there to help him solve his problems.”

Kolb said the Special Operations Command will look at the programs in place to help soldiers.

“We’re not looking to blame anyone for anything,” he said.

On deployments, chaplains provide spiritual guidance and counseling to soldiers, he said. Before soldiers return home, chaplains talk to them about making the transition back to home life. Chaplains can also talk to spouses before their husbands come home and then can meet with couples after the homecoming.

Kolb questioned any attempt to link the family killings to Afghanistan.

“Can you say that going to Afghanistan caused this?” he said. “It’s a reach.”

Fort Bragg is the Army’s headquarters for Special Forces and special operations soldiers, and hundreds have been deployed in the fight against terrorism.

Jimmy Dean, a retired Green Beret master sergeant, said the majority of Special Forces soldiers are seasoned professionals whose wives are used to long deployments. Under normal circumstances, Green Berets can be deployed four to six months out of a year. ...

Dean believes husbands and wives need to learn to work out the difficulties of separation. ...

[JR: The tragedy here is that we train and program these men in Special Forces to become detached from their feelings and emotions and to eliminate any questions or guilt as to their actions. The mission is their sole focus and any means used to achieve a victory is acceptable in any successful military operation. When these men were sent to Afghanistan they were briefed to regard all civilians as hostile. When some of these men came home they were not able to find relief from the pressures and the stress they faced in battle. The painful memories of what they saw or did in Afghanistan became too much and they could not switch off the hate and kill button that enabled them do their job. A chaplain offering spiritual advice is ill equipped to quiet the conscience of such men in conflict with their souls.]

NIGERIAN WOMEN END PROTESTS

USA TODAY, 07/26/02

LAGOS, Nigeria (AP)—Village women chanted jubilantly Thursday after ending their weeklong occupation of ChevronTexaco oil pipeline stations in exchange for jobs, business loans, schools and hospitals.

Hundreds of women left the captured flowstations in southeastern Nigeria in canoes and on foot after protest leaders signed an agreement with company executives late Wednesday, both sides said.

It was the second time in less than two weeks that ChevronTexaco reached agreement with village women occupying their facilities. The first occurred last week with women occupying the company’s main export terminal, Escravos.

ChevronTexaco spokesman Sola Amole would not discuss details of the deal but said the company soon would hire an aid group to help realize the new development projects.

Production resumed Thursday at the export terminal after four days of safety inspections following an unrelated oil fire there, the company said in a statement.

The occupation began July 17 just as the siege of Escravos by a separate group of village women ended after ChevronTexaco promised jobs for their sons and electricity for their village.

The peaceful, all-woman protests were a departure for the oil-rich Niger Delta, where armed men frequently use kidnapping and sabotage to pressure oil multinationals into giving them jobs, protection money or compensation for alleged environmental damage. Hostages generally are released unharmed.

“History has been made,” said Esther Tolar, a spokeswoman for the flowstation protesters. “Our culture is a patriarchal society. For women to come out like this and achieve what we have is out of the ordinary.”...

Tolar said ChevronTexaco has agreed to create jobs for 10 people from nearby villages, upgrade 20 contract workers to full-time positions and create 30 new contract positions.

ChevronTexaco also will set up a \$160,000 credit plan to help village women start businesses, she said.

The company also will provide schools, hospitals, water and electricity systems for nearby communities, Tolar said. Another meeting is set for Aug. 6 to discuss scholarships and a training center.

“Chevron has promised a new beginning, and we want to believe them,” Tolar said.

Both sides burst into celebration after the deal was signed.

“The atmosphere was truly astonishing compared to where we started,” said Amole, who participated in the talks. “People were apologizing, shaking hands, we were dancing together.”

The sieges were among a string of setbacks paralyzing ChevronTexaco's Nigerian operations in recent weeks.

Unarmed village women occupied Escravos for 10 days beginning July 8. They initially prevented 700 workers—including Americans, Britons and Canadians—from leaving until the company agreed to hire their sons and provide electricity for their villages.

Under that deal, the company agreed to hire 25 villagers over five years and to help build clinics, schools, fish and chicken farms. ...

The Niger Delta is one of the West African country's poorest regions, although it is the source of the country's \$20 billion in annual oil exports. Nigeria is the world's sixth-largest exporter of oil and fifth-largest supplier to the United States.

[JR: The Nigerian women did an awesome job in gaining concessions from the oil companies. These women don't have master degrees or CEOs in big business but they knew what they wanted and needed for their towns—and got it. What the oil barons conceded to is miniscule compared to the \$20 billion they enjoy yearly from the oil pumped out of Nigeria. The guys wearing the suits with the credentials from U.S. Dept. of Trade ought to take some lessons in negotiations from these women in Nigeria. Their achievement is a wonderful lesson in knowing what you want and creating it.]

U.S. CHIEF JUSTICE SIGNALS SUPPORT
FOR WHITE HOUSE ASSAULT
ON CONSTITUTIONAL RIGHTS

By John Andrews & Don Knowland, *WSWS.com*, 07/24/02

William Rehnquist, chief justice of the United States, on June 15 gave a speech before a gathering of federal judges in which he condoned the suppression of democratic rights in wartime.

Rehnquist told a national judicial conference in Virginia, "One is reminded of the latin maxim, *inter arma silent leges*. In times of war, the laws are silent."

The Supreme Court justice said he was offering "only a historical perspective", but his choice of topic and what he had to say about it were obviously intended to bolster the Bush administration's attack on constitutional guarantees of free speech, assembly, privacy and due process, which is being carried out under the cover of the government's "war on terrorism".

Rehnquist's speech elaborated on themes developed in his 1998 book *All Laws But One: Civil Liberties in Wartime*. The title refers to President Abraham Lincoln's 1861 speech to Congress justifying his suspension of habeas corpus, a legal procedure for a person in custody to obtain court review of the detention. Rehnquist's seizing on this historical precedent to justify the current attacks on civil rights turns history upside down.

Article 1, Section 9 of the *U.S. Constitution* provides that "**the Writ of Habeas Corpus shall not be suspended, unless when in Cases of Rebellion or Invasion the public Safety may require it**". After the Confederate states seceded and commenced an armed insurrection with an attack on Fort Sumter, Lincoln suspended the writ along the Philadelphia-Washington railroad line in response the efforts by Baltimore public officials to bomb the railroad so that federal troops could not arrive to defend the U.S. capital. ...

After the Confederacy's attack on the North, Taney interfered with Lincoln's efforts to suppress the rebellion by issuing a habeas corpus writ ordering the release of a Maryland official arrested for openly supporting the Confederacy's war effort. Lincoln ignored Taney's writ, rhetorically asking Congress why "all laws" were rendered ineffective by virtue of the rebellion "but one", i.e., habeas corpus. ...

In his speech, Rehnquist also reviewed the Supreme Court's upholding of President Woodrow Wilson's use of sedition laws to incarcerate opponents of World War I, including the Socialist leader Eugene Debs, its approval of Franklin Delano Roosevelt's secret military tribunals for Nazi saboteurs in 1942, the use of military tribunals to try civilians in Hawaii for crimes unrelated to war, an action later deemed unconstitutional by the Court in 1946, and the Court's noxious approval in 1943 of the internment in California concentration camps of persons of Japanese ancestry.

"These cases suggest that, while the laws are surely not silent in time of war, courts interpret them differently than in time of peace," Rehnquist told the assembled judges. In the guise of an academic lecture, his speech signaled that his Court would similarly support a drastic curtailment of democratic rights, including the detention, interrogation and incarceration of people without charges being brought against them and in violation of normal court procedures. His remarks could only have the effect of intimidating those judges more inclined to uphold constitutional liberties.

