

Rock Creek Free Press

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Vol. 4, No. 8 August 2010

A FIERCELY INDEPENDENT NEWSPAPER

Washington, D.C.

Former Dictator Manuel Noriega Sentenced to 7 Years by French Court

By WAYNE MADSEN

76-year old former Panamanian dictator Manuel Noriega was convicted of money laundering last month in a French court room. Noriega has always contended that the drug-money-laundering network from which he stands accused of profiting was a US-developed “imaginary banking scheme”, and he is backed by mountains of evidence collected during the multiple investigations of US covert activities during the 1980s in Latin America, of which the Iran-Contra scandal was an important subset. Noriega denies that payments made to his accounts in France came from Colombian drug cartels and maintains that the cash came from his own businesses and the CIA. None of that mattered as Noriega was convicted and sentenced to 7 years.

It is widely believed that Noriega, is being kept in prison as the result of a secret

See NORIEGA p. 2

Financial Regulation Bill Delays Derivatives Curbs until 2022

By WEBSTER G. TARPLEY / TARPLEY.NET

The Obama-Dodd-Frank financial regulation bill, a miserable excuse for real Wall Street reform, is now about to gain final approval in the Senate. This wretched bill is now supported by the New England liberal (meaning Wall Street) Republican clique including Olympia Snow, Susan Collins, and Scott Brown, who are joined by the notoriously corrupt reactionary Democrat, Ben Nelson of Nebraska. This bill will create a multitude of new regulations and a number of large new bureaucracies, but it is utterly devoid of any bright-line prohibitions against the causes of the financial panic which struck the United States in 2008, and which continues to the present day in the form of a

See TARPLEY p. 4

Lieberman Backs Internet Censorship Favors Chinese Model

The Chinese system has nothing to do with “war” and everything to do with political oppression

By PAUL JOSEPH WATSON / PRISON PLANET.COM

When Senator Joe Lieberman (Ind-CT), attempted to justify draconian legislation that would provide President Obama with a figurative kill switch to shut down parts of the Internet, he cited the Chinese system of Internet policing as a model toward which America should move.

Given the fact that Lieberman seeks to mimic the Chinese system as the goal of his Protecting Cyberspace as a National Asset Act, should it concern us that the Chinese government routinely orders Twitter and Facebook-like services to “purge sites of politically “sensitive” words and expressions,” as the *Financial Times* reports?

“Right now China, the government, can

See LIEBERMAN p. 4

Peace Mom Cindy Sheehan Asks: For What ‘Nobel Cause’ Have Our Sons Died?

By JOE P. BROWN / RCFP

Cindy Sheehan is a well-known anti-war activist whose son, Specialist Casey Sheehan, was killed in 2004 during his service in the Iraq War. She attracted national and international media attention in August 2005 for her extended anti-war protest at a makeshift camp, Camp Casey, outside George W. Bush’s ranch in Crawford, Texas.

The following is an interview with peace activist Cindy Sheehan on Thursday, July 8, 2010 at Lafayette Peace Park in Washington, DC.

Joe: Why did you come to Washington?

Cindy: There are so many illegal and immoral wars. Our infrastructure is crumbling. There is an oil gusher in the gulf and so many things that are profoundly messed up in this country. This is the heart of the Evil Empire. I needed to do everything I could while I still could do it. Then I would not be a failure.

Joe: You have said that profits are the real reasons for war. How did you come to that conclusion?

Cindy: After my son, Casey, was killed, I started doing even more studying about war, especially Iraq. In the War on Terror, I found out that the independent contractors have been used to do things such as laundry for the soldiers (Kellogg, Brown & Root). Blackwater and Halliburton were



securing convoys. The bankers profit off of war and the people who make socks and belts and shoes profit off of war.

I read Major General Smedley Darlington Butler’s book *War Is A Racket* (1935), and this cemented the conclusions I was already drawing.

Joe: You went to Crawford, Texas and

set up Camp Casey to protest President Bush; what do you see is the difference of now protesting President Obama?

Cindy: In my own case I don’t see any difference, because Pres. Bush’s policies are still continued. There has not been one significant move in any progressive direction.

See SHEEHAN p. 5

Israel Paves the Way for Killing by Remote Control

By JONATHAN COOK / THE NATIONAL (ABU DHABI)



Spot and Shoot, as it is called by the Israeli military, may look like a video game but the figures on the screen are real people – Palestinians in Gaza – who can be killed with the press of a button on the joystick. The Spot and Shoot system – officially known as Sentry Tech – has mostly attracted attention because it is operated by 19- and 20-year-old female soldiers, making it the Israeli army’s only weapons system operated exclusively by women. The female soldiers, located far away in an operations room, are responsible for aiming and firing remote-controlled machine-guns mounted on watchtowers every few hundred meters along an electronic fence that surrounds Gaza. The women are supposed to identify anyone suspicious approaching the fence around Gaza and, if authorized by an officer, execute them using their joysticks. The system was phased-in two years ago for surveillance, but operators were only able to

See ISRAEL p. 4

How Brokers Became Bookies: The Insidious Transformation of Markets into Casinos

By ELLEN BROWN

“You all are the house, you’re the bookie. [Your clients] are booking their bets with you. I don’t know why we need to dress it up. It’s a bet.” — Sen. Claire McCaskill, Senate subcommittee investigating Goldman Sachs (*Washington Post*, April 27, 2010)

Ever since December 2008, the Federal Reserve has held short-term interest rates near zero. This was not only to try to stimulate the housing and credit markets, but also to allow the federal government to increase its debt levels without increasing the interest tab picked up by the taxpayers.

The total public US debt increased by nearly 50 percent from 2006 to the end of 2009 (from about \$8.5 trillion to \$12.3 trillion), but the interest bill on the debt actually dropped (from \$406 billion to \$383 billion), because of this reduction in interest rates.

One of the dire unintended consequences of that maneuver, however, was that municipal governments across the country have been saddled with very costly bad derivatives bets. They were persuaded by their Wall Street advisers to buy credit default swaps to protect their loans against interest rates shooting up. Instead, rates proceeded to drop through the floor, a wholly

unforeseeable and unnatural market condition caused by rate manipulations by the Fed. Instead of the banks bearing the losses in return for premiums paid by municipal governments, the governments have had to pay massive sums to the banks — to the point of pushing at least one county to the brink of bankruptcy (Jefferson County, Alabama).

Another unintended consequence of the plunge in interest rates has been that “savers” have been forced to become “speculators” or gamblers. When interest rates on safe corporate bonds were around 8 percent, a couple could aim for saving half a million dollars in their working

See BOOKIES p. 5

The EgyptAir Flight 990 Coverup

By KHALID ROSENBAUM / RCFP

Approximately 11 years ago, on October 31, 1999, EgyptAir Flight 990 originating from Los Angeles dove into the Atlantic Ocean killing all 217 people on board. Many passengers were American tourists. Those watching the news during these events were told that the co-pilot had killed the passengers and crew as part of committing suicide, and the proof was the cockpit voice recordings, in which he said, “I’ve made my decision now” right before purposely plunging the plane into the ocean. Yet the co-pilot, El Batouty, never actually said those words.

Anybody can see the official National Transportation Safety Board (NTSB) report on the US government website, and see that those words were not said. On



November 20, 1999, an ABC News article stated that, “a federal law enforcement official said ...the crew member in the co-pilots seat was recorded as saying: ‘I made my decision now. I put my faith in

God’s hands.’ But on Friday [Nov. 19], a government official said the first of those sentences — the one about making a decision — is not on the tape.” We were

See FLIGHT 990 p. 7

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Top Clinton Official: Only a Terror Attack Can Save Obama

Bilderberger Shapiro says President needs new OKC or 9/11 as a way of “demonstrating that he is a leader” before November elections to reverse plunging approval ratings

By PAUL JOSEPH WATSON / PRISON PLANET.COM

A former senior advisor to President Bill Clinton says that the only thing which can rescue Barack Obama’s increasingly tenuous grip on power as his approval figures continue to plunge is a terror attack on the scale of Oklahoma City or 9/11, another startling reminder that such events only ever serve to benefit those in authority.

Buried in a *Financial Times* article about Obama’s “growing credibility crisis” and fears on behalf of Democrats that they could lose not only the White House but also the Senate to Republicans, Robert Shapiro makes it clear that Obama is relying on an October surprise in the form of a terror attack to rescue his presidency.

“The bottom line here is that Americans don’t believe in President Obama’s

See ATTACK p. 2

US Secretly Funding Anti-Chavez Press in Venezuela

By EVA GOLINGER / POSTCARDS FROM THE REVOLUTION

US State Department documents declassified under the Freedom of Information Act (FOIA) provide evidence more than \$4 million USD in funding to journalists and private media in Venezuela during the last three years. This funding is part of the more than \$40 million USD international agencies are investing annually in anti-Chavez groups in Venezuela in an attempt to provoke regime change.

The funding has been channeled directly by the State Department through three US agencies: Panamerican Development Foundation (PADF), Freedom House, and the US Agency for International Development (USAID).

In a blatant attempt to hide their activities, the State Department has censored the names of organizations and journalists receiving these multimillion-dollar funds. However, one document dated July 2008 mistakenly left unveiled the names of the principal Venezuelan groups receiving the funds: Espacio Publico (Public Space) and

See CHAVEZ p. 8

USAID Funded Coup Plot in Bolivia

Bolivia: US ties threatened by funding

By ALEX MAIN / GREEN LEFT

When Bolivian foreign minister David Choquehuanca and US assistant Secretary of State Arturo Valenzuela met at the start of June, it appeared that relations between the US and Bolivia were on the verge of being normalized following an 18-month diplomatic chill.

But hope for improved relations appeared to be dashed two weeks later when Bolivian President Evo Morales accused the US government-funded US Agency for International Development (USAID) of financing groups opposed to his government.

“If USAID continues working in this way”, Morales said, “I will not hesitate to expel them because we have dignity and sovereignty, and we are not going to allow any interference.”

Declassified documents uncovered by investigative journalist Jeremy Bigwood

See BOLIVIA p. 5

INSIDE

Health p. 2
Robert Parry p. 2
Paul Craig Roberts p. 3
Ron Paul p. 3
Editorials p. 3
Book Review p. 6
Turkey - Erengekon p. 6
News Bites p. 8

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Human Experimentation: Pfizer Case Over Test that Killed 11 Kids Could Blow the Lid Off Foreign Drug Trials

By JIM EDWARDS / BNET

The US Supreme Court's decision to send the Pfizer Trovan case to trial threatens to do the one thing the pharmaceutical industry most wishes won't happen: Reveal to Americans exactly how foreign drug trials are unregulated, sometimes dangerous and often unreliable.

The seemingly endless Trovan case involves Pfizer's test of a meningitis drug on 200 children in Kano, Nigeria, in 1996. Pfizer failed to get proper consent for the trial. Eleven kids died and the drug was eventually nixed because it was too dangerous. The events may have inspired the book and film, *The Constant Gardener*. Pfizer has attempted to do the right thing in recent years by settling the case for \$75 million, but it's been stymied by local bureaucracy and corruption.

One friend-of-the-court brief filed in support of Pfizer was from the Washington Legal Foundation (WLF). Why might this conservative legal think tank have a sudden interest in the intricacies of the Alien Tort Statute (the law at stake in the Supreme Court appeal)? All will be revealed ...

The case coincides with an investigation of the FDA's lack of supervision of drug trials on foreigners conducted by the Office of the Inspector General. It found that the FDA looks at only 1 percent of trials conducted outside the US. The trial data are then used to convince the FDA to approve medicines which are taken by Americans.

Other disconcerting facts about

the US drug industry's use of foreign resources include:

- The FDA has only two people inspecting drug factories in all of China.

- Trials done in Russia and other Eastern hemisphere countries often can't be replicated back in the US
- One analyst has suggested that foreign clinicians have "uncertain credibility."

- The New England Journal of Medicine* suggested last year that foreign drug trials could hurt US patients because foreign test subjects may have different genetic or environmental responses to drugs. The journal also noted that foreign trials were plagued by ethical dilemmas, as they often recruit poor, uneducated patients who lack other healthcare alternatives.

Of course, the Pfizer case won't be a general inquiry into industry practices, just those of Pfizer. That might be messy enough on its own. Although the Trovan tale is already widely known, the detail in the actual complaint, *Abdullahi et al v. Pfizer*, has been seen by only a few people because it was not electronically filed in the federal court system's online database.

Some of that mess was hinted at in the Second Circuit Court of Appeals' decision on the case. It turns out that a Pfizer doctor may be a whistleblower in the case. He balked at the Trovan trials when his coworkers began faking their paperwork.

At the time, Pfizer also claimed to have secured approval from an

IDH [Nigeria's Infectious Disease Hospital] ethics committee. Appellants allege however, that the March 1996 approval letter was backdated by Nigerian officials working at the government hospital well after the experiments had taken place and that at the time the letter was purportedly written, the IDH had no ethics committee.

Appellants also contend that the experiments were condemned by doctors, including one on Pfizer's staff at the time of the Kano trial.

A Nigerian physician who was the principal investigator for the test allegedly admitted that his office created the backdated approval letter when the FDA conducted an audit of the experiment in 1997.

That kind of fraud will give Pfizer a huge PR headache if this case ever gets into open court. Which returns us to the question of why the WLF was so interested in trying to help Pfizer persuade the Supreme Court to reinstate an earlier ruling dismissing the litigation.

Here's a theory: Attorney Arnold Friede is closely allied with the WLF, and he was senior corporate counsel at Pfizer from 1998 to 2008 — the period during which the Trovan case originated and matured. What an amazing coincidence!

Jim Edwards, a former managing editor of Adweek, has covered drug marketing at Brandweek for four years, and is a former Knight-Bagehot fellow at Columbia University's business and journalism schools.

Top Clinton Official: Only a Terror Attack Can Save Obama

ATTACK from p. 1

leadership," said Shapiro, adding, "He has to find some way between now and November of demonstrating that he is a leader who can command confidence and, short of a 9/11 event or an Oklahoma City bombing, I can't think of how he could do that."

