## RUNNYMEDE GAZETTE

#### A Journal of the Democratic Resistance

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# EDITORIAL THE POLITICS OF DESPAIR

On the basis that no journal and no person can have an interest in everything, there are some topics that this journal rarely, if ever, covers., unless the reference is of a generic, illustrative nature. These include matters relating to animal welfare, local government, internal party politics, and religion ... including Islam.

Pankaj Mishra's item is one of the most intelligent and perceptive I have ever read on any question. It is not about Islam except in passing ... it is about all of us. Many thanks to Mark Barrett for sending it.

It is about the utter and absolute failure of neoliberal globalisation. It is about people ... the young especially ... being made 'superfluous' in a system over which they have no control, and ... crucially ... no hope of any control, not merely in the Levant, but across the world. It is about poverty, powerlessness and fractured hope.

One of the legacies with which the world has somehow to cope, is that all three of the so-called 'religions of the book' originated in a highly paternalistic culture. All three have ... either on the written page or as questions of interpretation ... a dark, atavistic and misogynistic underbelly. During Tudor and Stuart times our own reformation threw up puritan sects with a remarkably similar agenda of austerity, self-denial, and a better world in the next. Equally these sects were not too fussed about the methods to be used to sanitise the world so as to be fit for the reign of King Jesus.

As with ISIS all human frailties could be expunged, an ideal governance instigated, and a pure, sinless humanity would rest for ever in the Divine bosom. As with later secular avatars such as Robbespierre, Stalin, Hitler, and the Meiji, the clock would be turned back to zero and history rebooted. The sword would be the cleansing agent of the sinners and unbelievers. Only utter conformity to the holy rubrics could be permitted. Utopia was to be won by blood.

Thus the seductive appeal of attaining earthly perfection is thus laid bare. Amongst the dispossessed ... those 'doomed to lurch, like many others in the past, between a sense of inadequacy and fantasies of revenge' ... the apocalypse becomes a Great Adventure. Crucially it becomes the only doorway to a better life.

'For many of them the contradiction Dostoevsky noticed between extravagant promise and meagre means has become intolerable.' What we call 'terrorism' is at its roots all about the politics of despair.

Frank Taylor

#### HOW TO THINK ABOUT ISLAMIC STATE

#### Pankaj Mishra; Guardian; via Mark Barrett; Occupy

Islamic State is often called 'medieval' but is in fact very modern – a horrific expression of a widespread frustration with a globalised western model that promises freedom and prosperity to all, but fails to deliver.

Violence has erupted across a broad swath of territory in recent months: wars in Ukraine and the Middle East, suicide bombings in Xinjiang, Nigeria and Turkey, insurgencies from Yemen to Thailand, massacres in Paris, Tunisia and the American south. Future historians may well see such uncoordinated mayhem as commencing the third – and the longest and the strangest – of world wars. Certainly, forces larger and more complex than in the previous two wars are at work; they outrun our capacity to apprehend them, let alone adjust their direction to our benefit.

The early post cold war consensus – that bourgeois democracy has solved the riddle of history, and a global capitalist economy will usher in worldwide prosperity and peace – lies in tatters. But no plausible alternatives of political and economic organisation are in sight. A world organised for the play of individual self-interest looks more and more prone to manic tribalism.

In the lengthening spiral of mutinies from Charleston to central India, the insurgents of Iraq and Syria have monopolised our attention by their swift military victories; their exhibitionistic brutality, especially towards women and minorities; and, most significantly, their brisk seduction of young people from the cities of Europe and the US. Globalisation has everywhere rapidly weakened older forms of authority, in Europe's social democracies as well as Arab despotisms, and thrown up an array of unpredictable new international actors, from Chinese irredentists and cyberhackers to Syriza and Boko Haram. But the sudden appearance of Islamic State (Isis) in Mosul last year, and the continuing failure to stem its expansion or check its appeal, is the clearest sign of a general perplexity, especially among political elites, who do not seem to know what they are doing and what they are bringing about.

In its capacity to invade and hold territory the size of England, to inspire me-too zealotry in Pakistan, Gaza, Afghanistan, Nigeria, Libya and Egypt, and to entice thousands of followers, Isis represents a quantum leap over all other private and state-sanctioned cults of violence and authoritarianism. We are not faring well with the cognitive challenge to define this phenomenon.