By making such a speech while many important cases are working their way through the federal judiciary and are ultimately headed for his court, Rehnquist violated American Bar Association Code of Judicial Conduct Canon 4, which prohibit judges from "extra-judicial activities" that "cast reasonable doubt on the judge's capacity to act impartially as a judge". ...

Prisoners whose cases might be affected by Rehnquist's remarks include the purported "dirty bomb" suspect, Jose Padilla, a U.S. citizen whom the government is holding incommunicado in military detention, and Yasser Esam Hamdi, another U.S. citizen who was born in Louisiana to Saudi parents. On July 12 the right-wing Fourth Circuit Court of Appeals reversed a lower court order that the government was obliged to allow Hamdi to consult a lawyer.

The Supreme Court itself is already acting in accord with Rehnquist's remarks. In its first decision involving a post-September 11 "anti-terrorist" action, the high court granted an emergency request by Attorney General Ashcroft to stay a lower court injunction against the Immigration and Naturalization Service's post-September 11 policy of closing all hearings it deemed to be related to "terrorism". The injunction, issued by a New Jersey federal judge and allowed to stand by the Third Circuit Court of Appeals, provided that the government had to allow media access to immigration proceedings unless it first demonstrated that national security justified closing a specific hearing.

True to form, Rehnquist's June 15 speech received almost no coverage in the mainstream media and evoked no protest or criticism from Democrats or civil liberties organizations, again demonstrating the prostration of the so-called liberal establishment to the unprecedented assault on democratic rights.

[JR: The Supreme Court is making an end run to show its support for the Bush administration actions to suspend all rights and bury the Constitution. Rehnquist has in effect set a Supreme Court ruling in his speech before a meeting of federal judges, no less. No wonder our media has remained silent and has made no mention of this blatant treachery by Rehnquist. Here is a treasonous act and a sellout of this nation and its people. Jefferson and our Founding Fathers warned us and were fearful of the federal judiciary (Supreme Court) and warned of its ability to destroy the checks and balances in our governments and the separation of powers. As Jefferson warned, "Our government is now taking so steady a course as to show by what road it will pass to destruction, to wit, by consolidation first, and then corruption, its necessary sequence. The engine of consolidation will be the federal judiciary; the two other branches the corrupted instruments." Silent leges... the laws are silent.]

'SILVER TUBES' MAY CUT INFECTIONS

BBC—UK, 09/24/00

The number of infections acquired by patients in hospital could be cut by half if some medical tubes were coated in silver, say doctors.

A study carried out by doctors at the University of Michigan, in the U.S., says infections could be reduced if hospitals bought more expensive catheters.

Catheters are used in patients who are unable to urinate or need to have their urine monitored. They are inserted into the urethra where they collect urine.

But catheters cause thousands of infections in patients. In the U.S. they account for more than one in three hospital-acquired infections.

These include painful urinary tract infections.

The risk of infection increases depending on the amount of time the catheter is inserted into the urethra.

Some patients, like women who have just given birth, use them for a couple of hours but other patients, such as those who have undergone surgery or are in intensive care, can use them for days at a time.

Silver kills bacteria

But the U.S. doctors say the number of infections could be cut by using silver-coated catheters.

These catheters are covered with a thin layer of silver alloy, which can kill bacteria.

They say that while the silver catheters are more expensive than the ordinary uncoated models, they can reduce the chances of urinary tract infection and the associated costs to both patients and hospitals.

Dr. Sanjay Saint, assistant professor at the University of Michigan, said: "We can't say that silver-coated catheters are a silver bullet. But our study suggests that for about \$5 apiece the risk of UTI is significantly reduced."

Dr. Mark Fendrick, an associate professor at the university, added: "These results are exciting from the perspective of both quality of care and cost.

"If our estimates of improved patient safety and lower hospital costs bear out in reality, the switch to coated catheters should be a 'no-brainer' for health care providers.

"However, more and better information about the impact of these catheters in a variety of real-world settings will be needed to either validate or dispute our findings."—http://news.bbc.co.uk/hi/english/health/newsid_937000/937495.stm

[JR: If you made these claims on labels in the U.S. the SWAT teams would over-run your home and office, charge you with a federal crime and threaten you with federal prison and a heavy fine. We all know how and why this happens. Silver colloids are not illegal in the U.S. but you can't tell anyone why it is good for you or what it has been proven to do. OIUS (only in the U.S.)]

CAPITALISM WITHOUT CONSCIENCE

By Arianna Huffington, *TRUTHOUT*, 07/22/02

Such is the well-worn clichè that has become the mantra of the moment, as soothsayers from think tanks, the media, politics, academia and even the business world, assess the current wave of corporate scandals.

I think what we're seeing is actually just the tip of the tip of the iceberg. Because beyond the financial frauds that have endangered jobs, retirement funds and the stock market, the "profit uber alles" mindset is endangering the health and safety of the American people.

"In the long run," said President Bush in his finger-wagging speech to Wall Street earlier this month, "there's no capitalism without conscience"—an assertion that makes you wonder if his severance package from Harken Energy included a pair of rose-colored glasses. Of course there's capitalism without conscience, President dear. And plenty of it.

Market forces have no intrinsically moral direction, which is why, before he wrote “The Wealth of Nations”, Adam Smith wrote “The Theory of Moral Sentiments”. Ethics should precede economics. But it doesn’t have to. And it’s not inevitable that it will. We know this because we’ve seen the results of capitalism without conscience: the pollution of the air we breathe, the water we drink, and the food we eat; the endangerment of workers; and the sales of dangerous products—from cars to toys to drugs. All in pursuit of greater and greater profits.

For example, did you realize that 20,000 people—many of them children—are killed every year by defective products? Or that such products cause close to 30 million injuries a year?

We are up in arms—and rightly so—about corporate greed that leads to massive shareholder rip-offs, but shouldn’t we be even more irate about corporate greed that leads to loss of life?

The giant drug companies have been among the worst culprits, harming their customers with a wanton disregard for human life only matched by the tobacco companies and firearms manufacturers.

You don’t still think there’s capitalism without a conscience, Mr. President? Take Schering-Plough. In May, the company agreed to pay a record \$500 million fine for repeatedly violating FDA regulations regarding quality assurance, manufacturing, equipment, laboratories, packaging and labeling. Other than that, they apparently ran a very tight, conscience-laden ship. After all, they haven’t been accused of any accounting scandals. Not yet, anyway.

Even more damning, the drug giant is also currently under criminal investigation, reportedly for the literally breath-taking allegation that it caused the deaths of 17 people—including a ten-year old boy—who died while using asthma inhalers the company manufactured and distributed, even though it knew the inhalers might not actually contain any asthma-fighting medication.

According to FDA reports, the ten-year-old victim had an asthma attack, “reached for his inhaler and obtained no relief”, then died shortly thereafter. I’d like to see Schering-Plough try and work that suffocating little tableau into one of their gauzy, omnipresent TV ads.

There has got to be a very special place in hell for corporations willing to sacrifice the health of their customers on the altar of increased profits. If so, a toasty spot should be reserved for the folks at Wyeth who have been desperately trying to develop a drug that causes mass amnesia ever since a new study revealed that women using its wildly profitable hormone replacement drug, Prempro, showed heightened risk of breast cancer, heart attacks, strokes, and blood clots.