Shapiro's veiled warning should



Robert J. Shapiro

not be dismissed lightly. He was undersecretary of commerce for economic affairs during Clinton's tenure in the Oval Office and also acted as principal economic adviser to Clinton in his 1991-1992 campaign. Shapiro is now Director of the Globalization Initiative of NDN and also Chair of the Climate Task Force. He is a prominent globalist who has attended numerous Bilderberg Group meetings over the past decade.

Shapiro is clearly communicating the necessity for a terror attack to

be launched in order to give Obama the opportunity to unite the country around his agenda in the name of fighting terrorists, just as President Bush did in the aftermath of 9/11 when his approval ratings shot up from around 50% to well above 80%.

Similarly, Bill Clinton was able to extinguish an anti-incumbent rebellion which was brewing in the mid 1990s by exploiting the OKC bombing to demonize his political enemies as right-wing extremists. As Jack Cashill points out, Clinton "descended on Oklahoma City with an approval rating in the low 40s and left town with a rating well above 50 and the Republican revolution buried in the rubble."

Anti-incumbent fever is dominating the political climate once again, with establishment Democrats facing serious challenges from Tea Party candidates. Senate Democratic majority leader Harry Reid, for example, has a battle on his hands against Sharron Angle, a candidate the establishment media has attempted to demonize as a far-right extremist because she supports populist measures like removing sodium fluoride from water supplies and supports the Oath Keepers group, an organization centered around upholding states' rights and the US Constitution.

Only by exploiting a domestic terror attack which can be blamed on right-wing radicals can Obama hope to reverse the tide of anti-incumbency candidates that threaten to dilute drastically the power monopoly of establishment candidates from both major political

parties in Washington.

As we highlighted yesterday, Shapiro is by no means the first to point out that terror attacks on US soil and, indeed, anywhere in the world serve only to benefit those in positions of power.

CNN host Rick Sanchez admitted on his show this week that the deadly bombings in Uganda which killed 74 people were "helpful" to the military-industrial complex agenda to expand the war on terror into Africa.

During the latter years of the Bush presidency, Secretary of Defense Donald Rumsfeld mused with Pentagon top brass that shrinking Capitol Hill support for expanding the war on terror could be corrected with the aid of another terror attack.

Lt.-Col. Doug Delaney, chair of the war studies program at the Royal Military College in Kingston, Ontario, told the Toronto Star in July 2007 that "The key to bolstering Western resolve is another terrorist attack like 9/11 or the London transit bombings of two years ago."

The same sentiment was also explicitly expressed in a 2005 GOP memo, which yearned for new attacks that would "validate" the President's war on terror and "restore his image as a leader of the American people."

In June 2007, the chairman of the Arkansas Republican Party Dennis Milligan said that there needed to be more attacks on American soil for President Bush to regain popular approval.

Given the fact that a terror attack on US soil will only serve to rescue Barack Obama's failing presidency, and will do absolutely nothing to further the aims of any so-called "right wing extremists" the attack is blamed on, who should we suspect as the masterminds behind any such acts of terror? Surely not Rahm Emanuel, Obama's chief string puller, the son of an Israeli terrorist who helped bomb hotels and marketplaces, and the man who once said, "You never want a serious crisis to go to waste....an opportunity to do things that you think you could not do before."

Undoubtedly, the first people we should suspect as culprits in the event of a domestic terror attack in the United States are the individuals Obama fronts for, globalists who are desperate to neutralize the growing success of grass-roots movements who have ridden a wave of rising resentment against big government as a means of obtaining real political power.

Paul Watson is an investigative journalist at www.PrisonPlanet.com. He is the author of Order Out of Chaos published in 2003.

Rethinking Iran-Contra



Col. Oliver North preparing to swear in before the Iran-Contra committee.

By ROBERT PARRY

The conventional view of the Iran-Contra scandal is that it covered the period 1985-86, when President Ronald Reagan became concerned about the fate of American hostages in Lebanon and agreed to sell weapons secretly to Iran's Islamist government to gain its help in freeing the captives.

Supposedly, the scheme went awry when White House aide Oliver North and other participants

got carried away, including North's decision to divert profits from the arms sales to fund another one of Reagan's priorities, the Nicaraguan contra rebels whose CIA assistance had been cut off by Congress.

The Iran-Contra scandal was exposed in the fall of 1986 after the shooting down of a North supply plane over Nicaragua and revelations in Lebanon of Reagan's arms sales to Iran. A White House staff shake-up, including

North's firing, and some wrist-slaps from Congress for Reagan's alleged inattention to details resolved the scandal, at least that was how Official Washington saw it.

The few dissenters who wouldn't accept that tidy conclusion — such as Iran-Contra special prosecutor Lawrence Walsh — were mocked and marginalized by the news media, including the *Washington Post* (which ran an article concluding that

Walsh's consistency in pursuing the scandal was "so un-Washington" and that he would depart as "a perceived loser").

But an accumulating body of evidence suggests that the traditional view of Iran-Contra was mistaken, that this conventional understanding of the scandal was like starting a novel in the middle and assuming you're reading the opening chapter.

Indeed, it now appears clear that the Iran-Contra Affair began five years earlier in 1980, with what has often been treated as a separate controversy, called the "October Surprise" case, dealing with alleged contacts between Reagan's presidential campaign and Iran during the 444 day hostage crisis.

In view of the latest evidence — and the crumbling of the long-running "October Surprise" cover-up — there appears to have been a single Iran-Contra narrative spanning the entire 12 years of the Reagan and Bush-41 administration, and representing a much darker story.

And it was not simply a tale of Republican electoral skulduggery and treachery, but possibly even more troubling, a story of rogue

See IRAN-CONTRA p. 7

Former Dictator Manuel Noriega Sentenced to Seven Years by French Court

controlled by a CIA operative and local rancher named John Hull and Nicaraguan contra-controlled air strips in Honduras. Some of Kerry's information came from an FBI confidential informant named "Wanda Doe," a US citizen married to a Colombian narcotics trafficker. The FBI confirmed "Doe's" information. Other information came to Kerry from Fort Lauderdale drug kingpin George Morales, a CIA pass-through operative with the drug cartels, and a convicted drug trafficker named Michael Tolliver. Yet additional information was passed to Kerry by Hull's assistant, a man known only by the name "David." After David was exposed as a result of a leak to the CIA, he was tortured at Hull's Costa Rica ranch and murdered.

Hull reported directly to National Security Council officer Lt. Col. Oliver North, who, in turn, reported to Vice President George H. W. Bush and CIA director William Casey. Another source for Kerry was Drug Enforcement Administration informant Barry Seal. Seal was assassinated gangland-style in 1986 in Baton Rouge, Louisiana. In the trunk of Seal's Cadillac was found the personal phone number of Vice President Bush. Seal had provided invaluable information on the links between the Medellin cartel, the CIA, and cocaine smuggling operations involving Arkansas's Mena airfield, an operation that was known to and supported by then Governor of Arkansas, Bill Clinton.

Kerry was also aware that, according to Aziz Rehman, a BCCI Miami branch bank officer, Jeb Bush was intimately involved in the late 1980s with laundering drug money for the CIA's Latin American operations. After millions of dollars of cocaine money were deposited in BCCI accounts in various Miami banks, the money was transferred

to BCCI banks in Panama and the Cayman Islands. It was from these accounts that Noriega was handsomely paid for his cooperation with the CIA drug smuggling activities.

One of Jeb Bush's fronts for paying off CIA operatives like Noriega was IntraAmerica Investments, which owned a building at 1390 Brickell Avenue in Miami. Bush's business partner was Armando Codina, a wealthy right-wing member of the Cuban exile community and chair of the 1980 George H.W. Bush Florida presidential campaign. Codina was also one of the disputed 25 electors from Florida who cast his vote for George W. Bush in the 2000 Electoral College. Codina was again an elector who voted for Bush 43 in 2004.

Noriega's charge that the CIA laundered drug trafficking proceeds is backed by evidence that the CIA used fugitive investment banker Robert Vesco to carry out the laundering activities. The late columnist Jack Anderson exposed many links between the CIA and drug money laundering. Attempts by the Reagan administration to pin drug smuggling on the Nicaraguan Sandinista government of Daniel Ortega, as well as Cuban President Fidel Castro were rejected by CIA deputy director Richard Kerr, according to Anderson.

Noriega, like Seal, "David," and "Wanda Doe" [who went into hiding after being exposed], is expected to die in a French jail without ever revealing the criminal activities of Bush 41 and his CIA cronies. Sarkozy has been enlisted to ensure that Noriega never reveals any details that would implicate the Reagan and Bush administrations, as well as the CIA, in drug smuggling.

Wayne Madsen is a Washington, DC-based investigative journalist and author. He is a regular contributor to Russia Today.

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A FIERCELY INDEPENDENT NEWSPAPER

Hillary Clinton’s Latest Lies

By PAUL CRAIG ROBERTS

The BBC reported on July 4 that US Secretary of State Hillary Clinton said that the US ballistic missile base in Poland was not directed at Russia. The purpose of the base, she said, is to protect Poland from the Iranian threat.

Why would Iran be a threat to Poland? What happens to US credibility when the Secretary of State makes such a stupid statement? Does Hillary think she is fooling the Russians? Does anyone on earth believe her? What is the point of such a transparent lie? To cover up an act of American aggression against Russia?

In the same breath Hillary warned of a “steel vise” of repression crushing democracy and civil liberties around the world. US journalists might wonder if she was speaking of the United States. Glenn Greenwald reported in *Salon* on July 4 that the US Coast Guard, which has no legislative authority, has issued a rule that journalists who come closer than 65 feet to BP clean-up operations in the Gulf of Mexico without permission will be punished by a \$40,000 fine and one to five years in prison. *The New York Times* and numerous journalists report that BP, the US Coast Guard, Homeland Security, and local police are prohibiting journalists from photographing the massive damage from the continuing flow of oil and toxic chemicals into the Gulf.

On July 5, Hillary Clinton was in Tbilisi, Georgia, where, according to the *Washington Post*, she accused Russia of “the invasion and occupation of Georgia.” What is the point of this lie? Even America’s European puppet states have issued reports documenting that Georgia initiated the war with Russia that it quickly lost by invading South Ossetia in an effort to destroy the secessionists.

It would appear that the rest of the world and the UN Security Council have given the Americans a pass to lie without end in order to advance Washington’s goal of world hegemony. How does this benefit the Security Council and the world? What is going on here?

After President Clinton misrepresented the conflict between Serbia and the Albanians in Kosovo and tricked NATO into military aggression against Serbia, and after President Bush, Vice President Cheney, the secretary of state, the national security advisor and just about every member of the Bush regime deceived the UN and the world that Saddam Hussein had weapons of mass destruction, thus finagling an invasion of Iraq, why did the UN Security Council fall for Obama’s deception that Iran has a nuclear weapons program?

In 2007, all sixteen US intelligence agencies issued a unanimous report that Iran had abandoned its weapons program in 2003. Was the Security Council ignorant of this report?

The International Atomic Energy Agency’s weapons inspectors on the ground in Iran have consistently reported that there is no diversion of uranium from the energy program. Was the Security Council ignorant of the IAEA reports?

If not ignorant, why did the UN Security Council approve sanctions on Iran for adhering to its right, under the Nuclear Non-proliferation Treaty, to have a nuclear energy program? The UN sanctions are lawless. They violate Iran’s rights as a signatory to the treaty. Is this the “steel vise of repression” of which Hillary spoke?

As soon as Washington got sanctions from the UN Security Council, the Obama regime unilaterally added more severe US sanctions. Obama is using the UN sanctions as a vehicle to which to attach his unilateral sanctions. Perhaps this is the “steel vise of oppression” of which Hillary spoke.

Why has the UN Security Council given a green light to the Obama regime to start yet another war in the Middle East?

Why has Russia stepped aside? At Washington’s insistence, the Russian government has not delivered to Iran the air defense system that Iran purchased. Does Russia view Iran as a greater threat to itself than the Americans, who are ringing Russia with US missile and military bases and financing “color revolutions” in former constituent parts of the Russian and Soviet empires?

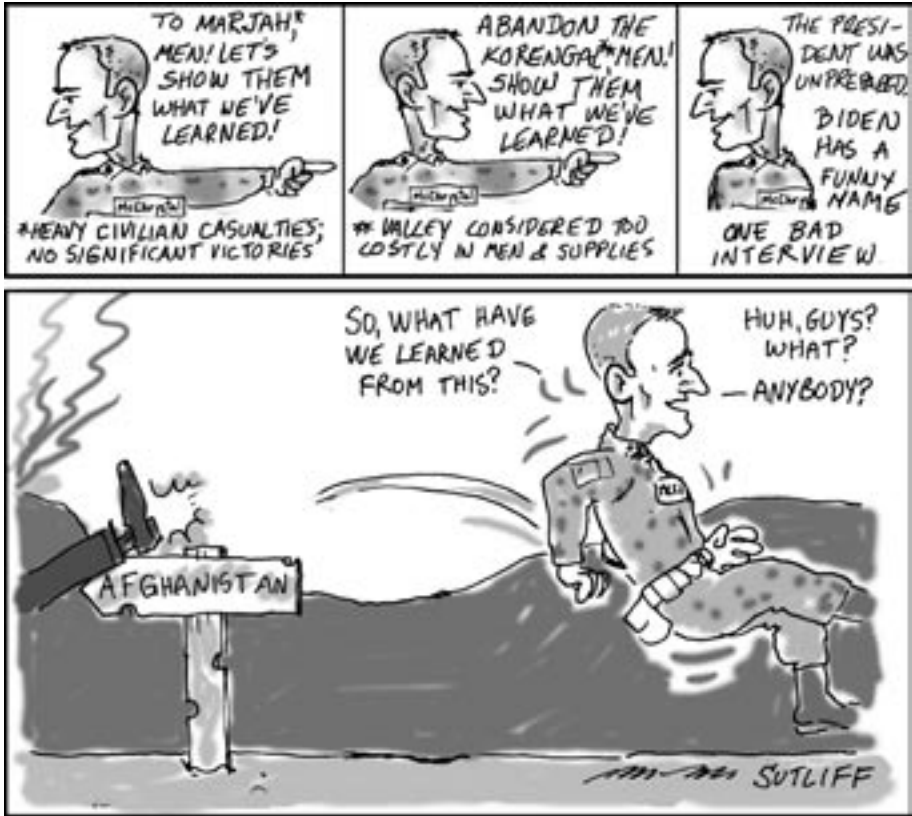
Why has China stepped aside? China’s growing economy needs energy resources. China has extensive energy investments in Iran. It is US policy to contain China by denying China access to energy. China is America’s banker. China could destroy the US dollar in a few minutes.