For Obama, it is a "terrorist organisation, pure and simple", which "we will degrade and ultimately destroy". British politicians, yet again hoping against experience to impress the natives with a show of force, want to bomb the Levant as well as Mesopotamia. A sensationalist and scruple-free press seems eager to collude in their "noble lie": that a Middle Eastern militia, thriving on the utter ineptitude of its local adversaries, poses an "existential risk" to an island fortress that saw off Napoleon and Hitler. The experts on Islam who opened for business on 9/11 peddle their wares more feverishly, helped by clash-of-civilisation theorists and other intellectual robots of the cold war, which were programmed to think in binaries (us versus them, free versus unfree world, Islam versus the west) and to limit their lexicon to words such as "ideology", "threat" and "generational struggle". The rash of pseudo-explanations — Islamism, Islamic extremism, Islamic fundamentalism, Islamic theology, Islamic irrationalism — makes Islam seem more than ever a concept in search of some content while normalising hatred and prejudice against more than 1.5 billion people. The abysmal intellectual deficit is summed up, on one hand, by the unremorsefully bellicose figure of Blair, and, on the other, the British government squabbling with the BBC over what to call Isis.

In the broadest view, Isis seems the product of a catastrophic war – the Anglo-American assault on Iraq. There is no doubt that the ground for it was prepared by this systematic devastation – the murder and displacement of millions, which came after more than a decade of brutalisation by sanctions and embargoes. The dismantling of the Iraqi army, de-Ba'athification and the Anglo-American imprimatur to Shia supremacism provoked the formation in Mesopotamia of al-Qaida,

Isis's precursor. Many local factors converged to make Isis's emergence possible: vengeful Sunnis; reorganised Ba'athists in Iraq; the co-dependence of the west on despotic allies (al-Sisi, al-Maliki) and incoherence over Syria; the cynical manoeuvres of Assad; Turkey's hubristic neo-Ottomanism, which seems exceeded in its recklessness only by the actions of Saudi Arabia and the Gulf States.

The failure of the Arab Spring has also played a part. Tunisia, its originator, has sent the largest contingent of foreign jihadis to Iraq and Syria. Altogether an estimated 17,000 people, mostly young men, from 90 countries have travelled to Syria and Iraq to offer their services to Isis. Dozens of British women have gone, despite the fact that men of Isis have enslaved and raped girls as young as 10 years old, and stipulated that Muslim girls marry between the ages of nine and 17, and live in total seclusion. "You can easily earn yourself a higher station with God almighty," a Canadian insurrectionist, Andre Poulin, exhorted in a video used by Isis for online recruitment, "by sacrificing just a small bit of this worldly life."

It is not hard to see that populous countries such as Pakistan and Indonesia will always have a significant number of takers for well-paid martyrdom. What explains, however, the allure of a caliphate among thousands of residents of relatively prosperous and stable countries, such as the high-achieving London schoolgirls who travelled to Syria this spring?

Isis, the military phenomenon, could conceivably be degraded and destroyed. Or, it could rise further, fall abruptly and then rise again (like al-Qaida, which has been degraded and destroyed several times in recent years). The state can use its immense power to impound passports, shut down websites, and even enforce indoctrination in "British values" in schools. But this is no way to stem what seems a worldwide outbreak of intellectual and moral secessionism.

Isis is only one of its many beneficiaries; demagogues of all kinds have tapped the simmering reservoirs of cynicism and discontent. At the very least, their growing success and influence ought to make us re-examine our basic assumptions of order and continuity since the political and scientific revolutions of the 19th century – our belief that the human goods achieved so far by a fortunate minority can be realised by the ever-growing majority that desires them. We must ask if the millions of young people awakening around the world to their inheritance can realise the modern promise of freedom and prosperity. Or, are they doomed to lurch, like many others in the past, between a sense of inadequacy and fantasies of revenge?

Returning to Russia from Europe in 1862, Dostoevsky first began to explore at length the very modern torment of resentment that the misogynists of Twitter today manifest as much as the dupes of Isis. Russian writers from Pushkin onwards had already probed the peculiar psychology of the "superfluous" man in a semi-westernised society: educated into a sense of hope and entitlement, but rendered adrift by his limited circumstances, and exposed to feelings of weakness, inferiority and envy. Russia, trying to catch up with the west, produced many such spiritually unmoored young men who had a quasi-Byronic conception of freedom, further inflated by German idealism, but the most unpromising conditions in which to realise them.