The corporate crime is not that Prempro—which, along with its sister pill Premarin, pumps more than \$2 billion a year into Wyeth’s coffers—has proven more harmful than beneficial. It’s that the company has aggressively marketed them despite growing concerns about the drugs’ safety. ...

And witness the “conscience”—more like “depravity”—with which the company promoted Duract, a painkiller it manufactured and marketed in 1997—even though research proved the drug could cause serious liver damage. Duract was an instant hit, with over 2.5 million prescriptions written in the 10 months before the drug started racking up liver-related deaths and was yanked off pharmacy shelves. ...

Earlier this month, Treasury Secretary and former Alcoa CEO Paul O’Neill couldn’t have been clearer about the need to establish very different corporate priorities: “If you go and look at Alcoa today you will find it’s the safest company in the world. Because I said to the people ‘I don’t care about how much it costs. If there’s a safety hazard or risk that we know about it should not be budgeted. It should be taken care of tomorrow morning.’”

What if O’Neill’s leadership mandate became the norm in American business? That, Mr. President, would truly be something approaching capitalism with conscience, where the profit motive doesn’t come at the expense of the public interest.

Few now dispute that it’s time for American business to clean up its act. The debate that rages is over the extent of the reforms that are needed. Will we settle for a few simple gestures on accounting and SEC enforcement or will we seize the moment to bring corporations to account for their anti-social behavior?

We have the chance to clean things up before an even grosser and deadlier corporate crime wave starts grabbing the headlines—and public confidence in our business leaders sinks even lower than the free-falling Dow.

WHAT REALLY HAPPENED TO GOLD?

By Craig Harris, Harris Capital Management Inc. CTA,
321gold.com, 07/29/02

People around the world are scratching their heads trying to figure out what happened to gold last week. During a week when most people would have expected strong gains in gold, it crashed.

I’m going to offer an explanation in the essay below. I’m going to pretend I’m Alan Greenspan.

I’m concerned about the possibility of a global market meltdown. I have an economy that seemed to be doing well, but it was doing “well” in the midst of the biggest investment mania in history. I know bubbles burst much more quickly than they are created, and with more of the American public participating in the equity markets than ever before, I have to prevent panic. I have created an environment where my currency no longer has intrinsic value. I rely on trust and confidence to keep the system working. If I lose the trust and confidence, so goes the system. In an era where there is competitive devaluation of the world’s currencies, I can’t let people figure out that if these currencies are in a competitive devaluation war, that they must be being devalued against real things. I want to assure the investing public that there is no reason to panic. I want to prevent them from taking more money out of the equity and financial markets. With all the global markets going down together, I want the USD to go up. I want the U.S. stock market to go up. I want to keep long-term interest rates down. I want to create the illusion that everything is ok while I figure out how to get us out of this mess. I don’t want money to leave my realm. I want to drive it into the U.S. Treasury market to create the illusion that it is the only safe haven. I want to make sure that the big money center banks don’t have trouble. I’m particularly concerned about banks with large derivative positions. What am I going to do? ...

I’m going to tell you what I’m going to do to restore order, to prevent panic, and to eliminate any viable alternatives for the storage of wealth besides the fiat paper markets I have created. What am I going to do? Simple... I’m going to sell gold, and I’m going to sell it until the price is where I want it. Through the derivatives market, I can sell as much of it as I want, and by using agents like the big money center banks to do my dirty work, no one will even suspect that I’m behind it. I have 7 other countries all willing to do the same thing if I need their help. Even if I’m selling gold I don’t own, it won’t matter... it won’t matter unless more buyers want the real thing than I have of the real thing to deliver. If that happens, then I’m in trouble... deep trouble. So, I will keep it where I need it at all costs. It’s my number one priority because if gold takes off, people will panic. They will lose faith in my fiat money system. They will take their money out of my banks. Long-term interest rates will go higher as capital flees the once-perceived safety of my bonds, the USD will go lower

as capital flies out of my paper asset markets. They will liquidate their equity holdings. They may begin to question the creditworthiness of my Treasury notes and bonds... so I won’t let that happen. While I’m selling gold, I’m having an agent execute program buys in the DJ. I’m also buying S&P futures. I want to give the market what the participants want to see. I want to create a bottom... At least the illusion of one.

Anyway, I hope that story helps... it’s all pure speculation on my part, but informed speculation. It’s the only way... the only way I can explain what happened last week. I’ll tell you something else... If I was Alan Greenspan and I got myself into this predicament, I’d be doing exactly the same things. I also have to say that if I was Alan Greenspan I wouldn’t have gotten into this predicament because I wouldn’t have let the bubble build to such extreme levels. I would have let gold run up in the late 90’s to kill the bull before it became manic. Will it work? Well, look at Japan. Intervention hasn’t worked there. The basic number-one most fundamental problem is that the value isn’t there. If stocks were reasonably valued here I’d say with conviction that a bottom could be created. The problem however is that as the bubble bursts... it’s not going to end until value appears. That’s my big problem. We have serious strains developing in the financial system, and an equity market that could still be as much as 50% overvalued depending on who you talk to.

So, I didn’t sell any gold on Friday. I didn’t sell because this is my long term insurance policy. If gold starts going through the roof, it’s a really bad sign because it means that Mr. G. has failed. The position isn’t big enough for me to worry about one-day moves or one-week moves. I’m in this for the long haul. I’ll sell some when it gets to Alan’s danger zone level, and I’ll buy back into selloffs. I didn’t buy either... I didn’t buy because I don’t know how low they’re going to take this market. I thought 314 was a good buy. I want to wait and see for a few sessions. I don’t think they want to make it go too low, because then people are going to start talking about deflation... that’s bad. The problem is that when a market gets whacked like gold and silver has in the past few sessions, it can spawn technically-based selling that takes the market lower than you want it to be. I think the financial engineers are happy with gold around current levels, but that doesn’t mean it can’t continue lower. While most people are scratching their heads over gold’s action in the last few weeks, I think they’re mostly ignorant... like children trying to understand particle physics... at least I feel like I have made sense out of it... although I don’t like what I see at all.

I smell desperation.

TWO YEARS INTO THE WORST FINANCIAL CRASH IN HISTORY

By John Hoefle, *Rense.com*, 8/1/02

This article appears in the August 2, 2002 issue of *Executive Intelligence Review*

With the worst financial and economic collapse in history now playing out with thinly veiled hysteria in the daily media reports, it is useful to remind your neighbors that Lyndon LaRouche told them it was happening long before it made the pages of the *New York Times*, and that what is happening is the tragic culmination of a process—economic, political, and cultural—which has been playing out for three decades.

As we go to press, the Dow Jones Industrial Average has dropped 1,677 points (18%) in 11 trading days, falling below the level it hit in the aftermath of Sept. 11, to levels not seen since the panic of 1998. As dramatic as that plunge may be, however, falling markets are but a reflection

of a deeper and much more ominous process—the sharp decline of the physical economy of the United States, and the world. The real economy has fallen out from under the markets, which have been artificially propped up by accounting tricks, enormous and unpayable debt loads, and mass delusion on the part of the markets and the public.

Reality is now breaking through the delusion. Some people respond by closing their minds and asserting that the market will come back “because it always does”. A more extreme version of this neurosis is the type who views the market slide as an opportunity to buy, forgetting that the “buy low and sell high” philosophy of J.P. Morgan and his parasitic peers made them rich not because they could read the markets, but because they could manipulate them. Then there are those who respond to the crisis by reexamining the axioms which caused them to fall under the spell of the delusions, to figure out why Lyndon LaRouche could see so clearly what they did not. It is the latter group upon which the future of mankind depends.