Perhaps Russia and China have decided to let the Americans over-reach until the country self-destructs.

On the other hand, perhaps everyone is miscalculating and more death and destruction are in the works than the world is counting on.

Like the Gulf of Mexico.

Paul Craig Roberts was Assistant Secretary of the Treasury in the Reagan administration. He was Associate Editor of the Wall Street Journal editorial page and Contributing Editor of National Review. He is coauthor of The Tyranny of Good Intentions. He has held numerous academic appointments, including the William E. Simon Chair, Center for Strategic and International Studies, Georgetown University, and Senior Research Fellow, Hoover Institution, Stanford University.



Lynne Stewart, Defender of Accused Terrorists Apparently Defended Them Too Well

By RCFP STAFF

Lynne Stewart, a 30-year veteran human rights attorney and radical political activist was sentenced July 15, 2010 to ten years in prison.

For 30 years, Stewart worked as a human rights champion, defending America’s poor, underprivileged, and unwanted. Over the course of her legal career, Stewart has defended many controversial figures, including David Gilbert and Kathy Boudin of the Weather Underground, Black Panther Willie Holder, Richard Williams of the United Freedom Front, Sekou Odinga and Nasser Ahmed of the Black Liberation Army, and many more like them. Stewart continues to champion the causes of other long-time “political prisoners,” such as Mumia Abu Jamal and Leonard Peltier.

On April 9, 2002, Stewart was indicted on charges of conspiracy and providing material support to terrorists while defending the blind

Sheikh Omar Abdel-Rahman. At former US Attorney General Ramsey Clark’s request, she joined him as part of Rahman’s court-appointed defense team. In the 1995 show trial, Rahman was convicted and is now serving a life sentence for seditious conspiracy, solicitation of murder, solicitation of an attack on American military installations, conspiracy to murder, and conspiracy to bomb in connection with the 1993 World Trade Center attack despite evidence proving his innocence on all charges.

Rahman was connected to the Egyptian-based Al-Gama’a al-Islamiyya - a 1997 US State Department-designated “foreign terrorist organization.” In the 1980s, however, he helped the CIA recruit Mujahadeen fighters against the Soviets in Afghanistan. For his work, he got a US visa, green card, and State Department-CIA protection as long as he was valued. When no longer needed,

he was targeted along with Stewart.

There is evidence that the FBI was behind the 1993 truck bombing of the World Trade Center in New York City for which Rahman is charged. Two cassette tape recordings, obtained by *SHADOW* reporter Paul DiRienzo, of telephone conversations between FBI informant Emad Salem and his Bureau contacts reveal that the government provided not only the explosives, but the expertise for the attack as well.

Stewart knew there were risks defending such a controversial figure as Rahman, yet took them courageously as she had done so many times before.

She was indicted on April 9, 2002 for:

- conspiring to defraud the United States;
- conspiring to provide and conceal material support to terrorist activity;
- providing and concealing material support to terrorist activity; and
- two counts of making false statements.

In 2005, Stewart was convicted on charges of conspiracy and providing material support to terrorists, and sentenced to 28 months in prison. Her felony conviction led to her being automatically disbarred. Her case was precedent-setting, chilling, and according to the Center for Constitutional Rights co-founder and attorney Michael Ratner, sent “a message to lawyers who represent alleged terrorists that it’s dangerous to do so.”

Stewart’s sentence was reviewed in July 2010 by the Second Circuit Court of Appeals. The three judge panel was of the opinion that the original sentence of 28 months was too light and ordered that her sentence be increased.

At the age of 70, and as a breast cancer survivor, this increased 10 year sentence is almost certainly equivalent to a death sentence. The ruling may also be a death sentence for the concept that every defendant, no matter how unpopular, has the right to competent legal representation.

The War That’s Not a War

By REP. RON PAUL

Statement in the House on funding the war in Afghanistan, July 2, 2010

In January 1991, we went to war in the Middle East against Saddam Hussein, Iraq’s dictator, who was our ally during the Iran-Iraq war. A border dispute between Kuwait and Iraq broke out after our State Department gave a green light to Hussein’s invasion.

After Iraq’s successful invasion of Kuwait, we reacted with gusto and have been militarily involved in the entire region 6,000 miles from our shores ever since. This has included Iraq, Afghanistan, Pakistan, Yemen, and Somalia. After 20 years of killing and a couple trillion dollars wasted, not only does the fighting continue with no end in sight, but our leaders threaten to spread our bombs of benevolence on Iran.

For most Americans, we are at war, at war against a tactic called terrorism, not a country. This allows our military to go any place in the world without limits as to time or place. But how can we be at war? Congress has not declared war, as required by the Constitution, which is true. But our Presidents have, and Congress and the people have not objected. Congress obediently provides all the money requested for the war.

People are dying. Bombs are dropped. Our soldiers are shot at and killed. Our soldiers wear a uniform; our enemies do not. They are not part of any government. They have no planes, no tanks, no ships, no missiles, and no modern technology. What kind of a war is this anyway, if it really is one? If it was a real war, we would have won it by now. Our stated goal since 9/11 has been to destroy al Qaeda.

Was al Qaeda in Iraq? Not under Saddam Hussein. Our leaders lied us into invading Iraq and deceived us into occupying Afghanistan. There is still really no al Qaeda in Iraq and only 100 or so in Afghanistan, and yet there is no end in sight to the war. Could there have been other reasons for this war that is not a war? A military victory in Afghanistan is illusive. Does anyone really know who we are fighting and why?

Why has the war not ended? Nine years, and it continues to spread. Some claim it is to keep America safe, that our soldiers are fighting and dying for our freedom, defending our Constitution.

Are we being lied to in order to keep us in this spreading war, just as we were lied to in the 1960s to keep us in Vietnam?

We own the Iraqi Government, as we do Afghanistan. In Afghanistan, we are fighting the Taliban, those dangerous people with guns defending their homeland. Once they were called the Mujahideen, our old allies, along with bin Laden, in the fight to oust the Soviets from Afghanistan in the 1980s. In that effort, our CIA funded radical jihad against that nasty foreign occupier, the Russians. What gratitude. Those same people now resent our “benevolent” occupation, with a “little” violence thrown in.

The resistance to our presence grows as our perseverance wanes. Our people are waking up, but our officials refuse to recognize the longer we stay, the greater is the support for those dedicated to the principle that Afghanistan is for Afghans who resent all foreign occupation.

The harder we fight a war that is not a war, the weaker we get and the stronger becomes our enemy. When an enemy without weapons can respect an army of great strength, the most powerful of all history, one should ask, who has the moral high ground?

Military failure in Afghanistan is to be our destiny. Changing generals without changing our policies or our policymakers perpetuates our agony and delays the inevitable.

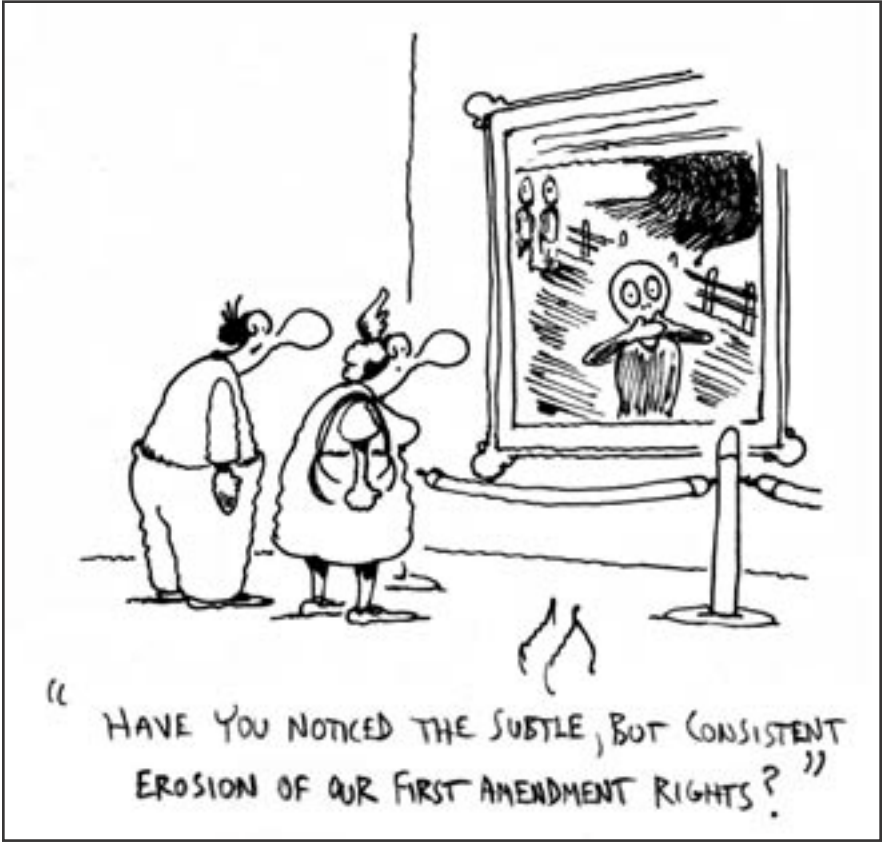
This is not a war that our generals have been trained for. Nation building, police work, social engineering is never a job for foreign occupiers and never an appropriate job for soldiers trained to win wars.

A military victory is no longer even a stated goal of our military leaders or our politicians, as they know that type of victory is impossible.

The sad story is, this war is against ourselves, our values, our Constitution, our financial well-being and common sense. And at the rate we’re going, it’s going to end badly.

What we need are honest leaders with character and a new foreign policy.

Ron Paul, MD is a ten term Republican member of Congress from Texas. He is a libertarian and constitutionalist and has opposed the war on drugs, the war in Iraq and much of what goes on in Washington.



Parsing Progressive Perspectives on Power’s Abuses

By CHRIS FLOYD

Imagine how great the “progressive” furor would be if the Bush Administration had suddenly denied a visa to an award-winning Colombian journalist because of his reportage on human rights abuses by his American-backed government.

Would we not have heard, rightly, how this draconian action exemplified the administration’s tyrannical nature, its use of raw, arbitrary power to throttle any voices trying to shed light on the very murky corners of the Drug War and Terror War operations in Colombia that are armed and funded with billions of dollars from American taxpayers?

Would this not have been added to a long train of similar abuses of power – arbitrary confinement and indefinite detention; concentration camps; shielding torturers; escalating pointless wars and killing of countless civilians; running secret armies, assassins and covert operations throughout the world, etc. – and served up as a damning indictment of a lawless regime?

So now, let us see what our leading progressive lights have to say about the case of Hollman Morris, “a prominent Colombian journalist who specializes in conflict and human rights reporting,” who has just been denied a visa by the Obama Administration, preventing

him from taking up a fellowship at Harvard University, as AP reports.

Morris – who “produces an independent TV news program called “Contravia,” [that] has been highly critical of ties between illegal far-right militias and allies of outgoing President Alvaro Uribe, Washington’s closest ally in Latin America” – has been to the United States many times before. In fact, he was free to enter the country under the loathed Bush Administration. But now, in our bright and glorious progressive era, he has suddenly – dare we say arbitrarily – been declared “permanently ineligible for a visa under the ‘Terrorist activities’ section of the USA Patriot Act,” AP reports.

What are Morris’ crimes? Well, the American-trained Colombian security organs declared that the reporter had exhibited “opposition tendencies to government policies.” God knows that kind of thing can’t be allowed in any colony – sorry, client state – sorry, sovereign ally of the United States. And so they put him under surveillance – years ago. He also – horrors – acted as a go-between Colombian rebels and French diplomats trying to free Ingrid Betancourt, who had been held hostage for years. All of this predates the current administration.

Of course, as we all know, the Supreme Court has now accepted

the Obama Administration’s earnest argument that anyone who tries to do anything that might lead to the peaceful resolution of any situation (that might possibly involve a group that has been arbitrarily declared a “terrorist organization” by His Potomac Majesty) is, perforce, also a terrorist, and thus unfit to pass through the gates of God’s shining city on the hill.

We realize, of course, that Morris’s case – and the whole bill of indictment cited above, wherein Obama has continued and often expanded the criminal policies of his predecessor – is not nearly as important as, say, a progressive blogger temporarily being denied access to witless talking-heads shows on corporate TV networks. That, as they say, is some serious shit. Still, we wait in trembling anticipation of the coming firestorm of righteous progressive anger that will, no doubt, soon engulf the Obama Administration for its repressive, Bush-like handling of Morris. You know it’s coming. Any minute now. Just you wait and see.

Chris Floyd is an award-winning American journalist, and author of the book, Empire Burlesque: High Crimes and Low Comedy in the Bush Regime. He has written for: The Moscow Times and the St. Petersburg Times in Russia, Truthout.org. His work appears regularly in CounterPunch, Floyd co-founded the blog Empire Burlesque with webmaster Richard Kastelein.

Financial Regulation Bill Delays Derivatives Curbs until 2022



TARPLEY from p. 1

world economic depression.

The cause of the 2008 banking panic was that zombie banks and hedge fund hyenas were speculating with toxic and highly leveraged derivatives. The new bill does virtually nothing to attack the causes of this ongoing financial disintegration. It is a total defeat for the interests of the American people, and an historic victory for the Wall Street financier oligarchy which owns both the Democratic and Republican parties.