Rudin in Turgenev's eponymous novel desperately wants to surrender himself "completely, greedily, utterly" to something; he ends up dead on a Parisian barricade in 1848, having sacrificed himself to a cause he doesn't fully believe in. It was, however, Dostoevsky who saw most acutely how individuals, trained to believe in a lofty notion of personal freedom and sovereignty, and then confronted with a reality that cruelly cancelled it, could break out of paralysing ambivalence into gratuitous murder and paranoid insurgency.

His insight into this fateful gap between the theory and practice of liberal individualism developed during his travels in western Europe – the original site of the greatest social, political and economic transformations in human history, and the exemplar with its ideal of individual freedom for all of humanity. By the mid-19th century, Britain was the paradigmatic modern state and society, with its sights firmly set on industrial prosperity and commercial expansion. Visiting London in 1862, Dostoevsky quickly realised the world-historical import of what he was witnessing. "You become aware of a colossal idea," he wrote after visiting the International Exhibition, showcase of an all-conquering material culture: "You sense that it would require great and everlasting spiritual denial and fortitude in order not to submit, not to capitulate before the impression, not to bow to

what is, and not to deify Baal, that is, not to accept the material world as your ideal."

However, as Dostoevsky saw it, the cost of such splendour and magnificence was a society dominated by the war of all against all, in which most people were condemned to be losers. In Paris, he caustically noted that liberté existed only for the millionaire. The notion of equality before the law was a "personal insult" to the poor exposed to French justice. As for fraternité, it was another hoax in a society driven by the "individualist, isolationist instinct" and the lust for private property.

Dostoevsky diagnosed the new project of human emancipation through the bewilderment and bitterness of people coming late to the modern world, and hoping to use its evidently successful ideas and methods to their advantage. For these naive latecomers, the gap between the noble ends of individual liberation and the poverty of available means in their barbarous social order was the greatest. The self-loathing clerk in Notes from Underground represents the human being who is excruciatingly aware that free moral choice is impossible in a world increasingly regimented by instrumental reason. He dreams constantly and impotently of revenge against his social superiors. Raskolnikov, the deracinated former law student in Crime and Punishment, is the psychopath of instrumental rationality, who can work up evidently logical reasons to do anything he desires. After murdering an old woman, he derives philosophical validation from the most celebrated nationalist and imperialist of his time, Napoleon: a "true master, to whom everything is permitted".

The bloody dramas of political and economic laggards can seem remote from liberal-democratic Britain. The early and decisive winner in the sweepstakes of modern history has guaranteed an admirable measure of security, stability and dignity to many of its citizens. The parochial vision of modern history as essentially a conflict between open society and its enemies (liberal democracy versus nazism, communism and Islam) can feel accurate within the unbreached perimeters of Britain (and the US). It is not untrue to assert that Britain's innovations and global reach spread the light of reason to the remotest corners of the Earth. Britain made the modern world in the sense that the forces it helped to originate – technology, economic organisation and science – formed a maelstrom that is still overwhelming millions of lives.

But this is also why Britain's achievements cannot be seen in isolation from their ambiguous consequences elsewhere. Blaming Islamic theology, or fixating on the repellent rhetoric of Isis, may be indispensable in achieving moral self-entrancement, and toughening up convictions of superiority: we, liberal, democratic and rational, are not at all like these savages. But these spine-stiffening exercises can't obscure the fact that Britain's history has long been continuous with the world it made, which includes its ostensible enemies in Europe and beyond. Regardless of what the "island story" says, the belief systems and institutions Britain initiated – a global market economy, the nation state, utilitarian rationality – first caused a long emergency in Europe, before roiling the older worlds of Asia and Africa. The recurrent crises explain why a range of figures, from Blake to Gandhi, and Simone Weil to Yukio Mishima, reacted remarkably similarly to the advent of industrial and commercial society, to the unprecedented phenomenon of all that is solid melting into thin air, across Europe, Asia and Africa.