The Shape of Things To Come

We are now two years into the worst market crash in world history, with the major stock markets already down some 50% from their peaks in 2000. The markets are now back to their 1997-98 levels, but carrying half a decade’s more debt, leverage, and speculation. In market terms, we have crossed the peak and are now headed down the back side of a very steep mountain. How far and how fast we fall is largely a matter of actions taken, or not taken, on fundamental economic policy. As long as the Bush Administration and the Federal Reserve maintain their Hooveresque “the economy is fundamentally sound” stance, we can expect sharp plunges, punctuated by futile attempts to bail out fictitious and unsalvageable market values.

A graphic example of how fast the markets can fall is the sharp plunge in the Dow from a high of 381 in September 1929, to the low 40s in June 1932, a fall of some 90% over two years. The Dow didn’t break 100 points again until mid-1933, and did not rise above 300 points until early 1954.

The rise and fall of the Dow since the 1980s bears a striking similarity to the period of the Great Depression, as can be seen in Figure 1. This was produced by matching up the peaks in 1929 and 2000, using weekly closings. The run-up in both periods reflects the process shown in LaRouche’s Typical Collapse Function triple curve, in which financial aggregates rise hyperbolically to the point they become unsustainable, and collapse (Figure 2).

A similar process can be seen in the rise and fall of WorldCom (Figure 3), whose stock soared in the late 1990s and then plunged back to earth in the largest bankruptcy filing ever.

This sharp rise-and-fall curve can be seen in numerous other stock market indices, corporate stock charts, and other economic statistics, though it is often disguised by statistical manipulations and fakery. The pattern can already be seen in the stock prices of the energy pirates and the telecom and computer companies, and is nearly fully formed at semi-industrial companies such as General Electric and some of the big financial institutions. Absent the implementation of LaRouche’s emergency policies, it is the shape of things to come for the United States and the world.

The comparison between now and the Great Depression can only be taken so far, however, because the danger is much greater now. Not only is the bubble relatively much larger than it was then (the Dow increasing by a factor of five in the two decades leading up to the 1929 peak, versus a factor of 15 in the current period), but a much smaller percentage of the population is engaged in farming and manufacturing, and a much higher percentage lives in cities, where they are much more dependent upon urban services and distribution chains. The population is

also culturally less prepared to handle the hardships that would flow from a full-scale economic crash. The potential political and cultural breakdowns following a crash could rapidly lead to a new Dark Age, particularly in the cities.

Vaporization

The rise and fall of the global stock markets since 1997-98 can be compared to the volcanic eruption of Mount St. Helens, where the top of the mountain simply vaporized; in the case of the market, **trillions of dollars of market capital have disappeared**. This process is reflected in the Dow Industrials (Figure 4), the S&P 500 (Figure 5), and the Wilshire 5000 (Figure 6), all of which show a similar peaking curve. The process is more pronounced in the S&P 500 and the Wilshire 5000, which are significantly broader indices than the 30-stock Dow.

In recent years, the Dow has become more of a psychological manipulation tool than an economic index, as old-economy companies were cast out and replaced by “New Economy” entertainment, information, and services firms. Today’s Dow includes such “industrial” titans as derivatives giants J.P. Morgan Chase and Citigroup; American Express; computer firms Microsoft, Intel, IBM, and HP; Walt Disney Co., Wal-Mart, Home Depot, and McDonald’s. Even the firms which do have industrial components have large financial operations; General Electric, for example, makes about half its profit from its financial operations, including a sizable derivatives business.

Because it contains just 30 stocks, the Dow is also relatively easy to manipulate, and the **Plunge Protection Team** has intervened with increasing frequency when sharp declines threaten to escalate into major panics. Though its actions are semi-secret, the Plunge Team’s interventions are easily spotted by the classic “V” pattern in which the market plunges during the morning, then suddenly rebounds sharply during the afternoon.

Such interventions can be effective in dealing with anomalous events within an otherwise sound system, and can even provide a temporary boost during a systemic decline—but **no amount of financial stimulus can prevent a systemic collapse when the economic underpinnings of the physical economy have crumbled**. There are larger forces at work than can be dealt with by Federal Reserve Chairman Alan Greenspan’s bubble-blowing apparatus, especially since the money thrown into the bubble is looted from the underlying economy, making the bubble less supportable with every intervention.

Wall of Money

The nature of Greenspan’s dilemma can be seen in the sharp run-up in the markets in the 1997-2000 period, which itself is the result of an attempt to save the system in 1997. In early 1997, British fund manager Tony Dye issued warnings of an imminent disaster in the global derivatives markets, warnings which coincided with reported but downplayed reports of derivatives problems at National Westminster Bank. Dye’s warnings echoed those of **LaRouche, who had warned since 1993 that derivatives speculation would indeed blow up the system**.

In the over-the-counter derivatives markets, it is relatively easy to keep giant derivatives disasters hidden, because no one knows unless the counterparties tell them. Other market participants and the regulators might find out in short order, but the public is rarely told, especially when the problem is serious. Still, actions taken in the wake of a crisis can provide tell-tale signs.

In the case of the derivatives crisis of 1997, the tell-tale sign was the mid-1997 emergence of the so-called “Asian crisis”, which was actually a currency-warfare attack on the Asian Tiger economies by Anglo-American financial interests. In typical form, the bankers were attempting to postpone their own bankruptcy by stealing from the Asians. This assault continued into 1998, targeting one Tiger after another, generating billions of

dollars in loot and sending funds fleeing to the relative safety of the U.S. financial markets. The result can be seen in the rise of U.S. stock markets during the period.

The game came to an abrupt halt in September 1998, when looting-target Russia caught the markets off-guard with a default on its GKO bonds and a devaluation of the ruble. The prospect of a sovereign default—the “debt bomb” policy advocated by LaRouche—sent the financial markets into panic, with investors fleeing speculative paper in favor of more secure U.S. and German government bonds. This, in turn, caused many derivatives speculators to hemorrhage money, with the markets moving in the opposite direction from their bets. Long-Term Capital Management (LTCM), the giant Nobel Laureate hedge fund, went bankrupt and was bailed out by the banks at the urging of the Fed. Many other derivatives players, some considerably bigger than LTCM, were also grievously wounded.

In response, Greenspan and his central-banking peers launched what speculator George Soros later called the “wall of money”, flooding the markets with liquidity and promises, and a cover-up of the extent of the damage. Only later would the players admit what LaRouche said at the time: **that the global financial system came within a hair of melting down in 1998**.

It was this “wall of money” approach, combined with a liquidity injection under the guise of preventing potential Y2K problems and a regulatory blind eye to “creative bookkeeping”, which led to the sharp rise in U.S. financial markets from late 1998 into early 2000.

The attempt to bail out the system in 1997 led to the blowup in 1998, at which point another bailout was launched which blew up in 2000. Since then, global markets have plunged, major corporations have collapsed, pensions and retirement funds have evaporated, and the financial system is disintegrating. But don’t worry, because a bailout is in the works. After all, the markets always rebound, don’t they?

Systemic Crisis

The U.S. stock market bubble was actually a global phenomenon, financed in part by huge flows of investment capital into the country. Money poured into the United States during the go-go 1980s, though that flow ebbed a bit when the U.S. banking system went under (the Fed secretly took control of Citicorp and arranged shotgun marriages for the big banks) after the real estate market collapsed. To save the day, the financiers unleashed the derivatives market, unpayable debt was rolled over, and financial deregulation escalated. Changes in the tax codes allowed money that previously would have been paid in taxes to instead be gambled in the markets, and corporations used money that should have been invested in their business activities to support their stock price. The bubble soared, but the physical economy suffered, as health care, education, transportation, goods production, and research and development were all choked back in order to feed the bubble.