Stockbrokers and investment bankers have battled mightily to avoid any legal compulsion to act in the best interests of their clients, who are often the retail investors which both parties claim to care so much about. The new bill will not prevent unscrupulous used-car dealers from ripping off their customers through inflated financing costs. There is nothing in the bill to stop the plague of foreclosures, which last year turned almost 4 million American families into displaced persons on the home front. There is no ban on the disastrous use of Adjustable Rate Mortgages (ARMs), the financial equivalent of time bombs, which are ruining the lives of so many millions of Americans. There is no cap on leverage banks can use in financial transactions. Despite widespread complaining about the Federal Reserve, this bill gives the Fed more regulatory power rather than less. It represents the complete triumph of the Wall Street derivatives lobby, so much so that even hardened cynics are astounded by the impudence and insolence of Obama and both parties in the Congress.

The graveyard of Hope and Change

Senator Dorgan proposed an amendment to abolish the concept of banks that were too big to fail. His amendment was rejected. Senator Kaufman tried to limit the size of banks, but his amendment was deleted. Senator Whitehouse tried to limit interest rates on credit cards and predatory payday loans, or at least to allow states to regain their regulatory role in this area, but he was defeated. Granted, many of these amendments were mere public relations exercises that were always virtually doomed to failure.

Senators McCain and Cantwell tried and failed to restore the firewall, contained in the landmark Glass-Steagall Act of 1933-1999, which rigorously separated commercial banks with FDIC insured deposits on the one hand from investment banking and stock-jobbing on the other. Glass-Steagall was one of the signature legislative achievements of the New Deal, and there are few better illustrations of the deep hostility of the modern Democratic Party and of Obama in particular to the heritage of Franklin D. Roosevelt than the stubborn refusal of the degenerate Democrats of today to force through the necessary restoration of the Glass-Steagall protections – even in the wake of a breakdown crisis of the entire Anglo-American banking system.

Senator Blanche Lincoln of Arkansas, who fought for her own political survival because of her record of subservience to Wall Street, tried to redeem herself with paragraph 716 of title VII of the bill, an attempt to ban trading in credit default swaps (derivatives) by FDIC banks. Notice that by this point there was no effort whatsoever to prevent these banks from dealing in collateralized debt obligations (CDOs), which were the toxic derivatives which destroyed Bear Stearns, Lehman Brothers, Merrill Lynch, and Citibank. Nor was there any effort to curb the use of structured investment vehicles (SIVs), toxic instruments which are often used as the final packaging of a mass of CDOs and other kited derivatives. Still, since credit default swaps had been the main culprits in the bankruptcy of AIG, costing the American taxpayer \$182 billion and counting, it would have been a meritorious project to keep commercial banks away from these diabolical instruments.

But it was not to be. In a dirty deal negotiated far away from the C-SPAN cameras, Dodd, Frank, and

Rahm Emanuel completely gutted any effort to get commercial banks out of the business of placing side bets using credit default swaps. At a certain point in the televised reconciliation hearings, Congressman Peterson of Minnesota, the chairman of the House Agriculture Committee, came forward with a compromise which made paragraph 716 into a macabre joke. The infamous Peterson demanded that banks be allowed to trade credit default swaps in the form of foreign exchange swaps (thought to be the largest category of swaps), interest-rate swaps, and credit derivatives – provided that the underlying securities were investment-grade. Since these categories represent the vast majority of swaps, and since it is not hard to procure an investment grade rating on junk paper from

[The bill] is a total defeat for the interests of the American people, and an historic victory for the Wall Street financier oligarchy which owns both the Democratic and Republican parties.”

corrupt agencies like Standard & Poor’s, Fitch, and Moody’s, this alleged compromise meant that nothing was left of Senator Lincoln’s attempt. Treasury Secretary “Tiny” Tim Geithner had vehemently proclaimed the irreducible hostility of the Obama regime to any interference with this type of derivative. Interestingly, the German government had already explicitly banned naked credit default swaps issued as bets on government securities denominated in euros.

Since the restoration of the real Glass-Steagall firewall had been defeated early in the process, Senator Cantwell attempted to provide a weak face-saving substitute in the form of the so-called Volcker rule, which posited that commercial banks were not allowed to engage in speculation and other proprietary trading for their own account. This Volcker rule was already vitiated by the obvious gray area between speculation and so-called market-making, which entities like Goldman Sachs and Morgan Stanley were sure to exploit to circumvent any new legislation. However, zombie banks like State Street Bank and Bank of New York-Mellon (the latter the back-office of the TARP program. i.e. the October 2008 Wall Street bailout) found even the weak Volcker rule to be too onerous.

Demagogue Scott Brown Drives His Truck Through the Volcker Rule

Senator Scott Brown of Massachusetts won election last January by duping gullible voters with a cultural populist prop in the form of a pickup truck. At this point in the hagging, Senator Brown documented his subservience to Wall Street by driving his truck through what remained of the Volcker role. He forced through a provision allowing commercial banks to use 3% of their capital for speculation through hedge funds. It might seem that 3% is a minute fraction of a bank’s Tier I capital, and that Brown’s amendment might not be so dangerous after all. But this is not the case.

If you buy stocks and their price falls to zero, you can lose 100% of your investment, but no more. But when you are dealing with derivatives, your losses can be geometrically pyramided into interplanetary space. This proposition is not a matter of theory, but has been documented through a decade and a half of bankruptcies by hedge funds which had been speculating with derivatives, all the way back to Long-Term Capital Management of Connecticut in 1998.

Cantwell Recants

In the case of two Bear Stearns hedge funds which imploded in 2007-8, losses of about 50 times the original capital were attained. Under Scott Brown’s loophole, losses of 50:1 would already be enough to bankrupt the bank. But the 2008 crisis offers cases in which derivatives losses might attain or exceed 100:1 on the capital being wagered. These cases occur

when debt instruments are wrapped into a mortgage-backed security or other asset-backed security. These latter are then included in a collateralized debt obligation, which together with other collateralized debt obligations can be made into a super CDO or CDO². Credit default swaps can be attached to these super CDOs. A number of super CDOs thus equipped can then be wrapped up in a structured investment vehicle (SIV). At every level of this cancerous mass of kited derivatives, leverage comes into play geometrically. The investment of 3% of capital in such a poisonous concoction can easily bankrupt any financial institution many times over. This phenomenon is one of the basic reasons why losses were so great in 2008, despite the fact that subprime mortgages are a relatively marginal area of the financial world. The losses became so monstrous because derivatives are the most effective tools yet devised for magnifying and multiplying financial destruction. As for Senator Cantwell, she capitulated and announced that she would support the resulting phony bill anyway.

Perhaps the members of the Massachusetts Tea Party would like now to contemplate their own roles as dupes and useful idiots for the Mitt Romney faction of Wall Street asset strippers and hedge fund hyenas, who are the people who put Scott Brown into office. From now on, Brown should be referred to on Capitol Hill as the senator from Bank of New York-Mellon, since he has no regard for the welfare of the people of Massachusetts.

But even this 3% loop hole, big enough to drive a truck through, was

still too restrictive for Wall Street. The army of Gucci-clad lobbyists decided that even these nominal restrictions had to be postponed for more than a decade, quite possibly in the hopes that they may be overturned by some future reactionary majority likely to emerge amid the shipwreck of the feckless and treacherous Obama regime.

Plenty of Time for More Financial Catastrophes Before 2022

At the time of the reconciliation hearings, the remaining Volcker rule provisions were apparently supposed to take effect after seven years, allegedly to give the swaps-jobbers time to unwind their positions. But after the C-SPAN televised reconciliation proceedings were over, dark forces loyal to Wall Street revisited the conference report and introduced even longer delays in implementing even the meager restraints on credit derivatives. This crime appears to have occurred on June 28-29. On the Bloomberg Business Week website we read a report dated June 29:

Goldman Sachs Group and Citigroup Inc. are among U.S. banks that may have as long as a dozen years to cut stakes in in-house hedge funds and private-equity units under a regulatory revamp agreed to last week. Rules curbing banks’ investments in their own funds would take effect 15 months to two years after a law is passed, according to the bill. Banks would have two years to comply, with the potential for three one-year extensions after that. They could seek another five years for ‘illiquid’ funds such as private equity or real estate, said Lawrence Kaplan, an attorney at Paul, Hastings, Janofsky & Walker LLP in Washington. Giving banks until 2022 to fully implement the so-called Volcker rule is an accommodation for Wall Street in what President Barack Obama called the toughest financial reforms since the 1930s.... Partly as a result of last-minute changes to the wording of the bill, analysts, lawyers and congressional staffers say it’s unclear whether the extension period for illiquid funds would run concurrently with the other transition periods. That could mandate full compliance in less than 12 years.¹

The London Guardian also detailed the ingenious dilatory tricks for stalling, dodging, and postponing which the Wall Street lobbyists had built into the bill:

Language in the act ...allows for a six-month study and a further nine months of rule-making. The measure is supposed to become effective 12 months after the final rule is laid, then banks have two years to conform. But if they need to, they can apply for a three-year extension. On top of that, a five-year moratorium is available for ‘illiquid’ funds that are hard to unwind.²

The Revenge of The SIVs
Encoded in the 12-year delay are

most emphatically those structured investment vehicles which cause so much damage in the second half of 2008. As Business Week pointed out:

The Volcker rule forbids banks from stepping in with capital infusions or other forms of support when their own funds fail. In December 2007, Citigroup agreed to assume \$59 billion of assets bought by ‘structured investment vehicles’ sponsored by the bank. During the following two years, Citigroup lost more than \$3 billion on the SIVs, which were a kind of hedge fund that invested in mortgage bonds, credit-card securities and other assets that soured amid the financial crisis.³

No account of these tragic events would be complete without some attention to the systematic betrayal of the national interest by the reactionary Republicans. The Republicans are in practice more fanatically committed to derivatives than even the Democrats, and they wear their love of derivatives on their sleeves. At one point in the reconciliation process, Senator Shelby of Alabama proposed an amendment which would have removed any and all destructions on the use of derivatives by anyone whatsoever, period. The Republican method is to pretend that derivatives are used exclusively for the traditional hedging which has been carried out from time immemorial by the users of certain commodities, specifically to protect themselves from price fluctuations during the time these raw materials are being turned into finished commodities. The GOP simply ignores that 99% plus of the notional value of today’s \$1.5 quadrillion derivatives bubble has nothing to do with the end users of any commodities. If the Republicans were acting in good faith, it would be easy to craft a narrowly defined exemption for the end-users of raw materials and other commodities, but this is not their real purpose. The GOP serves the derivatives-mongers and the swap-jobbers cynically and blatantly, while the Democrats do this under a veil of deception and anti-Wall Street rhetoric.

As Senator Harkin pointed out, Shelby was really arguing that a hedge fund of the first magnitude was really a mom-and-pop Main Street business. Shelby’s goal of opening the barn door wide to any derivatives to be issued by anybody at any time was not successful, but the Peterson amendment and similar Democratic betrayals substantially accomplished the same goals under a cloak of deception. Intervening along the same lines in defense of Wall Street come out hedge funds, and derivatives were hardened reactionary Republicans like Senators Corker, Gregg, and Chambliss. Caught between these Republicans and their own venal Dodd-Frank leadership, the small positive initiatives of figures like Blanche Lincoln, Cantwell, Harkin, and Kanjorski were surrounded and crushed.

The last Democrat in the Senate: Feingold

The one principled no vote of a Democratic senator came from Feingold of Wisconsin, who is fighting for political survival against a reactionary Republican opponent. Feingold said that his litmus test for the bill was simply the question of whether this measure could stop the next financial meltdown. Since the answer was so obviously no, and since the fingerprints of Wall Street are all over the bill, he opposed it. Feingold has voted in the past against the Iraq war powers resolution of 2002, against the Patriot Act of 2001, and against the Wall Street bailout of October 2008. He points with pride to his opposition to the Interstate Banking Act of 1994, which would have prevented the emergence of “too big to fail” by maintaining the sensible New Deal ban on commercial banks operating in more than one state. He also voted against the catastrophic Graham-Leach-Bliley Act of 1999, which opened the door to the derivatives bubble by completely deregulating these toxic instruments.

The utter failure of Wall Street reform means that the door is now wide open for the second wave of the current world economic depression to continue, as the world descends still further into the financial maelstrom. As for the Obama regime, they are preparing an austerity program of unprecedented savagery which they intend to impose on the American people with the help of large numbers of defeated Congressmen during the lame duck session of November-December of this year. You were warned: Obama is a Wall Street puppet, and the events of this year are a first installment of the tragic consequences of such an administration.

1 Bradley Keoun, “Volcker Rule May Give Goldman, Citigroup Until 2022 to Comply,” Business Week, June 29, 2010
2 Andrew Clark, “US banks off the hook until 2022,” Guardian, June 29, 2010,
3 Bradley Keoun, “Volcker Rule May Give Goldman, Citigroup Until 2022 to Comply,” Business Week, June 29, 2010.

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Israel Paves The Way For Killing By Remote Control



Separation Wall in Israel

ISRAEL from p. 1

open fire with it more recently. The army admitted using Sentry Tech in December 2009 to kill at least two Palestinians several hundred meters inside the fence.

The system is one of the latest “remote killing” devices developed by Israel’s Rafael armaments company, the former weapons research division of the Israeli army and now a separate governmental firm. According to Giora Katz, Rafael’s vice president, remote-controlled military hardware such as Spot and Shoot is the face of the future. He expects that within a decade at least a third of the machines used by the Israeli army to control land, air and sea will be unmanned.

Rapid progress with the technology has raised alarm at the United Nations. Philip Alston, its special *rapporteur* on extrajudicial executions, warned last month of the danger that a “PlayStation mentality to killing” could quickly emerge.

According to analysts, however, Israel is unlikely to turn its back on hardware that it has been at the forefront of developing – using the occupied Palestinian territories, and especially Gaza, as testing laboratories. Remotely controlled weapons systems are in high demand from repressive regimes and the

burgeoning homeland security industries around the globe. “These systems are still in the early stages of development, but there is a large and growing market for them,” said Shlomo Brom, a retired general and defense analyst at the Institute of National Security Studies at Tel Aviv University.