"Spectres reign where no gods are," Schiller wrote, deploring the atrophying of the "sacral sense" into nationalism and political power. Fear of moral and spiritual diminishment, and social chaos, was also a commonplace of much 19th-century British writing. "The rich have become richer, and the poor have become poorer; and the vessel of the state is driven between the Scylla and Charybdis of anarchy and despotism," Shelley wrote in 1821, blaming inequality and disorder on the "unmitigated exercise of the calculating faculty". Coleridge, denouncing "a contemptible democratical oligarchy of glib economists", asked: "Is the increasing number of wealthy individuals that which ought to be understood by the wealth of the nation?" Dickens did much with Carlyle's despairing insight into cash payment as the "sole nexus" between human beings. Lawrence recoiled fruitfully from "the base forcing of all human energy into a competition of mere acquisition". Proximity to British arguments helped shape Marx's vision of a proletariat goaded by the inequities and degradations of industrial capitalism into a revolutionary redemption of human existence.

The actual revolutions, however, occurred outside Britain, where liberal individualism, the product of a settled society with fixed social structures, seemed to have no answers to the plight of

the uprooted masses living in squalor in cities. Its failure first motivated cultural nationalists, socialists, anarchists and revolutionaries across Europe, before seeding many anti-colonial movements in Asia and Africa. In an irony of modern history, which stalks revolutions and revolts to this day, the search for a new moral community has constantly assumed unpredicted and vicious forms. But then the dislocations and traumas caused by industrialisation and urbanisation accelerated the growth of ideologies of race and blood in even enlightened western Europe.

"The way of modern culture," the Austrian writer Franz Grillparzer once lamented, "leads from humanity through nationality to bestiality." He died too early (1872) to see another landmark en route to barbarism: modern European imperialism, whose humanitarian rhetoric was, like one of its representatives, Conrad's Kurtz, "hollow at the core".

In Asia, the usual disruptions of an industrial and commercial system that transcends political frontiers and destroys economic self-sufficiency, enslaving individuals to impersonal forces, were accompanied by a racist imperialism. The early victims and opponents of this ultra-aggressive modernity were local elites who organised their resistance around traditionalist loyalties and fantasies of recapturing a lost golden age – tendencies evident in the Boxer Rebellion in China as well as early 19th-century jihads against British rule in India.

Pre-modern political chieftains, who were long ago supplanted by western-educated men and women quoting John Stuart Mill and demanding individual rights, do not and cannot exist any more, however "Islamic" their theology may seem. They return today as parody – and there is much that is purely camp about a self-appointed caliph sporting a Rolex and India's Hindu revivalist prime minister draped in a Savile Row \$15,000 suit with personalised pin stripes. The spread of literacy, improved communications, rising populations and urbanisation have transformed the remotest corners of Asia and Africa. The desire for self-expansion through material success fully dominates the extant spiritual ideals of traditional religions and cultures.

Isis desperately tries to reinvent the early ideological antagonism between the imperialistic modern west and its traditionalist enemies. A recent issue of their magazine Dabiq approvingly quotes George W Bush's us-versus-them exhortation, insisting that there is no "Gray Zone" in the holy war. Craving intellectual and political prestige, the DIY jihadists receive helpful endorsements from the self-proclaimed paladins of the west, such as Michael Gove, Britain's leading Americanstyle neocon. Responding to the revelation on 17 July of secret British bombing of Syria, Gove asserted that the "need to maintain the strength and durability of the western alliance in the face of Islamist fundamentalism" can "trump everything".

Clashing in the night, the ignorant armies of ideologues endow each other's cherished self-conceptions with the veracity they crave. But their self-flattering oppositions collapse once we recognise that much violence today arises out of a heightened and continuously thwarted desire for convergence and resemblance rather than religious, cultural and theological difference.

The advent of the global economy in the 19th century, and its empowerment of a small island, caused an explosion of mimetic desire from western Europe to Japan. Since then, a sense of impotence and compensatory cultural pride has routinely driven the weak and marginalised to attack those that seem stronger than them while secretly desiring to possess their advantages. Humiliated rage and furtive envy characterise Muslim insurrectionaries and Hindu fanatics today as much as they did the militarist Japanese insisting on their unique spiritual quintessence. It is certainly not some esoteric 13th-century Hadith that makes Isis so eager to adopt the modern west's technologies of war, revolution and propaganda – especially, as the homicidal dandyism of Jihadi John reveals, its mediatised shock-and-awe violence.