As the bubble grew, the cash poured in, but that process abruptly reversed after the market peaked in 2000 (Figure 7). The decline in U.S. stocks led to a decline in the inflow of foreign capital, which in turn further depressed stocks. This process was ameliorated by the strong dollar, because the rising dollar increased the profits of foreign investors as the markets rose, and reduced their losses as the markets fell. However, in 2002, the weakness of the U.S. economy has caused the dollar to fall, including a sharp fall against the euro (Figure 8).

The process defined by a falling stock market, a falling dollar, and reduced foreign capital inflows **spells doom for the U.S. financial bubble—and when the United States falls, the world falls with it**. Add to that the outbreaks of this systemic disease in Japan, Argentina, Brazil, Turkey, and other nations, including growing problems within Europe, and you have a prescription for disaster.

Sinking Banks

In all the corporate disasters breaking out in the United States, two names keep cropping up with uncanny regularity: J.P. Morgan Chase & Co. and Citigroup. Both were major lenders to Enron, and according to a report by the U.S. Senate Permanent Subcommittee for Investigations, both banks were active participants in Enron's fraud, using offshore affiliates to help Enron disguise loans as energy trades. Both banks lent heavily to the energy-pirate and telecom sectors, and are undoubtedly facing losses in the billions of dollars as those sectors vaporize.

J.P. Morgan Chase is the result of the acquisition of J.P. Morgan & Co. by the bigger Chase Manhattan. The deal, which closed on the last day of 2000, has been an absolute disaster as measured in ordinary—and therefore misleading—market terms. The market capitalization of the combined Morgan Chase is now less than that of Chase alone on the day before the merger, with Morgan (or at least its equivalent value) having simply vaporized (Figure 9). This is not surprising, as it was likely a bankruptcy at Morgan, and perhaps Chase as well, which led to the takeover of the aristocratic Morgan by the commoners at Chase.

The merger only bought a few months. Indications are that Morgan Chase blew up in mid-2001 and was secretly taken over by the Fed, similar to the way Citigroup's predecessor, Citicorp, was in 1989. During the fourth quarter of 2001, Morgan Chase combined its two lead banks, Chase Manhattan Bank and Morgan Guaranty Trust. As part of that process, \$125 billion in assets and \$7 trillion in derivatives simply disappeared from the combined banks' books, suggesting major financial problems. Still, **with \$24 trillion, Morgan Chase has more derivatives than any other bank in the world**, and more than enough to make a spectacular explosion.

Citigroup may be under Fed control as well, as rumors of major derivatives losses circulate. Citigroup is the result of the 1998 takeover of Citicorp by Travelers Insurance, creating what is now the largest bank in the United States, with just over \$1 trillion in assets and \$9 trillion in derivatives. On July 18, Saudi Prince Alwaleed bin Talal, Citigroup's largest individual shareholder, said that he had invested another \$500 million in the bank, raising his holding to \$10 billion. Alwaleed, a nephew of Saudi King Fahd, obtained his initial stake in the bank shortly after the Fed took it over in 1989 and began arranging a bailout. The latest cash infusion raises suspicion that Alwaleed is performing a similar service for Citigroup.

Not to be left out is Bank of America, whose \$620 billion in assets puts it third behind Citigroup's \$1 trillion and Morgan Chase's \$713 billion. **Bank of America's \$10 trillion in derivatives** puts it solidly on the hot seat in any financial crisis, and it has also loaned heavily to bankrupt companies. **Rumors are flying that Bank of America has applied to the Fed for a secret bailout.**

If the Fed winds up running the three biggest banks in the country, who's going to bail out the Fed?

Mutual funds, pension funds, and insurance companies are also big holders of stocks and have been hard hit by the decline. There's a lot more damage out there than has been admitted so far, and the hemorrhaging is continuing.

Pompous Pundits

Those tempted to listen to the siren calls of "recovery" and "sound fundamentals" emanating from the canyons of Wall Street and the nation's capital would do well to recall the comforting assurances given by the pundits and politicians in the period immediately before and just after the crash of 1929:

"Stocks prices have reached what looks like a permanently high plateau.... I expect to see the stock market a good deal higher within a few months," Yale economics professor and Hoover adviser Irving

Fisher said on Oct. 17, 1929.

"The industrial situation of the United States is absolutely sound," Charles E. Mitchell, chairman of National City Bank of New York (a predecessor of Citigroup), said in early October 1929. "I know of nothing fundamentally wrong with the stock market or with the underlying business and credit structure," Mitchell added on Oct. 22, 1929.

Even after the 13% drop on Black Monday, Oct. 29, 1929, the pundits were urging the public to stay in the market. "This is the time to buy stocks," said market analyst R.W. McNeel on Oct. 30. "This is the time to recall the words of the late J.P. Morgan... that any man who is bearish on America will go broke.... Many of the low prices as a result of this hysterical selling are not likely to be reached again in many years."

"Financial storm definitely passed," banker Bernard Baruch cabled Winston Churchill in mid-November.

"I see nothing in the present situation that is either menacing or warrants pessimism," Treasury Secretary Andrew Mellon announced on the last day of 1929.

"I am convinced we have now passed through the worst... and shall rapidly recover," President Herbert Hoover stated on May 1, 1930.

LEAKED GOLD REPORT REVEALS TROUBLE AHEAD...

From *Nationalinvestor.com*, August 2002

"CONSPIRACY THEORY" GAINS NEW CREDIBILITY

You didn't hear about this on the national news, CNBC, or in your local newspaper. After all, most of these controlled/scripted sources of "news" are still trying to keep us all believing that all is well with the world, even as the stock market and economy show new cracks. For all its obvious faults, "the system"—i.e., the fractional reserve monetary system administered by the Federal Reserve—is still sound, according to these pundits. Thus, and in spite of the rally in gold and gold stocks in 2002, the press will usually go out of its way to dismiss gold as either a viable investment alternative or as having any relevance to today's financial and monetary structure.

With this mindset, our press saw fit NOT to cover a news story that broke recently which should have made the front pages of at least every financial publication. It's a story that has much more to do with the financial markets generally than one merely of interest to "gold bugs". And it's one which—if the warnings inherent in it ever come to pass—could lead to the insolvency of a number of major institutions, and devastate global financial markets.

From time to time in my newsletter *The National Investor* (www.nationalinvestor.com), I have commented on the ongoing efforts of GATA (the Gold Antitrust Action Group—www.gata.org) to bring to the light of day their contention that gold prices have been artificially controlled by a cabal which includes our own Federal Reserve. In short, GATA has assembled considerable evidence that various financial institutions have made a bundle of money in recent years by betting on the decline in the gold price. This was done in a variety of ways; "short sales" of borrowed gold from central banks, hedging on the part of some major mining companies and the creation of complex derivative transactions among them (to understand the intricacies of this, I suggest you visit the above-referenced Websites). Until recently, these bets paid off handsomely, as gold went from over \$400 per ounce in January 1996 to lows around \$250 per ounce more recently.

The trouble now is that, with gold prices having bottomed and now starting to rise, many of these same institutions face potential disaster. It has been reported, for example, that the banking powerhouse J.P. Morgan, Chase and Company has over \$40 billion of exposure to gold-

related derivative contracts; these instruments could destroy Morgan's overall financial health in the event the gold price were to spike considerably higher. Thus, to protect Morgan and certain other financial houses in the same boat to one extent or another, it has been claimed that the world's central banks—led by the Fed—are now conspiring to keep the gold price from rising too much. Further, the way this effort is being conducted has opened up the entire financial system to a potential meltdown if the bankers fail in their suppression efforts.