Rafael is reported to be developing a version of Sentry Tech that will fire long-range guided missiles. Another piece of hardware recently developed for the Israeli army is the Guardium, an armored robot-car that can patrol territory at up to 80km per hour, navigate through cities, launch “ambushes” and shoot at targets. It now patrols the Israeli borders with Gaza and Lebanon.

Israel is most known for its role in developing “unmanned aerial vehicles” – or drones, as they have come to be known. Originally intended for spying, and first used by Israel over south Lebanon in the early 1980s, today they are increasingly being used for extrajudicial executions from thousands of feet in the sky.

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Lieberman Backs Internet Censorship Favors Chinese Model



Sen. Joe Lieberman (I-Conn)

LIEBERMAN from p. 1

disconnect parts of its Internet in case of war and we need to have that here, too,” Lieberman told CNN’s Candy Crowley last month.

However, China’s “war” is not against foreign terrorists or hackers, it’s against people who dare to use the Internet to express dissent against government atrocities or corruption. China’s system of Internet policing is about crushing freedom of speech and has nothing to do with legitimate security concerns, as Lieberman well knows.

It’s a system concentrated around state oppression of any individual or group that seeks to use the Internet to draw attention to political causes frowned upon by the authorities.

China has exercised its power to shut down the Internet, something that Lieberman wants to introduce in the US, at politically sensitive times in order to stem the flow of information about government abuse. During the anti-government riots which occurred in July 2009, the Chinese government completely shut down the Internet across the entire northwestern region of Xinjiang for days. In several regions, the authorities completely cut off the Internet for nearly a year, with many areas only now slowly starting to come back online. Major news and discussion portals used by the Muslim Uighurs in the area remain blocked. Similarly, Internet access in parts of Tibet is routinely restricted as part of government efforts to preempt and neutralize unrest.

Twitter, Facebook and YouTube are all banned in China and even sanitized government-approved versions of these websites are now being shut down for long periods of time so that they can “remove all politically sensitive content under orders from Chinese internet authorities”.

Censorship has intensified in recent weeks after a micro-blogger began to expose the fact that many government officials, executives and judges had lied about obtaining degrees from prestigious universities. The government responded to the embarrassment by ordering websites to temporarily go into “maintenance” mode while they removed the pertinent material. What this has to do with fighting a “war,” as Lieberman claims, is anyone’s guess.

The Chinese system that Lieberman wants to bring to the United States is not only about censoring material critical of the state. It’s also about identifying those who post it, thereby creating a chilling atmosphere that discourages others from exercising free speech in fear that they might be the next victims of the thought police. News websites in China now require users to register their true identities in order to leave comments.

This move towards abolishing Internet anonymity and creating a virtual ID card is a centerpiece of Lieberman’s cybersecurity agenda.

This strategy revolves around, “the creation of a system for identity management that would allow citizens to use additional authentication techniques, such as physical tokens or modules on mobile phones, to verify who they are before buying things online or accessing such sensitive information as health or banking records.”

Only with this government-issued “token” will Internet users be “able to move from website to website,” a system not too far removed from what China proposed and rejected for being too authoritarian.

If you value Internet freedom, if you don’t want the web in the United States to be transformed into an imitation of the frustratingly slow, censored and policed Chinese version, and if you understand how whistleblowers should be protected and provided with the tools they need to expose government corruption, call your Senators and demand they vote against Lieberman’s Internet kill switch bill.

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BOOKIES from p. 1

careers and count on reaping \$40,000 yearly in investment income, a sum that, along with Social Security, could make for a comfortable retirement. But very low interest rates on bonds have forced these once-prudent savers into the riskier and less predictable stock market, and the collapse of the stock market has forced them into even more speculative ventures in the form of derivatives, a glorified form of gambling. Pension funds, which have binding pension contracts entered into when interest was at much higher levels, need an 8 percent investment return to meet their commitments. In today's market, they cannot make that sort of return without taking on higher risk, which means taking major losses when the risks materialize.

Derivatives are basically just bets. Like at a racetrack, you don't need to own the thing you're betting on in order to play. Derivative casinos have opened up on virtually anything that can go up or down or have a variable future outcome. You can bet on the price of tea in China, the success or failure of a movie, whether a country will default on its debt, or whether a particular piece of legislation will pass. The global market in derivative trades is now well over a quadrillion dollars — that's a thousand trillion — and it is eating up resources that were at one time invested in productive enterprises. Why risk lending money to a corporation or buying its stock, when you can reap a better return betting on whether the stock will rise or fall?

The shift from investing to gambling means that not only are investors making very little of their money available to companies to produce goods and services, but the parties on one side of every speculative trade now have an interest in seeing the object of the bet fail, whether a company, a movie, a politician or a country. Worse, high-speed program traders can actually manipulate the market so that the thing bet on is more likely to fail. Not only has the market become a casino, but the casino is rigged.

High frequency traders — a field led by Goldman Sachs — use computer algorithms to bet automatically huge sums of money on minor shifts in price. These bets send signals to the market that can themselves cause the price of assets to shoot up or tumble down. By placing high-volume trades, the largest speculative traders can, thus, intentionally "fix" prices in any direction they want.

“Prediction” Markets

Casinos for betting on what something will do in the future have been elevated to the status of “prediction” markets, and they can cover a broad range of issues. MIT's Technology Review launched a futures market for technological innovations, in order to bet on upcoming developments. The NewsFutures and TradeSports Exchanges enable people to wager on matters such as whether Tiger Woods will take another lover, or whether bin Laden will be found in Afghanistan.

A 2008 conference of sports leaders in Auckland, New Zealand, featured Mark Davies, head of a sports betting exchange called Betfair. Davies observed that these betting exchanges, while clearly gambling forums, are little different from the trading done by financial firms such as JPMorgan. He said:

“I used to trade bonds at JPMorgan, and I can tell you that what our customers do is exactly the same as what I used to do in my previous life, with the single exception that where I had to pore over balance sheets and income statements, they pore over form and team-sheets.”

The online news outlet Slate monitors various prediction markets to provide readers with up-to-date information on the potential outcomes of political races. Two of the markets covered are the Iowa Electronic Markets and Intrade. Slate claims that these political casinos are consistently better at forecasting winners than pre-election polls. Participants bet real money 24 hours a day on the outcomes of a range of issues, including political races. Newsfutures and Casualobserver are similar, smaller exchanges.

Besides shifting the emphasis to gambling (“Why Vote When You Can Bet?” says Slate’s “Guide to All Political Markets”), prediction markets, like the stock market, can be rigged so that they actually affect outcomes. This became evident, for example, in 2008, when the John McCain campaign used the Intrade market to shift perception of his chances of winning. A supporter was able to single-handedly manipulate the price of McCain's contract, causing it to move up in the market and prompting some mainstream media to report it as evidence that McCain was gaining in popularity.

How Brokers Became Bookies:

The Insidious Transformation of Markets into Casinos

Betting on Terrorism

The destructive potential of prediction markets became particularly apparent in one sponsored by the Pentagon, called the “policy analysis market” (PAM) or “terror futures market.” PAM was an attempt to use the predictive power of markets to forecast political events tied to the Middle East, including terrorist attacks. According to *The New York Times*, the PAM would have allowed trading of futures on political developments including terrorist attacks, coups d'état and assassinations. The exchange was shut down a day after it launched, after commentators pointed out that the system made it far too easy to make money with terror attacks.

“Not only has the market become a casino, but the casino is rigged.”

At a July 28, 2003, press conference, Sens. Byron L. Dorgan (D-North Dakota) and Ron Wyden (D-Oregon) spoke out against the exchange. Wyden stated, “The idea of a federal betting parlor on atrocities and terrorism is ridiculous and it's grotesque,” while Dorgan called it “useless, offensive and unbelievably stupid.” “This appears to encourage terrorists to participate, either to profit from their terrorist activities or to bet against them in order to mislead US intelligence authorities,” they said in a letter to Adm. John Poindexter, the director of the Terrorism Information Awareness Office, which developed the idea. A week after the exchange closed, Poindexter offered his resignation.

Carbon Credit Trading

A massive new derivatives market that could be highly destructive economically is the trading platform called Carbon Credit Trading, which is on its way to dwarfing world oil trade. The program would allow trading in “carbon allowances” (permitting companies to emit greenhouse gases) and in “carbon offsets” (allowing companies to emit beyond their legal allowance if they invest in emission-reducing projects elsewhere). It would also allow trading in carbon derivatives, for example, futures contracts to deliver a certain number of allowances at an agreed price and time.

Robert Shapiro, former undersecretary of commerce in the Clinton administration and a co-founder of the US Climate Task Force, has warned, “We are on the verge of creating a new trillion-dollar market in financial assets that will be securitized, derivatized, and speculated by Wall Street like the mortgage-backed securities market.”

Eoin O'Carroll cautioned in *The Christian Science Monitor*:

“Many critics are pointing out that this new market for carbon derivatives could, without effective oversight, usher in another Wall Street free-for-all just like the one that precipitated the implosion of the global economy.... Just as the inability of homeowners to make good on their subprime mortgages ended up pulling the rug out from under the credit market, carbon offsets that are based on shaky greenhouse-gas mitigation projects could cause the carbon market to tank, with implications for the broader economy.”

The proposed form of cap-and-trade has not yet been passed in the US, but a new market in which traders can speculate on the future of allowances and offsets has already been launched. The largest players in the carbon credit trading market include firms such as Morgan Stanley, Barclays Capital, Fortis, Deutsche Bank, Rabobank, BNP Paribas, Sumitomo, Kommunalkredit, Credit Suisse, Merrill Lynch and Cantor Fitzgerald. Last year, the financial services industry had 130 lobbyists working on climate issues, compared to almost none in 2003. The lobbyists represented companies such as Goldman Sachs and JPMorgan Chase.

Billionaire financier George Soros says cap and trade will be easy for speculators to rig. “The system can be gamed,” he said last July at a London School of Economics seminar. “That's why financial types like me like it — because there are financial opportunities.”

Time to Board Up the Casinos and Rethink Our Social Safety Net?

Our forebearers considered gambling to be immoral and made it a crime. As the Industrial Revolution and the ascendance of capital changed religious mores, gambling gradually gained acceptance, but even within that permissive paradigm, derivative trading was originally considered an illegal form of gambling.

Perhaps it is time to reinstate the gambling laws, board up the derivatives casinos and return the stock market to what it was designed to be: a means of funneling the capital of investors into productive, high-profit businesses.

Short of banning derivatives altogether, the derivatives business could be slowed up considerably by imposing a Tobin tax, a small tax on every financial trade. “Financial products” are virtually the only products left on the planet that are not currently subject to a sales tax; and at over a quadrillion dollars in trades annually, the market is huge.

A larger issue is how to ensure adequate retirement income for the population without forcing people into gambling with their life savings to supplement their meager Social Security checks. It may be time to rethink not only our banking and financial structure, but the entire social umbrella that our founding fathers called the Common Wealth. The genius of Social Security was its recognition of the basic economic truth that real “security” rests on the ability of a society to provide for and take care of those who, because of age, health or economic conditions, can not take care of themselves.

Deficit hawks cry that we can not afford more spending; but according to Richard Cook, a former US Treasury Department official, the government could print and spend several trillion new dollars into the money supply without causing price inflation. Writing in *Global Research* in April 2007, he noted that the US gross domestic product in 2006 came to \$12.98 trillion, while the total national income came to only \$10.23 trillion; and at least 10 percent of that income was reinvested rather than spent on goods and services. Total available purchasing power was, thus, only about \$9.21 trillion, or \$3.77 trillion less than the collective price of goods and services sold. Where did consumers get the extra \$3.77 trillion? They had to borrow it, and they borrowed it from banks that created it with accounting entries on their books. If the government had replaced this bank-created money with debt-free government-created money, the total money supply would have remained unchanged.

That means a whopping \$3.77 trillion in new government-issued money could have been fed into the economy in 2006 without inflating prices. Different proposals have been made concerning how this money should be distributed, but at least some of it could be used to provide adequate Social Security checks, relieving the pressure to gamble with our savings.

The Federal Reserve has funneled \$4.6 trillion to Wall Street in bailout money, most of it generated via “quantitative easing” (in effect, printing money); yet, hyperinflation has not resulted. To the contrary, what we have today is Depression-style deflation. The M3 money supply shrank in the last year by 5.5 percent, and the rate at which it is shrinking is accelerating. The explanation for this anomaly is that the Fed's \$4.6 trillion added by quantitative easing fell far short of the estimated \$10 trillion needed to “reflate” the money supply after the “shadow lenders” disappeared. When these investors discovered that the “triple-A” mortgage-backed securities they had been purchasing from Wall Street were actually very risky investments, they exited the market, credit dried up and the money supply (which today consists almost entirely of credit or debt) collapsed.

The only viable way to reflate a collapsed money supply is to put more money into it; and creating the national money supply is the sovereign right of governments, not of banks. If the government wants to remain sovereign, it needs to reassert that right.

Ellen Brown, J.D., developed her research skills as an attorney practicing civil litigation in Los Angeles. In Web of Debt, her latest book, she turns those skills to an analysis of the Federal Reserve and “the money trust.” She shows how this private cartel has usurped the power to create money from the people themselves, and how we the people can get it back. Her eleven books include the bestselling Nature's Pharmacy, co-authored with Dr. Lynne Walker, and Forbidden Medicine.

Niko Kyriakou contributed to this article.

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USAID Funded Coup Plots in Bolivia

BOLIVIA from p. 1

through the Freedom of Information Act (FOIA) show that, as early as 2002, USAID funded a “Political Party Reform Project” designed to “serve as a counterweight to [Evo Morales] radical MAS [party] or its successors”.

USAID has refused to reveal which political organizations have received funding since Evo Morales' election in 2006, but the FOIA documents point to funding of opposition groups that engaged in violent tactics and sparked an explosive political crisis in September 2008.

Given the US government's record for funding opposition groups in Venezuela, the country with which Bolivia has the closest relations, it is perfectly understandable that Morales is deeply suspicious of USAID's Bolivia program.