There is nothing remarkable about the fact that the biggest horde of foreign fighters in Iraq and Syria originated in Tunisia, the most westernised of Arab countries. Mass education, economic crisis and unfeeling government have long constituted a fertile soil for the cults of authoritarianism and violence. Powerlessness and deprivation are exacerbated today by the ability, boosted by digital media, to constantly compare your life with the lives of the fortunate (especially women entering the workforce or prominent in the public sphere: a common source of rage for men with siege mentalities worldwide). The quotient of frustration tends to be highest in countries that have a large

population of educated young men who have undergone multiple shocks and displacements in their transition to modernity and yet find themselves unable to fulfil the promise of self-empowerment. For many of them the contradiction Dostoevsky noticed between extravagant promise and meagre means has become intolerable.

The sacral sense – the traditional basis of religion, entailing humility and self-restraint – has atrophied even where the churches, mosques and temples are full. The spectres of power reign incontestably where no gods are. Their triumph makes nonsense of the medieval-modern axis on which jihadis preening on Instagram in Halloween costumes are still reflexively defined. So extensive is the rout of pre-modern spiritual and metaphysical traditions that it is hard to even imagine their resurrection, let alone the restoration, on a necessarily large scale, of a non-instrumental view of human life (and the much-despoiled natural world). But there seem to be no political escape routes, either, out of the grisly cycle of retributive bombing and beheading.

The choice for many people in the early 20th century, as Rosa Luxemburg famously proclaimed, was between socialism and barbarism. The German thinker spoke as the historical drama of the 19th century – revolution, nationalism, state-building, economic expansion, arms races, imperial aggrandisement – reached a disastrous denouement in the first world war. The choice has seemed less clear in the century since.

The mimic imperialisms of Japan and Germany, two resentful late-modernisers in Britain's shadow, played out on a catastrophic scale the conflict built into the capitalist order. But socialist states committed to building human societies on co-operation rather than rivalry produced their own grotesqueries, as manifested by Stalin and Mao and numerous regimes in the colonised world that sought moral advantage over their western masters by aiming at equality as well as prosperity.

Since 1989, the energies of post-colonial idealism have faded together with socialism as an economic and moral alternative. The unfettered globalisation of capital annexed more parts of the world into a uniform pattern of desire and consumption. The democratic revolution of aspiration De Tocqueville witnessed in the early 19th century swept across the world, sparking longings for wealth, status and power in the most unpromising circumstances. Equality of conditions, in which talent, education and hard work are rewarded by individual mobility, ceased to be an exclusively American illusion after 1989. It proliferated even as structural inequality entrenches itself further.

In the neoliberal fantasy of individualism, everyone was supposed to be an entrepreneur, retraining and repackaging themselves in a dynamic economy, perpetually alert to the latter's technological revolutions. But capital continually moves across national boundaries in the search for profit, contemptuously sweeping skills and norms made obsolete by technology into the dustbin of history; and defeat and humiliation have become commonplace experiences in the strenuous endeavour of franchising the individual self.

Significantly numerous members of the precariat realise today that there is no such thing as a level playing field. The number of superfluous young people condemned to the anteroom of the modern world, an expanded Calais in its squalor and hopelessness, has grown exponentially in recent decades, especially in Asia and Africa's youthful societies. The appeal of formal and informal secession – the possibility, broadly, of greater control over your life – has grown from Scotland to Hong Kong, beyond the cunningly separatist elites with multiple citizenship and offshore accounts. More and more people feel the gap between the profligate promises of individual freedom and sovereignty, and the incapacity of their political and economic organisations to realise them.

Even the nation state expressly designed to fulfil those promises – the United States – seethes with angry disillusionment across its class and racial divisions. A sense of victimhood festers among even relatively advantaged white men, as the rancorously popular candidacy of Donald Trump confirms. Elsewhere, the nasty discovery of Atticus Finch as a segregationist compounds the shock of Ferguson and Baltimore. Coming after decades of relentless and now insurmountable inequality, the revelation of long-standing systemic violence against African Americans is challenging some primary national myths and pieties. In a democracy founded by wealthy slave-owners and settler colonialists, and hollowed out by plutocrats, many citizens turn out to have never enjoyed equality of conditions. They raise the question that cuts through decades of liberal evasiveness about the

cruelties of a political system intended to facilitate private moneymaking: "how to erect," as Ta-Nehisi Coates puts it in his searing new book, Between the World and Me, "a democracy independent of cannibalism?"