Though GATA's claims, if true (and I believe they are in this regard), paint the picture of impending danger for the financial markets equal to or greater than anything currently in the Establishment news, they have none the less received short shrift. For the most part, the group and its adherents are dismissed as "wackos" and "conspiracy theorists" who are simply trying to come up with excuses for the lousy investment performance of gold throughout much of the last two decades. Meanwhile, a financial time bomb with possible ramifications extending well beyond the gold market itself continues to tick.

However, the recent publication of a March 2002 report obtained by GATA has given significant new credibility to the group's claims. It has also made some people in the financial world extremely nervous.

It seems that well-regarded mutual fund manager John Embry of Royal Bank of Canada authored a report on the gold market for his peers at the bank early this Spring. In it, he offered his viewpoint that—among other things—there has indeed been a "conspiracy" to suppress the gold price, the suppression has been engineered chiefly by the U.S. Federal Reserve—and that the Fed is scared to death that it could lose control and have tens of billions of dollars worth of gold-related derivatives to clean up one day. Somehow, this report made its way outside the four walls of RBC, and ended up in the hands of Bill Murphy at GATA. Needless to say, Murphy has spread Embry's report far and wide. I would too, if I were him; after all, Embry is one of the most highly regarded money managers in North America. His firm is not some local coin shop where local militia members come to talk conspiracy over coffee all day long, nor is it the publisher of one of the many sales-oriented newsletters that hawk gold come Hell or high water. It is one of the biggest financial companies in Canada.

For their part, embarrassed (and quite angry) Royal Bank officials were quick to claim that Embry's report does not represent the bank's views. Instead, this was a report meant for other managers and big shots at RBC, and was not intended for public consumption, they say. Bottom line, the bank is hopping mad that, of all the people who got their hands on this, it was Bill Murphy. (NOTE: Murphy claims that this report also went to some of the "biggest and best" clients of the bank, one of whom forwarded it to him.)

Embry cannot be dismissed, however—and he is respected enough that this report is turning some heads as more people read it. As Matthew Ingram of Toronto's *Globe and Mail* put it in one article on this crazy story, getting such a well-regarded money manager from a major bank to essentially agree with what GATA has been saying for a few years now is, "... a bit like the U.S. government admitting that yes, there was a top-level CIA plot to assassinate former president John F. Kennedy—and the whole lone-gunner theory was just a crock."— <http://www.lemetropolecafe.com/dospassos.cfm?cfid=282790&cftoken=46234052&pid=2409>

THE REPORT

Following is a copy of Embry's report, generously forwarded to me by Murphy: RBC INVESTMENT MANAGEMENT, LTD.

Report on Gold (http://www.nationalinvestor.com/leaked_gold_report_reveals_troub.htm)

**U.S. INTEREST RATES 'COULD HIT
1930'S DEPRESSION LEVELS'**

By George Trefgarne (Economics Editor),
The Telegraph—London, 8/7/02

Wall Street rallied dramatically yesterday on hopes that the U.S. Federal Reserve will deliver a shot in the arm to the American economy next week with an interest rate cut.

The Dow Jones index finished the day up 230 points at 8,274. In London, the FTSE 100 index of leading shares also rallied, closing up 134.6 at 4131.0. Major U.S. investment banks are queuing up to forecast cuts in U.S. interest rates.

Lehman Brothers said yesterday it had seen "enough economic and financial pain" and was changing its forecast. "The precise dimensions of such a move are hard to pinpoint, but our main scenario is a quarter point cut at the September, November and December meetings, pushing the funds rate down to 1%," said Lehman.

That would leave U.S. rates at their lowest since the Depression era of the 1930s. Goldman Sachs also believes U.S. rates could be cut next Tuesday, when the U.S. Federal Reserve's open market committee meets.

However, at 1.75%, U.S. interest rates are already at a 40-year low and Peter Dixon, an economist at Commerzbank, said some traders were guilty of wishful thinking yesterday. "There could be another cut in U.S. rates," he said, "but I am not expecting one until October. You must remember that this is August and markets are very thin."

Mr. Dixon cited the U.S. Federal Funds Futures contract, which is traded at the Chicago Board of Trade. The contract for September was trading at 98.33 yesterday, indicating that no change is expected by a market that watches the Fed's moves very closely. However, the October contract is forecasting a cut.

The dollar also had a strong day against most major currencies as funds flowed into the U.S. stock market. The dollar's strength struck a blow against the pound, which dropped sharply against the U.S. currency in its worst day's trading for more than five years.

By the close in London the pound had fallen 3 cents against the dollar, to end at \$1.5383. The dive came the day after National Statistics <<http://www.telegraph.co.uk/money/main.jhtml?xml=/money/2002/08/06/cnmanu06.xml>>said that manufacturing output had plunged in June at its fastest rate since 1979.

Some currency analysts said that although there is a growing view that the U.S. economy will suffer a so-called "double-dip" recession, it could recover faster than the UK as the U.S. authorities have taken swifter action.

"Today's situation is because of the dollar and interest rates," said Ryan Shea of Bank One. "The U.S. recovery will be quicker than in the UK economy." The International Monetary Fund produced its latest forecast for the U.S. economy yesterday and said it expected growth to accelerate from 2.5% this year to 3.25% next year.

However the trade-weighted index, which measures the pound against a basket of currencies, showed it almost unmoved, dropping from 106.8 to 106.7, as it gained slightly against the euro to 62.69p. The euro was also weak against the dollar, slipping more than two cents to 96.43.

Today, the Bank of England releases its quarterly inflation report. The minutes for this month's meeting of the monetary policy committee, when rates were left at 4%, will also be published.

Economists will be watching to see if Mervyn King, deputy governor of the Bank, repeated his lone stance of July when he voted for a rate rise.—<http://www.telegraph.co.uk/money/main.jhtml?xml=/money/2002/08/07/cndow07.xml&s>

NEVADA CORPORATIONS:

What They Don't Say Can Really Help You

Budget's "Tip of the Week" #5:

Key provisions NOT included in Nevada's corporate statutes

In the first four installments of "Tip of the Week" we took a close look at several very interesting provisions of Nevada's corporate statutes. Sometimes, however, what is NOT mentioned in the statutes is just as important.

In Nevada, as many readers may be aware, there is no statute mandating the **issuance of stock**. (Nevada is not unique in this regard; several other states' corporate statutes similarly ignore this key issue. What makes Nevada unique is the combination of statutory provisions, non-addressed key issues and actual practices, all of which add up to make Nevada the ONLY state that allows for privacy of ownership and control of a corporation.)

As if to underscore the non-necessity of stock issuance, there is no requirement to hold an **annual meeting of stockholders**. Yes, there are many references to the stockholders' meeting but nowhere is it stated that any such meeting must be held.

Similarly, Nevada is one of a few states that does not nullify the use of "bearer" shares. It is not that there is a statutory provision endorsing the use of bearer shares or even addressing the issue; it is that the issue goes entirely unmentioned, whereas in most other states the use of bearer shares is statutorily denied.

A major, major issue that is not addressed anywhere in the *Nevada Revised Statutes* is that of **nominee officers and directors**. The use of nominee officers and directors has been common in practice in Nevada for more than 75 years and yet this issue, which is the key to privacy of control of a Nevada corporation, is simply not mentioned. Doesn't that make you wonder why not?