The US government has refused to reveal all of the programs and groups that are currently receiving funding from the aid agency.



Evo Morales (born October 26, 1959), has been the President of Bolivia since 2006

The Andean Information Network noted on May 31 that the US government's position violates international norms on cooperation which call for effective joint collaboration between the governments of donor and recipient countries on all cooperation programs.

It appears that the total lack of transparency in USAID's activities is the main sticking point holding up the signing of the framework agreement that will allow for the full normalization of diplomatic relations between Bolivia and the US.

Alex Main reports for Green Left, an alternative weekly newspaper in Australia

Peace Mom Cindy Sheehan Asks: For What ‘Nobel Cause’ Have Our Sons Died?

SHEEHAN from p. 1

Editor's Summary: The global War on Terror has been renamed the Overseas Contingency Operation (OCO). The difference on the ground is that there are so few people protesting. Obama has neutralized anti-war sentiment. He even received the Nobel Peace Prize. “Before (Obama's election) people were congratulating us in front of the White House and now people are telling us to shut up!”

Joe: Why are you being marginalized by many in the peace movement?

Cindy: I lost a lot of friends when Obama took office. They were telling me to just give him a chance, when three days in, he authorized a drone strike that killed three dozen people. I may be shunned because they support the Democratic Party more than they support peace. Obviously, the Democratic Party is not a party of peace. I call them the left-wing of the war party.

Joe: Are you too far left for the people in the peace movement and do you make them uncomfortable?

Cindy: The peace movement is too broad to say that. There are some people in the movement that are further left than I am. I think that, in some cases, I am too principled. Some of the segments are still out there working very hard. I think that a war is a war and a crime is a crime whether we have a Democratic or a Republican president.

I think the peace movement, what I like to call the peace-industrial complex has been co-opted by the Democratic Party just like Labor has been co-opted by the Democratic Party.

Joe: Did you say that 9/11 was an inside job?

Cindy: I never said 9/11 was an inside job! The 9/11 Commission was a sham and a disgrace. I have supported NYC CAN to call for an independent, transparent investigation into 9/11; where there is subpoena power which has some teeth to it; where people can be held responsible for negligence and crimes.

Joe: Have you supported Richard Gage's Architects & Engineers for 9/11 Truth work?

Cindy: I know of Richard Gage's work and I also know of some contradicting work. I hate to sound like I am copping out on this but I really don't know much about engineering.



Having known Richard Gage personally, he has a lot of integrity, and he would not put out findings that he didn't believe in.

I am very disappointed in what my colleague calls “The Sea of Apathy” here in DC. I wonder where all the Code Pink ladies are, (Medea Benjamin, notwithstanding – she supported Cindy) because on July 6th when Netanyahu (Israeli PM) visited the White House, they were not there.

I don't think that working for peace is ‘cool’ anymore.

Joe: Do you plan on continuing your work for peace?

Cindy: I am never going to stop until we have peace! Even if it's just me.

Joe: What keeps you going?

Cindy: I have surviving children and two grandkids and one on the way. The country I live in is criminal and violent; (that) keeps me going. I want them to have a better world.

Joe: What do you think of US foreign policy?

Cindy: I can't think of a specific instance where it is good.

Peace, as defined in the *Random House Dictionary* is “the normal, non-warring condition of a nation, or group of nations, or the world.”

A peacemaker is defined as “a person who or group or nation that tries to make peace, especially by reconciling parties who disagree quarrel or fight.”

Choose Peace!

Joe Brown is a lifelong resident of Washington, DC and the area. He is a peace activist and anti-death penalty activist. A co-founder of the Shepherd's Table Soup Kitchen and the Electrik Maid Community Living Room.

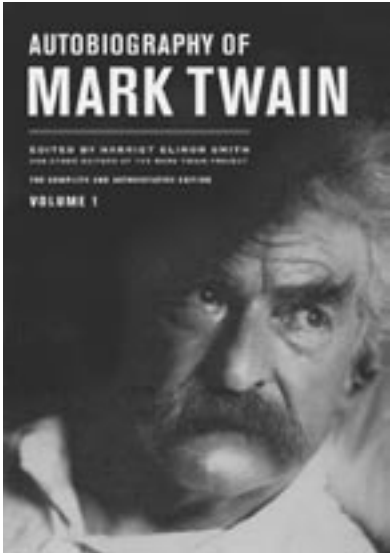
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Books

After Keeping Us Waiting for More Than a Century, Mark Twain reveals all.



The Autobiography of Mark Twain

The Complete and Authoritative Edition, Volume 1

Univ. of California Press
Hardcover, 743 pages
ISBN: 9780520267190
November 2010
\$34.95

REVIEW BY ARTHUR SILBER

The first of three volumes of the complete and authoritative edition of Mark Twain’s autobiography, *The Autobiography of Mark Twain* (Univ. of Calif. Press), will be published in November. The new material in Volume I will be “as little as 5 percent” of that volume alone, but by the time all three volumes are published, “about half will not have ever been in print before.” Twain himself decided to have his dictated autobiography published only selectively for a long time: “From the first, second, third and fourth editions, all sound and sane expressions of opinion must be left out,” Twain instructed [his heirs and editors] in 1906. “There may be a market for that kind of wares a century from now. There is no hurry. Wait and see.”

According to a *NY Times* story by Larry Rohter, July 9, 2010, Twain feared that some of his opinions “would damage his reputation if not withheld.” Aw, Sam. Well, here we are a century later anyway. Timing is all!

The Times provides these details concerning some of Twain’s more “acerbic” views: Twain’s opposition to incipient imperialism and American military intervention in Cuba and the Philippines, for example, were well known even in his own time. But the uncensored autobiography makes it clear that those feelings ran very deep and includes remarks that, if made today in the context of Iraq or Afghanistan, would probably lead the right wing to question the patriotism of this most American of American writers.

In a passage [previously] removed by Albert Bigelow Paine (the Autobiograpy’s original editor), Twain excoriates “the iniquitous Cuban-Spanish War” and Gen. Leonard Wood’s “mephitic record” as governor general in Havana. In writing about an attack on a tribal group in the Philippines, Twain refers to American troops as “our uniformed assassins” and describes their killing of “six hundred helpless and weaponless savages” as “a long and happy picnic with nothing to do but sit in comfort, and fire the Golden Rule into those people down there, and imagine letters to write home to the admiring families, and pile glory upon glory.”

He is similarly unsparing about the plutocrats and Wall Street luminaries of his day, who he argued had destroyed the innate generosity of Americans and replaced it with greed and selfishness. “The world believes that the elder Rockefeller is worth a billion dollars,” Twain observes. “He pays taxes on two million and a half.”

Twain was entirely correct about the “uniformed assassins” in the Philippines (and in many other

countries down to this moment, knowledge of which he was spared, though he may be looking up from Hell with fearsome gaze). In my essay *The Mythology of the ‘Good Guy’ American* (powerofnarrative.blogspot.com) I offer many details about the abominations committed by the US in the Philippines. Here’s a small, excruciating sample, from Paul A. Kramer’s *The Blood of Government: Race, Empire, the United States, and the Philippines*:

One of the most banal and brutal manifestations of racialization was US soldiers’ imagination of war as hunting. The Manila occupation and “friendly policy” had frustrated martial masculinity; the metaphor of the hunt made war, at last, into masculine self-fulfillment. All at once, a language of hunting bestialized Filipinos made sense of guerrilla war to American troops, and joined the latter in manly fraternity. “I don’t know when the thing will let out,” wrote Louis Hubbard one week into the war, “and don’t care as we are having lots of excitement. It makes me think of killing jack rabbits.”

The most notorious orders of indiscriminate killing were Gen. Jacob H. Smith’s late October 1901 instructions to Marine Maj. Littleron W.T. Waller, following Filipino revolutionaries’ successful surprise attack against US soldiers at Balangiga on the island of Samar, to make reprisals against the entire population of the island. “I want no prisoners,” he had directed. “I wish you to kill and burn.” Smith ordered “all persons killed who are capable of bearing arms in actual hostilities against the United States.” When Waller had asked the general for clarification, Smith stated that he considered any person over the age of ten “capable of bearing arms.” The interior of Samar must be made “a howling wilderness!” The direct result of these instructions was systematic destruction and killing on a vast scale.

The full article has much more, if you can stand it. But dear me, it certainly sounds as if Twain might not “support the troops.” I’d like to think that piece might find some small favor with him.

I also enjoyed this bit from the *Times*:

“I believe that the trade of critic, in literature, music, and the drama, is the most degraded of all trades, and that it has no real value,” Twain writes. “However, let it go,” he adds. “It is the will of God that we must have critics, and missionaries, and Congressmen, and humorists, and we must bear the burden.”

And, we are now compelled to add, it is also God’s will that we must have bloggers.

Bear up, gentle readers.

Arthur Silber blogs at powerofnarrative.blogspot.com

History’s Lessons

Ergenekon: the Gladio Strategy in Turkey

By PETER EDEL | TODAY’S ZAMAN

Each time just after an act of terrorism in Turkey there is this strange obscure vacuum. When the assault is claimed and even when suspects have been detained there will always be questions about the facts.

It’s far from illogical to bring up questions like, “Who really did it?” An analytical view of modern history shows that terrorism is often not what it appears to be at first. An act of terrorism may very well be instigated by provocateurs who have infiltrated groups. Or it may be a “false flag” operation, meaning terrorism committed in ways that make it appear as though it was done by others. With such strategies entering the arena, the edges between various forms of extremism can become very blurred. And they become even more blurred with the phenomenon that extremists on whatever side usually have more in common with each other than with the moderates in society. This effect can lead to the most paradoxical alliances and is often the reason why nothing is really what it seems at first with terrorism.

There is a distinctive psychological side to terrorism. While traditional warfare is about gaining territory, the terrorist wants to conquer public opinion instead. Whether based on religious or political ideologies, terrorists always go for public opinion one way or another. The intention to create political chaos through violence is another common denominator between them. These common grounds can to a certain extent lead to contacts and sometimes even to cooperation and joint operations by groups which oppose each other entirely in the “normal world.” A similarity in strategies applied by various terrorist groups is usually the basis for connections of this kind. Let’s illustrate this with the strategies of radical left and extreme right terrorist groups in Italy during the ’70s.

Of course, we see opposing schemes. Violence from the left follows the expectation that political chaos will unmask the state, followed by a sequence of unchained revolutionary events. In the approach of right-wing terrorism, political chaos and instability will make the public demand drastic measures, with success for right-wing parties during elections, or a military takeover as an imagined result. Major differences. The point is that as long the state of political chaos has not been reached, the strategies are almost identical, which is the lubricant for infiltration and black flag operations. This combination is able to cover any terrorist attack in a shroud of uncertainty. That’s what happened in Italy during the ’70s. And that’s what seems to be taking place in Turkey nowadays.

A project of the early Cold War years

In the Italy of the ’70s, neo-fascist terrorists routinely planned radical red flags on the bodies of their randomly chosen victims. This manipulation of public political consciousness was masterminded by Gladio, the popular name of a network which emerged in the early Cold War years. On the command of Washington and the CIA, each NATO member had to arrange a secret “stay behind” network. The original task of this structure was to coordinate resistance in the eventuality of the occupation of Western Europe by the Soviet Union. To be prepared for the situation, caches of weapons were hidden in secret places and intelligence channels were established. But Gladio was more. The Gladio strategists recognized



NATO’s Operation Gladio in Italy murdered hundreds of innocent citizens in many bloodbaths, under the false flag of anti-imperialist “red brigades”. Using a “strategy of tension”, Gladio terrorism was designed to support right-wing, corrupt, capitalist governments and prevent people from electing progressive or socialist leaders.

the socialist movement in Europe as a high risk factor. In the event of occupation by the Soviets, it was feared that the left would turn against Western interests and form a fifth column. Several campaigns against the left were set up to curb the danger. The most extreme alternative was intended to break the reputation of the left-wing movement by associating it with political violence. However, the leftist activists who were willing to use violence represented a tiny minority within the movement at the time. To counter this problem, false-flag operations were planned by Gladio, while the most radical elements in left-wing groups were provoked into action by right-wing infiltrators from the Italian deep state.

The use of such methods was recommended in a document

known as “US Army Field Manual 30-31” (FM 30-31). Originally composed by US strategists in the Pentagon and later translated into the languages of the NATO member states, it taught far-right activists how to deal with the left.

For European governments considered as passive toward the socialist movement, FM 30-31 prescribed “special operations,” i.e., infiltration and black flag ops, to confront the public with the “true nature” of the leftist enemy. In 1978 politician Aldo Moro met his end in this context. He was abducted and killed by a branch of a radical leftist organization, the “Brigatto Rosso” (“Red Brigade”) Later on it appeared that this group had been infiltrated by right-wing, Gladio-connected agents. Before the death of Moro, Italy had already gone through much

Ergenekon Terror Operations

KILLING KIDS ON A FIELD TRIP: OPERATION CAGE

Who would blow up a bunch of kids visiting a museum?
According to newly revealed documents, certain Turkish military leaders planned acts of terrorism which were to be blamed on al-Qaeda.
Ergenekon is the secret fascist organization in Turkey which from time to time commits acts of terrorism and which from time to time carries out fascist coups.
Ergenekon is linked to the Turkish military, the CIA and Mossad. Ergenekon has been linked to heroin smuggling from Afghanistan through Turkey.
On January 30, 2010, we learn that elements of the Turkish military, linked to Ergenekon, devised Operation Cage. Operation Cage reportedly included the idea of detonating explosives during school field trips to military museums.
The intention was to kill lots of kids.
The prosecutor’s office began a probe into Operation Cage after it was exposed in Turkish newspapers in November 2009.
A Turkish Admiral has been implicated in the placing of explosives at the bottom of a submarine exhibited at the Rahmi M. Koç Museum. The explosives were found by police in July 2009.
A letter sent to the prosecutor’s office claimed that the explosives placed in the submarine aimed at killing 200-300 young visitors to the museum.

STAGE A COUP: OPERATION SLEDGEHAMMER

Who would deliberately down one of their own aircraft?
It is a suitcase of documents which reveals Operation Sledgehammer, the 2003 plan for acts of terrorism and a Turkish coup
Reportedly, the CIA, Mossad and the Turkish military want to topple Turkey’s Prime Minister Erdogan, because he is not sufficiently pro-Israel and pro-USA. Erdogan is a moderate, but he has criticized Israel.
Many top military people are named in the Sledgehammer documents.
The documents reveal that the Turkish military planned to down a Turkish aircraft. General Ibrahim Firtina, who went on to command the Turkish air force, is linked to this plan for the Turkish aircraft to be downed and the attack blamed on Greece. The idea was to create the nationalist unity needed for a coup.
The Sledgehammer documents reveal the military’s plans to detonate bombs in mosques. The idea of killing people in mosques was to get the survivors to riot and to create the idea that there were lots of mad Moslems around.
The main Sledgehammer document discusses how to take advantage of the chaos after co-ordinated attacks in large cities, especially Istanbul. Stadiums were to be prepared for mass detentions.

violence with the infamous bomb attacks in Piazza Fontana in 1969 and Peteano in 1972. The climax followed in 1980 in Milan, when the roof of the city’s central station collapsed after a bomb explosion, causing 85 deaths.

One of the most infamous Gladio-connected names is that of Stefano delle Chiaie. This member of the nationalist neo-fascist organization Ordine Nuovo was one of the most important Gladio tools against the left. As far as the relationship between Gladio and the Turkish deep state of the ’70s is concerned, it should be mentioned that delle Chiaie was seen in the company of Turkish ultranationalist terrorist Abdullah Catlı, who died during a much-discussed traffic accident in Susurluk in 1996. Before his death, Catlı followed delle Chiaie on a trip to South America, where both made contact with local fascists and representatives of military regimes.

First, there was Gladio in Italy. Now Ergenekon, the next chapter of Turkey’s deep state, is being exposed. In many ways Ergenekon comes across as a remnant of the stay-behind structure from the ’50s, as a branch was set up in Turkey as well. With the end of the Cold War, a break with the past took place in organizations within the Turkish version of Gladio. The focus shifted in directions other than the left, with the Justice and Development Party (AKP) and the Gülen movement the latest targets of Turkey’s deep state.


But although the enemies are new, one thing hasn’t changed, because the strategies of today show a striking resemblance to those of the past. Ergenekon still uses the same psychological methods as Gladio did in ’70s Italy such as black flag operations and most likely infiltration by provocateurs, as well, for there are more than a few indications that Ergenekon has been provoking political and radical religious organizations to commit violent acts. The Kurdistan Workers’ Party (PKK), the Marxist/Leninist Revolutionary People’s Liberation Party/Front (DHKP/C) and the Islamic Hizbullah have been mentioned in this respect.

Prosecutors portray Ergenekon as the mastermind behind actions attributed to the aforementioned groups. In attacks ranging from the assassination of businessmen and political activists by the DHKP/C and Hizbullah to the current wave of violence unleashed by the PKK, according to the prosecutors, Ergenekon is hidden behind it all. In the picture drawn by the investigation, Ergenekon is the Gladio of the 21st century. It is committing terrorism through terrorism and fighting a secret war against a nation from within the state.

The comparisons to Italy during the ’70s are abundant. But there’s one main difference between then and now: While Gladio was supposedly abolished and dismantled by European countries long ago, no such thing ever happened in Turkey. Italy was able to come to terms with the situation during Operation Clean Hands, which followed the exposure of the stay behind structure and its illegal activities in the early ’70s. Turkey never underwent this process. However, it is important that it will. Not only because it seems essential for the further growth of Turkey, for instance towards fully fledged membership in the European Union, but also for psychological reasons, so that Turkey is able to look in the mirror without reserve. After decades of deep state psychological warfare, this can be difficult. But that’s the process Turkey is now in.

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Rethinking Iran-Contra

Robert Parry

IRAN-CONTRA from p. 2

CIA officers and Israel's Likud hardliners sabotaging a sitting US president, Jimmy Carter.

Plus, with Washington's failure to get at the larger truth about the Iran-Contra Affair, crucial patterns were set: Republicans acted aggressively, Democrats behaved timidly, and the US national news media was transformed from Watergate-era watchdogs to lapdogs, and finally to guard dogs protecting national security wrongdoing.

In that sense, the Iran-Contra/October Surprise scandal represented the missing link in a larger American political narrative covering the sweep of several decades, explaining how the United States shifted away from being a nation grappling with epochal problems, from energy dependence and environmental degradation to bloated military budgets and an obsession with empire.

For all his shortcomings and half-measures, President Carter had begun promoting solar and other alternative energies; he pushed conservation programs and worked to reduce the federal deficit; and abroad, he advocated greater respect for human rights and pulled back somewhat from the imperial presidency.

More on point, he cashiered many of the freewheeling Cold Warriors of the CIA and demanded land-for-peace concessions from Israel.

Unacceptable Dangers

Carter's potential second term presented unacceptable dangers to some powerful interests at home and overseas. The CIA Old Boys (whom legendary CIA officer Miles Copeland deemed "the CIA within the CIA") thought they understood the true national interests, even if the lazy-minded public and weak-kneed politicians didn't.

Israeli Prime Minister Menachem Begin and his Likud Party believed in a "Greater Israel" and were determined not to trade any more land conquered in the Six-Day War of 1967 for promises of peace with Palestinians and other Arabs. In 1980, Begin was still fuming over Carter's Camp David pressure on him to surrender the Sinai in exchange for a peace deal with Egypt.

In other words, the deep-seated concerns of many influential forces intersected in 1980, all with a common desire to sink Carter's reelection campaign. And the best way to do that was to undermine his efforts to gain the freedom of 52 American hostages then held in Iran. [For details, see Consortiumnews.com's "The CIA/Likud Sinking of Jimmy Carter."]

The secret relationships, born of the 1980 hostage dealings, created the framework for the Reagan administration's approval of Israel's clandestine arms shipments to Iran beginning immediately after Reagan took office in 1981, just as the American hostages were finally released seconds after Reagan mouthed the oath of office. Those initial Israeli arms sales gradually evolved into the Iran-Contra weapons transfers.

Thus, when the Iran-Contra scandal surfaced in the fall of 1986, the subsequent cover-up was not simply to protect Reagan



Reagan and his top advisors. Weinberger, Shultz, Meese, Reagan

from possible impeachment for violating the Arms Export Control Act and the congressional ban on military aid to the Nicaraguan contras, but from exposure of the even darker, earlier phase of the scandal, which would implicate Israel and the CIA.

In authorizing the first investigation of Iran-Contra, Reagan's Attorney General, Edwin Meese, set the chronological parameters as 1985 and 1986. Congressional inquiries also focused on that narrow time frame, despite indications that the scandal began much earlier, such as the mystery of an Israeli-chartered arms flight that was shot down in July 1981 after straying into Soviet air space.

Only late in the Iran-Contra criminal investigation did Independent Counsel Lawrence Walsh and his investigative team begin suspecting that the only explanation for the futile arms-for-hostage dealings regarding Lebanon in 1985-86 – when each freed hostage was replaced by a new captive – was that the tripartite relationship of Iran-Israel-and-Reagan predated the Lebanese crisis, going back to 1980.

That was one reason why Walsh's investigators asked George H.W. Bush's national security adviser (and former CIA officer) Donald Gregg about his possible role

in delaying the release of the hostages in 1980. His denial was judged deceptive by an FBI polygrapher.

'People on High'

Nicholas Veliotos, Reagan's assistant secretary of state for the Middle East, described his discovery of the earlier Iran connections after the Israeli plane went down in the Soviet Union in 1981.

"It was clear to me, after my conversations with people on high, that indeed we had agreed that the Israelis could transship to Iran some American-origin military equipment," Veliotos said in an interview with PBS Frontline.

In checking out the Israeli flight, Veliotos came to believe that the Reagan camp's dealings with Iran dated back to before the 1980 election.

"It seems to have started in earnest in the period probably prior to the election of 1980, as the Israelis had identified who would become the new players in the national security area in the Reagan administration," Veliotos said. "And I understand some contacts were made at that time."

Though some two dozen witnesses – including senior Iranian officials and a wide range of other international players – have expanded on Veliotos's discovery, the pressure became overpowering in the final years of George H.W. Bush's presidency not to accept the obvious conclusions. [For details of the evidence, see Robert Parry's 1994 book, *Secrecy & Privilege*.]

It was easier for all involved – surely the Republicans, but also the Democrats and much of the Washington press corps – to discredit the corroborated

1980 allegations. Taking the lead was the neoconservative *New Republic*.

In the fall of 1991, as Congress was deliberating whether to conduct a full investigation of the October Surprise issue, Steven Emerson, a journalist with close ties to Likud, produced a cover story for *The New Republic* claiming to prove the allegations were a "myth."

Newsweek published a matching cover story also attacking the October Surprise allegations. The article, I was told, had been ordered up by executive editor Maynard Parker who was known inside *Newsweek* as a close ally of the CIA and an admirer of prominent neo-con Elliott Abrams.

The two articles were influential in shaping Washington's conventional wisdom, but they were both based on a misreading of attendance documents at a London historical conference which William Casey had attended in July 1980.

The two publications put Casey at the conference on one key date – thus supposedly proving he could not have attended an alleged Madrid meeting with Iranian emissaries. However, after the two stories appeared, follow-up interviews with

conference participants, including historian Robert Dallek, conclusively showed that Casey wasn't at the conference until later.

Veteran journalist Craig Unger, who had worked on the *Newsweek* cover story, said the magazine knew the Casey alibi was bogus but still used it. "It was the most dishonest thing that I've been through in my life in journalism," Unger later told me.

However, even though the *Newsweek* and *New Republic* stories had themselves been debunked, that didn't stop other neoconservative-dominated publications, like the *Wall Street Journal*, from lading out ridicule on anyone who dared take the October Surprise case seriously.

Peculiar Journalism

Emerson also was a close friend of Michael Zeldin, the deputy chief counsel for the House task force that investigated the October Surprise issue in 1992. Though the task force had to jettison Emerson's bogus Casey alibi, House investigators told me Emerson frequently visited the task force's offices and advised Zeldin and others how to read the October Surprise evidence.

Subsequent examinations of Emerson's peculiar brand of journalism (which invariably toed the Likud line and often demonized Muslims) revealed that Emerson had financial ties to right-wing funders such as Richard Mellon Scaife and had hosted right-wing Israeli intelligence commander Yigal Carmon when Carmon came to Washington to lobby against Middle East peace talks.

In 1999, a study of Emerson's history by John F. Sugg for Fairness and Accuracy in Reporting's magazine *Extra!* quoted an *Associated Press* reporter who had worked with Emerson on a project as saying of



Many Iran-Contra figures resurfaced in the second Bush administration. Elliott Abrams with Dick Cheney

Emerson and Carmon: "I have no doubt these guys are working together."

The Jerusalem Post reported that Emerson has "close ties to Israeli intelligence." And "Victor Ostrovsky, who defected from Israel's Mossad intelligence agency and has written books disclosing its secrets, calls Emerson 'the horn' – because he trumpets Mossad claims," Sugg reported.

Yet, the way Washington was working by the end of the 12-year Reagan-Bush-41

The EgyptAir Flight 990 Coverup

FLIGHT 990 from p. 1

never told why this lie had been released to the public.

But the damage was already done. Americans were convinced that a crazy Muslim had committed some kind of "jihad" and killed innocent Americans. Now that the lie was exposed and the official transcript which clears the co-pilot of wrongdoing is part of the public record, one would think that the official US story would be amended. But despite the real content of the cockpit voice recorder transcript, the US is sticking by its initial assumption: A Muslim killed the innocent passengers using suicide.

The most interesting aspect of what happened on EgyptAir Flight 990 is how the trusted media dealt with this story. Even respected sources like National Public Radio repeated lies about this incident even though these lies contradicted the facts which had long been part of the official public record.

Let's go over the official NTSB cockpit voice recorder transcript (available on www.nts.gov). First, there is half an hour of regular cockpit banter: there is some official talk concerning the flight, and some friendly chitchat, all in Arabic. Then there is a phrase in English. This stands out because the Egyptians were all speaking in Arabic, and the English voice was not that of anybody on the crew according to the NTSB voice study. The NTSB has speculated that the voice most likely is saying the words, "control it" in English. The flight began to nose dive into the Atlantic Ocean immediately after this phrase was spoken by an unknown person, followed by the unexplained "sound of numerous thumps and clinks," according to the NTSB.

The dialogue following the start of the nose dive on the recorder proves that the co-pilot was surprised by the loss of control, and attempted to save the lives of the 217 people aboard. First, the co-pilot starts calmly asking God for help as he tries to save the plane. The phrase, "Tawakkaltu alAllah," which translates directly to "I rely on God," is in reality said when asking God for help. The flight data recorder shows that the plane was quickly and temporarily stabilized by the co-pilot, soon after the initial dive. The US media and investigators have been trying to twist this phrase into some kind of Muslim suicide prayer. The words "I've

made my decision now" are not in the NTSB transcript.

Second, the primary pilot, who had stepped out of the cockpit for a moment, had returned and worked together with the co-pilot to save the plane. The primary pilot said, "shut the engines" as the plane races towards the ocean, and the co-pilot responds, "it's shut." There is clearly cooperation, and not an adversary situation in the cockpit as the US investigators claimed. Then, in the final moments, we hear the pilot repeating, "pull, pull with me" as he tries to save the lives of the 203 passengers and 14 crew.

There are some strange occurrences on this flight that have nothing to do with the co-pilot which were not investigated, like passenger Edward McLaughlin. Ed had boarded the flight in Los Angeles, but was the only non-crew member to exit the Flight in New York, which is an extremely unusual occurrence. He was vice President of FEI Behavioral Health, a company that deals



EgyptAir 990 flight path and crash site, October 31, 1999

with crisis management. Coincidentally, Ed had begun crisis management of the EgyptAir 990 crisis after the plane had crashed, the same plane on which he had just been a passenger. Many still wonder whether his role needs to be investigated. According to the BBC, some of the crew thought there was a problem with the flight before departing Los Angeles. A BBC article states, "a member of the flight crew who was concerned something might go wrong decided to leave money and a message for another crew member's family."