Other states (Wyoming comes to mind) have directly addressed the issue of **nominee stockholders**. In Nevada, however, there seems to be more power granted by not restricting the use of this technique even by defining it.

Nevada only requires a corporation's primary officers to be listed annually but does not abridge the key roles that can be afforded to **secondary officers**, such as a vice president, who may exercise all of the powers of the president in the president's absence; an assistant treasurer, who may be empowered to sign checks and otherwise fulfill the role of treasurer; or an assistant secretary, who may perform all of the duties of the secretary. When nominee service is used, the primary officers are assuredly absent, empowering these secondary officers, who are never listed in the public records with the Secretary of State.

Finally, since only an annual list of officers needs to be filed, a corporation may change its officers and directors at any time through a proper resolution (a PROTECTED "internal" record of the corporation) without notifying the state to modify the public record.

This listing is, of course, by no means all-inclusive. We trust, however, that it provides the reader with a lot of serious "food for thought" as to possibilities for private control and ownership of Nevada corporations.

CORPORATION SETUP AND MAINTENANCE FEES

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Elite Dark Cabal Can't Delay The Inevitable!

Update by Sheldon Nidle for the Spiritual Hierarchy and the Galactic Federation
July 30, 2002 (2 Cimi, 4 Pop, 11 Ik)

Greetings! A most Happy New Year to you all! We arrive, dear Hearts, with more to tell you. In the past week, our fleet has increased its liaison activities with our earthly allies and your major governments. Its chief intent is to prepare your planet's rulers for the massive shift that is drawing ever closer. At the same time, we are asking our heavenly supervisors what they now wish us to do. Right now, many decisive events are occurring in secret on your world. Those in power have fought to the end, in a futile attempt to delay the inevitable. This cabal has clearly used every conceivable opportunity to spread misinformation and frustration among those who sincerely wish a change in your planet's contemporary reality. At this point, we wish to assure everyone that change will indeed come to your world. However, one last sequence must be played out to its fullest extent. We ask you, therefore, to remain focused and to understand that a great day is truly dawning upon your world. The many announcements called for in various long-signed agreements will be made. The time for a new world is upon you!

As your world undergoes a tremendous shift in its reality, your galaxy, also, is changing. The galaxy's central core is in the midst of an immense mutation that will soon change its vibrations and raise it to a new dimension. Presently, its core transmits both energies and information to every element in our galaxy. In turn, it also serves to bring energy and information from this galaxy to the rest of Creation. This operation has continued for more than 40 billion years. Physical Creation is much older than your scientists now believe. At the moment, they cannot accurately measure what they refer to as 'the dark matter', because that energy is part of the inter-dimensional Light that created all physicality. All physicality is simply a reflection of divine consciousness. It is as alive as you are. In a normal lifetime, you are birthed out of this dark matter and, eventually, return to it again. This vast field of Light is a consciousness that extends as far as the Creator. Truly, you are connected to all of life throughout the infinite immensity that is Creation!

This galaxy has initiated a series of discussions to vastly expand its relationships with many tens of thousands of neighboring galaxies. We have referred briefly to these meetings in many past updates. Our focus, on these occasions, is to augment our knowledge of physicality and to carry out the mission that Heaven has given us. A major

part of these activities is the approaching integration of your energies with our own. You remain a vital component in these procedures. Therefore, we have asked representatives from Inner Earth to act as your proxies until your transformation is completed. You continue to play a major role in these conferences. Unbeknown to you, your reputation has traveled throughout physicality. Many of the finest, supreme Souls in Creation have willingly incarnated upon your world. You, dear Hearts, are a vast conglomerate of the most splendid Beings in this galaxy, indeed, in all of physicality. The great Light that has dawned on your world has been born there for a divine purpose. It is destined to transform physicality and to reunite physicality with Heaven.

Present events are based upon positive change. The negative reality in which you live now is ending. It is almost in position to transform into a more effective, more open global society. The unfortunate part of this process is that every effect in the environment will remain the same until the major alterations have been completed. Thus, you continue to feel that nothing is changing and that your reality is becoming even bleaker. This, in fact, is not the case. **It is occurring only because your last, still-powerful cabal has used every last shred of power to delay the inevitable.** On your world, change is carried out behind closed doors by those powerful enough to gain entrance to the room. The replacement of an influential member is equivalent to a major coup. The process has to be undertaken very carefully, and is often accompanied by copious misinformation on all sides, as well as disbelief at the actual events. The Anunnaki's minions have followed this pattern for millennia and show no signs of changing their methods of influencing the drama's outcome.

It is important for you to understand that a great many significant events are unfolding on your world. Until the right time, your media and the rumor mills of the world will be rife with misinformation and useless innuendo. In this, learn to trust your inner 'Heart Logic'. It alone possesses an intuition that is able to discern the lies from the Truth. We ask you, moreover, to remain focused and fully committed to your inevitable victory. Although the forces of darkness upon your world are in retreat, those who inform you are not yet at liberty to accurately describe what is occurring. As a result, a vast gulf has developed between what is true and what is not. To this end, we can assure you that our commitment to first contact has not changed. Our liaisons are working diligently to ensure that the outcomes entrusted us by Heaven are appropriately manifested.

This operation has reached the point at which a number of critical events will be revealed.

We are accelerating the 'terra-forming' of your two sister planets, Mars and Venus. Mars, because of its importance to our mission, is the focal point of our actions. When Mars was altered by an attack from our former opponents, its dense atmosphere and vast hydrosphere were almost eliminated. What remain are an enormous underground aquifer and a very thin atmosphere. We have allowed this underground sea to return slowly to the surface. We have also been 'thickening' the Martian atmosphere, which has nearly tripled in the volume of oxygen and other gases it needs to sustain life. This operation will cut the time needed to restore Mars to its former, pristine self. Further, we have begun to reactivate Venus. The degree of volcanism caused by the up-welling of its near surface magma is the first focus of our activities.

Your Sun remains in its current hyperactive state. We are altering the Sun's magnetic fields to change her effects on her many daughter planets. Your solar system is approaching an immense mutation. The driving force that underlies this timing remains your transformation, and the divine timetable granted by the Divine Plan. We are constantly awed by its beauty and by the way Heaven carries out this operation. Every day, the divine orchestrates an infinite number of elements. Gradually, your Sun is moving its solar system toward a time when its look and feel will be very different. This 'new' solar system will return you to your former glories. It will be the harbinger of what awaits you. We in physicality look forward eagerly to this destiny. You, dear Hearts, are on the verge of greatness!

As we will continue to repeat, dear Hearts, you are in the midst of a huge and positive transformation that encompasses both you and your reality. This change began long ago, when you were first thrust into limited consciousness. We ask you to remain focused on the outcomes that are near at hand. An enormous revolution is occurring in the power structure that has governed you and your world. These dark Beings have brought you and Mother Earth to the very edge of ruin. However, individuals within these covert structures, who wish a different, more positive scenario, have courageously stepped forward. Their actions have triumphed. Our liaisons inform us that many extraordinary things are about to be manifested. Using your great, collective energies to support this mission, let us, together, move diligently toward our magnificent, shared victory!

Today, we have continued our discussions concerning events on your world, in your solar system and throughout physicality. Again, we ask you to forge ahead with your noble efforts by maintaining your focus and commitment to your inevitable victory. The time for our celebration draws closer with each passing day. We now take our leave. Blessings! Know, dear Ones, in your Heart of Hearts, that the incalculable Prosperity and Abundance of Heaven is yours! Amen. Selamat Gajun! Selamat Ja! (Sirian for Be One! Be in Joy!)