It's part of the public record that the US

lied about the dialogue on the voice recorder, and is refusing to investigate the lies or find out what caused the crash of Flight 990. But there is speculation by many other researchers of what happened that day. Some think the destruction of Flight 990

was related to the Egyptian elite Special Forces aboard the flight. According to CNN, "The United States has said 33 Egyptian military officers were aboard the plane when it crashed Sunday off Nantucket. The officers were in the United States for a variety of reasons, including meeting with defense contractors and receiving military training, according to the Pentagon." This had led to speculation that an enemy of Egypt, unhappy about the elite Pentagon training, may have been involved. Many aviation experts have simply said that the problem must have been mechanical, but still cannot explain why the US government lied about the co-pilot committing suicide.

After the terrorist attacks of September 11, 2001, many had speculated that the crash of EgyptAir flight 990 may have had something to do with 9/11. Many Americans had thought that Flight 990 was a "practice" al Qaeda jihad exercise for planning of the destruction of the World Trade Center. But other 9/11 researchers had brought up the notion that whoever had taken control of the EgyptAir flight, and whose voice said "control it" on the voice cockpit recorder, may have been testing a system to override control of Boeing passenger planes from the pilots. On 9/11, Hani Hanjour, who "could not fly at all" according to his flight trainers (*New York Times* 5/4/2002), allegedly flew "a pivot so tight that it reminded observers of a fighter jet maneuver" (*Washington Post* 9/12/2001). This theory of remote control, if used on 9/11, would explain many of the anomalous details of what happened on the day of the 9/11 attacks.

On October 19, 2001, after 9/11, National Public Radio aired an interview with writer and pilot William Langeweische about EgyptAir Flight 990. NPR journalist Robert Siegel participated in repeating lies along with Mr. Langeweische, both of whom labeled

anybody who questioned the suicide version of the EgyptAir Crash as a "conspiracy theorist." First, Mr. Langeweische insisted that the Egyptians were part of a "culture" where they did not want to find facts and truth, and that is why they disagreed with



US Navy deep submersible recovered the flight recorders.

the US findings of suicide.

He said, "The NTSB ... attempts to find out what happened in the case of some accident, and then to report that openly, and let things fall where they may.... The Egyptians were following an agenda which was imposed by a completed different perspective on the role of government." This is followed by

era, there was little interest in getting to the bottom of a difficult national security scandal. The House task force simply applied some fantastical logic, such as claiming that because someone wrote down Casey's home phone number on another key date that proved he was at home, to conclude nothing had happened.

Between the House task force's finding of "no credible evidence" and the subsequent ridicule heaped on the allegations by major US news outlets, the October Surprise case was cast aside as a "conspiracy theory," which is how it is still categorized by Washington's insiders and by Wikipedia.

However, subsequent disclosures have revealed that a flood of new evidence incriminating the Republicans arrived at the House task force in its final weeks, in December 1992, so much so that chief counsel Lawrence Barcella says he recommended that task force chairman, Rep. Lee Hamilton D-Indiana extend the investigation for several months. However, Barcella said Hamilton refused, citing procedural difficulties.

Instead, the incriminating evidence was simply kept from other task force members, and the investigation was shut down with a finding of Republican innocence. It even appears that a late-arriving report from the Russian government about its own intelligence on the case – corroborating allegations of a Republican-Iranian deal – was not even shown to Hamilton, the chairman.

When questioned this year, Hamilton told me he had no recollection of ever seeing the Russian report (though it was addressed to him) and Barcella added that he didn't "recall whether I showed [Hamilton] the Russian report or not." [See Consortiumnews.com's "Key October Surprise Evidence Hidden."]

According to other recent interviews, dissent within the task force over some of the irrational arguments being used to clear the Republicans was suppressed by Hamilton and Barcella. [See Consortiumnews.com's "The Tricky October Surprise Report."]

In other words, Official Washington preferred to sweep this unpleasant scandal under the rug rather than confront the facts and their troubling implications.

Yet, with Reagan remaining a conservative icon and his anti-government policies still in vogue among millions of Americans – slashing taxes for the rich, weakening corporate regulations, rejecting alternative energy, and expanding the military budget – the lost deep history of this broader Iran-Contra scandal has turned out to be a case that what the country didn't know did turn out to hurt it.

Robert Parry broke many of the Iran-Contra stories in the 1980s for the Associated Press and Newsweek. His latest book, Neck Deep: The Disastrous Presidency of George W. Bush, was written with his two sons, Sam and Nat, and can be ordered at neckdeepbook.com. His two previous books, Secrecy & Privilege: The Rise of the Bush Dynasty from Watergate to Iraq and Lost History: Contras, Cocaine, the Press & 'Project Truth' are also available there. Or go to Amazon.com.

Robert Siegel mentioning how the cockpit voice recorder was proof "of the co-pilot, El Batouty, ... taking the plane down..." Mr. Langeweische even misconstrued the meaning of "I rely on God" to mean some kind of suicide prayer, rather than to mean "God help us."

Mr. Langeweische stated during this NPR broadcast that what convinced him most that the Egyptians were not interested in the truth was the behavior of the other EgyptAir pilots who he had met during his investigative trip to Cairo. This statement shows a big weakness in Mr. Langeweische's investigative skills. My cousin was part of the replacement crew of the Flight 990 route after the 1999 crash. It was well known in my family that if a pilot contradicted the US story of co-pilot suicide, then the pilot would lose his job. The behavior of these pilots, who were having their jobs threatened as a result of the US coverup, constituted definitive proof for Mr. Langeweische.

Neither William Langeweische nor Robert Siegel mentioned the other dialogue or voices on the cockpit recording which contradict their story. This is what passes for respected journalism in the United States.

Khalid Rosenbaum lives in Washington DC and is co-founder of dc911truth.org.



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US Secretly Funding Anti-Chavez Press in Venezuela

CHAVEZ from p. 1

Instituto de Prensa y Sociedad (Institute for Press and Society “IPYS”).

Espacio Publico and IPYS are the entities charged with coordinating the distribution of the millions in State Department funds to private media outlets and Venezuelan journalists working to promote the US agenda.

The documents evidence that PADF has implemented programs in Venezuela dedicated to “enhancing media freedom and democratic institutions” and training workshops for journalists in the development and use of “innovative media technologies”, due to the alleged “threats to freedom of expression” and “the climate of intimidation and self-censorship among journalists and the media”.

According to the documents, PADF’s objective is to “strengthen independent journalists by providing them with training, technical assistance, materials and greater access to innovative internet-based technologies that expand and diversify media coverage and increase their capacity to inform the public on a timely basis about the most critical policy issues impacting Venezuela”.

However, while on paper this may appear benign, in reality, Venezuela’s corporate anti-Chavez media outlets and journalists, together with US agencies, actively manipulate and distort



information in order to portray the Venezuelan government as a “communist dictatorship” that “violates basic human rights and freedoms”.

Nothing could be further from the truth.

Not only do media and journalists in Venezuela have a near-absolute freedom of expression, during the past decade, under the Chavez administration, hundreds of new media outlets, many community-based, have been created in order to foster and expand citizens’ access to media. Community media was prohibited under prior governments, which only gave broadcasting access to corporations willing to pay big money to maintain information monopolies in the country.

Today, corporate media outlets and their journalists use communications power to publicly promote the overthrow of the Venezuelan government. The owners and executives of these

media corporations form part of the Venezuelan elite that, under the reigns of Washington, ran the country for forty years before Chavez won the presidency in 1998.

What these documents demonstrate is that Washington not only is funding Venezuelan media, in clear violation of laws that prohibit this type of “propaganda” and “foreign interference”, but also is influencing the way Venezuelan journalists perceive their profession and their political reality.

The State Department funding is not just used to create and aid media outlets that promote anti-Chavez propaganda, but also to capture Venezuelan journalists at the core — as students — in order to shape their vision of journalism and ensure their loyalty early on to US agenda.

Funding for Anti-Chavez Web Pages

One of the PADF programs, which received \$699,996 from the State Department in 2007, “supported the development of independent media in Venezuela” and “journalism via innovative media technologies”. The documents evidence that more than 150 Venezuelan journalists were trained by US agencies and at least 25 web pages were created with US funding.

During the past two years, there has been a proliferation of web pages, blogs, and Twitter, MySpace and Facebook users in Venezuela, the majority of who use these media outlets to promote anti-Chavez messages and disseminate distorted and false information about the country’s political and economic reality.

Other programs run by the State Department have selected Venezuelan students and youth to receive training in the use of these new media technologies in order to create what they call a “network of cyber-dissidents” against the Venezuelan government.

For example, in April 2010, the George W. Bush Institute, together with Freedom House and the State Department, organized an encounter of “activists for freedom and human rights” and “experts in Internet” to analyze the “global movement of cyber-dissidents”. Rodrigo Diamanti, anti-Chavez youth activist, was present at the event, which took place in Dallas, Texas and was presided over by George W. Bush himself, along with “dissidents” invited from Iran, Syria, Cuba, Russia and China.

In October last year, Mexico City hosted the II Summit of the Alliance of Youth Movements (AYM), an organization created by the State Department to bring together select youth activists from countries of strategic importance to the US, along with the founders of new media technologies and representatives from different US agencies. Secretary of State Hillary Clinton presided over the event, and anti-Chavez youth activists Yon Goicochea (Primero Justicia), Rafael Delgado, and Geraldine Alvarez, attended as special guests. All three are members of Futuro Presente, an organization created in Venezuela in 2008 with funding from the Cato Institute in Washington.

Funding to Universities

The declassified State Department documents also reveal more than \$716,346 in funding via Freedom House in 2008, for an 18-month project seeking to “strengthen independent media in Venezuela”. This project also funded the creation of a “resource center for journalists” in an unnamed

Venezuelan university. “The center will develop a community radio, website and training workshops”, all funded by the State Department.

Another \$706,998 was channeled through PADF to “promote freedom of expression in Venezuela” through a two-year project focusing on “new media technologies and investigative journalism”. “Specifically, PADF and its local partner will provide training and follow-up support in innovative media technologies and formats in several regions throughout Venezuela...This training will be compiled and developed into a university-level curriculum”.

Another document evidences three Venezuelan universities, Universidad Central de Venezuela (Central University of Venezuela “UCV”), Universidad Metropolitana (Metropolitan University) and Universidad Santa Maria (St. Mary’s University), which incorporated courses on media studies into their curriculums, designed and funded by the State Department. These three universities have been the principal launching pad for the anti-Chavez student movements during the past three years.

PADF also received \$545,804 for a program titled “Venezuela: The Voices of the Future”. This project, which allegedly lasted one year, was devoted to “developing a new generation of independent journalists through a focus on new media technologies”. PADF also funded various blogs, newspapers, radio stations and television stations in regions throughout Venezuela, to ensure the “publication” of reports and articles by the “participants” in the program.

USAID and PADF

More funds have been distributed to anti-Chavez political groups in Venezuela through USAID’s Office for Transition Initiatives (OTI) in Caracas, which has an annual budget of between \$5-7 million USD. These millions form part of the more than \$40 million given annually to opposition organizations in Venezuela by US, European and Canadian agencies, as evidenced in the May 2010 report, “Venezuela: Assessing Democracy Assistance” published by the National Endowment for Democracy’s World Movement for Democracy (WMD) and Spain’s FRIDE Institute.

PADF has been active in Venezuela since 2005 as one of USAID’s principal contractors. PADF was created by the State Department in 1962 and is “affiliated” with the Organization of American States (OAS). In Venezuela, PADF has been working to “strengthen local civil society groups”, and is “one of few major international groups that has been able to provide significant cash grants and technical assistance to Venezuelan NGOs”.

Eva Golinger is a Venezuelan-American attorney and author of the best-selling books, The Chávez Code: Cracking US Intervention in Venezuela (2006 Olive Branch Press) and Bush vs. Chávez: Washington’s War on Venezuela (2006 Olive Branch Press). Since 2003, Eva has been investigating, analyzing and writing about US intervention in Venezuela using the Freedom of Information Act (FOIA) to obtain information about the US Government’s efforts over the past few years to destabilize Hugo Chávez’s presidency.

Washington, D.C. has a 9/11 truth group.

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Dubai Airports Nix Full-body Scanners “Out Of Respect For Privacy Of Individuals And Personal Freedom”

Full-body scanners will not be used in Dubai airports because the systems “contradict Islam, and out of respect for the privacy of individuals and their personal freedom,” said the head of the Dubai police force airport security division, in a Dubai newspaper. Brigadier Pilot Ahmad Mohammad Bin Thani added, “The scanners will be replaced with other inspection systems that reserve travelers’ privacy.”

Plutonium Cleanup in Washington State Could Take Millennia

(AllGov.com) Not far from the banks of the Columbia River resides the Hanford Nuclear Reservation, once the most important manufacturer of plutonium for America’s nuclear arsenal. Today, the 560-square-mile decommissioned facility is teeming with plutonium, one of the most toxic substances on earth (minute particles of it can cause cancer), with a half-life of 24,000 years.

The US Department of Energy estimated back in the mid-1990s that Hanford had more than 111,000 kilograms of plutonium to dispose of. A former department official, Robert Alvarez, recently went over old Energy reports and determined that the original math was way off. It turns out that Hanford has three times more plutonium than was calculated in 1996.

The *New York Times* reported that the plutonium doesn’t “pose a major radiation hazard now, largely because it is under ‘institutional controls’ like guards, weapons and gates.” But the highly radioactive material “is certain to last longer than the controls,” meaning the systems put in place by the US government could be long gone by the time the plutonium reaches a safe level for the surrounding area.

Philadelphia Police Steal Heroin, Resell It, And Get Busted

(NBC Philadelphia) Officers Robert Snyder, Mark Williams and James Venziale allegedly used their positions in the police department to steal and then resell 300 grams of heroin from known drug dealer Miguel Santiago, says US Attorney Zane David Memeger.

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