Update by Sheldon Nidle for the Spiritual Hierarchy and the Galactic Federation August 6, 2002 (9 Ben, 11 Pop, 11 Ik)

Selamat Jarin! We return, dear Ones, with much to tell you! At present, your secret rulers are completing a critical shakeout of their inner ruling council. Once it finally is achieved, an important cabal will have been shorn of its power. That done, the reforms that are needed to bring about a new era of governance and fiscal abundance on your world can go ahead. Until then, this last, great showdown between the Anunnaki's former earthly minions will continue. On another front, we have further strengthened the many liaison teams that are assisting this process. We are fully committed to provide whatever our earthly allies require to secure the victory we so dearly wish for them. Remember that what is under way is a sweeping change in the policies of those who long have ruled you. In effect, they are sacrificing a large part of their power and wealth. **This cabal, to which we have alluded many times before, consists of an integrated group of powerful families based in the Americas and Europe that has fought this process on every occasion.**

In recent weeks, we have ordered sectors of our fleet to become more apparent to you. This has resulted in reports in your media of sightings in or around various national capitals. These events are merely part of our plan to increase pressure on those who wish to prolong the existing state of affairs. Agreements that we have made and faithfully signed with many other parties from your world WILL be enforced! Heaven has informed us that the last shackles that prevent us from acting directly will soon be removed. We find this tremendously encouraging and now believe that a true deadline is drawing near. We genuinely feel that the open transitional period between your present reality and your coming new reality will begin very soon. This anticipation has led us to move more fleet units from our bases on Mars to our lunar bases. Their personnel will form the next wave of ships to arrive on your shores, after first contact officially begins. Moreover, we have commenced operations to open up the habitats that we have built for you in Inner Earth and on board our ships.

To this end, we have reclassified all of our medical teams and redefined their procedures. Our primary policy is to ensure that all intervention is carried out swiftly and successfully. Your precious planet is deteriorating quickly, and potential monumental disasters have become more likely. Therefore, we are pleased that Heaven has approved the many scenarios we have submitted. It has given us a chance to act more openly. For that reason, we have moved our main command ships closer in. No longer are we located behind Uranus; now, we have taken position behind

Jupiter, and are ready for action. This movement has led to heightened security on our lunar and Martian bases. Also, 'terra-forming' teams on Mars and Venus have moved into the next preliminary stages of their joint missions on your closest sister planets. These activities have drawn the notice of many planetary scientists. Mars is becoming unusually active, as is Venus. Strange, anomalous activities are also being observed throughout the Asteroid Belt. This is due not to solar activity, but to preparations for reconstituting the planet you call 'Maldek'.

Your Sun, also, continues to increase her activities. These finely tuned actions result from vast amounts of energies being hurled at her from this galaxy's central core. As we have noted in past messages, your entire galaxy is in the process of transforming from a largely dark realm to one of Light. The linchpin of this activity is the Sun and her solar system—especially, the magical water-planet known to you as Earth. Upon her surface dwells a global society consisting of magnificent Souls such as you. You have incarnated here not to suffer, but to be free and sovereign Beings, devoted to your mission of assisting the Divine Plan to unfold the wondrous Divine Will of the Creator. We are here as your galactic family to help you return to your fully realized potential. The Divine Plan, likewise, has directed Heaven to intervene and supervise our mass reunion. This process, dear Hearts, is unfolding on many levels, some directly known to you, others hidden by their delicate subtlety.

As you continue to transform, realities that surround you are also altering. We have described this process in many previous messages. We reiterate this now, dear Hearts, only to reinforce two important principles. First, change occurs according to a divine order. This order has been accelerated by divine decree. What normally would take centuries or a millennium is happening, now, in less than a decade. Second, the instability of your planet's surface is due not to any geological conventions, but to the many mutations that occur in, around and on her. These have been further coalesced by the power struggle that is taking place now upon your world. Two opposing groups of powerful, covert rulers are at odds. While their conflict began millennia ago, this is the prophesied moment when the clash will manifest most dramatically. It will lead to your victory and a return to your duties as physical Angels.

Already, we have mentioned the Sun's hyperactivity and its effect on Mother Earth. This vast pool of energy being ejected by the Sun is altering the gravitational fields and resonance of Jupiter and Saturn. They, in turn, are changing the resonance pattern of the solar system. At this very moment, a new set of governing principals is being born. Gravity and the interrelationship of every element in a solar system result from this balance. This balance is the definition and description of

magnetism. Once you properly understand these definitive principles, it is entirely possible to construct vehicles that reflect them. One of our gifts will be to reveal these things to you. As we do so, use this knowledge to become more fully aware of what you now are experiencing.

As above, so below! Presently, a wide-ranging truce, bordering on permanency, is our galaxy's destiny. The previously warring factions have ceased hostilities and joined together, and the Light has overwhelmingly triumphed. A similar promise is pressing forward on your world. **The last, dark cabal persists in stubbornly resisting the inevitable.** This covert struggle has only one outcome—the Light's total victory! The timing for this occasion is near. We ask you, therefore, to remain fully committed and utterly focused on success. As we have said, that moment is not far off. It is unfortunate that these events are surrounded by a strategy whose exact details must be obscured in deafening silence. We can tell you that we find the full cooperation of most of your former secret rulers most gratifying. Although we find the need for silence totally unacceptable, **we are honorable, and will continue to abide by our agreements.**

The final act of your cosmic drama has begun. The first scene has been performed. Now, the final scenes await your applause, and your full participation. These episodes will be played capably, and with your divine approval. Therefore, it is important for you to remain totally ready to complete these undertakings and to enjoy your most exalted triumph. Here, we wish again to inform you that we are full participants on the side of the Light. Our power and ability are at the complete disposal of Heaven. At Heaven's command, we will intervene and ensure your victory. We approach this role very seriously, dear Ones, and fully intend to execute it when called upon. This role has led us to make many agreements with our earthly allies. We ask, now, that these accords be implemented with sincere intent. Together, we shall be victorious!

Today, we have briefly discussed the events of the day. Remain positive about what is unfolding. Your world is changing for the better. Your galactic neighbors have arrived from afar not to rescue you, but only to carry out a divine intervention. That intervention will allow your grand destiny to be fulfilled according to the Divine Will of the Creator. We now take our leave. Blessings, dear Hearts. Know, in your Heart of Hearts, that the unceasing Abundance and Prosperity of Heaven is indeed yours! Amen. Selamat Gajun! Selamat Ja! (Sirian for Be One! Be in Joy!)

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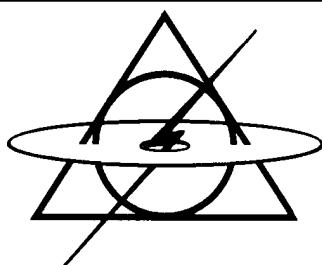
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THE PHOENIX JOURNAL

is published by

CONTACT, Inc.

P.O. Box 27800

Las Vegas, NV 89126

Phone: (800) 800-5565

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FROM HATONN

CONTACT OR SPECTRUM?

I want to briefly respond to a most unusual question from a totally "out of the blue" person: "It appears *Spectrum* will fail, possibly close, so will you go back to writing for *CONTACT* or what?"

I have never stopped writing for *CONTACT*—but I have NOT written, nor have my compatriots written for *Spectrum*. Tails wag a lot of dogs, my friends. Therefore, "or what" has no meaning.

January 6, 2001