And yet the obvious moral flaws of capitalism have not made it politically vulnerable. In the west, a common and effective response among regnant elites to unravelling national narratives and loss of legitimacy is fear-mongering among minorities and immigrants – an insidious campaign that continuously feeds on the hostility it provokes. These cosseted beneficiaries of an iniquitous order are also quick to ostracise the stray dissenter among them, as the case of Greece reveals. Chinese, Russian, Turkish and Indian leaders, who are also productively refurbishing their nation-building ideologies, have even less reason to oppose a global economic system that has helped enrich them and their cronies and allies.

Rather, Xi Jinping, Modi, Putin and Erdogan follow in the line of early 19th-century European and Japanese demagogues who responded to the many crises of capitalism by exhorting unity before internal and external threats. European or American-style imperialism is not a feasible option for them yet; they deploy instead, more riskily, jingoistic nationalism and cross-border militarism as a valve for domestic tensions. They have also retrofitted old-style nationalism for their growing populations of uprooted citizens, who harbour yearnings for belonging and community as well as material plenitude. Their self-legitimising narratives are necessarily hybrid: Mao-plus-Confucius, Holy Cow-plus-Smart Cities, Neoliberalism-plus-Islam, Putinism-plus-Orthodox Christianity.

Isis, too, offers a post-modern collage rather than a determinate creed. Born in the ruins of two nation states that dissolved in sectarian violence, it vends the fantasy of a morally untainted and transnational caliphate. In actuality, Isis is the canniest of all traders in the flourishing international economy of disaffection: the most resourceful among all those who offer the security of collective identity to isolated and fearful individuals. It promises, along with others who retail racial, national and religious supremacy, to release the anxiety and frustrations of the private life into the violence of the global. Unlike its rivals, however, Isis mobilises resentment into militant rebellion against the status quo. Isis mocks the entrepreneurial age's imperative to project an appealing personality by posting snuff videos on social media. At the same time, it has a stern bureaucracy devoted to proper sanitation and tax collection. Some members of Isis extol the spiritual nobility of the Prophet and the earliest caliphs. Others confess through their mass rapes, choreographed murders and rational self-justifications a primary fealty to nihilism: that characteristically modern-day and insidiously common doctrine that makes it impossible for modern-day Raskolnikovs to deny themselves anything, and possible to justify anything.

The shapeshifting aspect of Isis is hardly unusual in a world in which "liberals" morph into warmongers, and "conservatives" institute revolutionary free-market "reforms". Meanwhile, technocrats, while slashing employment and welfare benefits, and immiserating entire societies, propose to bomb refugee boats, and secure unprecedented powers to imprison and snoop.

You can of course continue to insist on the rationality of liberal democracy as against "Islamic irrationalism" while waging infinite wars abroad and assaulting civil liberties at home. Such a conception of liberalism and democracy, however, will not only reveal its inability to offer wise representation to citizens. It will also make freshly relevant the question about intellectual and moral legitimacy raised by TS Eliot at a dark time in 1938, when he asked if "our society, which had always been so assured of its superiority and rectitude, so confident of its unexamined premises" was "assembled round anything more permanent than a congeries of banks, insurance companies and industries, and had it any beliefs more essential than a belief in compound interest and the maintenance of dividends?"

Today, the unmitigated exercise of the calculating faculty looks more indifferent to ordinary lives, and their need for belief and enchantment. The political impasses and economic shocks in our societies, and the irreparably damaged environment, corroborate the bleakest views of 19th-century critics who condemned modern capitalism as a heartless machinery for economic growth, or the enrichment of the few, which works against such fundamentally human aspirations as stability, community and a better future. Isis, among many others, draws its appeal from an incoherence of

concepts – "democracy" and "individual rights" among them – with which many still reflexively shore up the ideological defences of a self-evidently dysfunctional system. The contradictions and costs of a tiny minority's progress, long suppressed by blustery denial and aggressive equivocation, have become visible on a planetary scale. They encourage the suspicion – potentially lethal among the hundreds of millions of young people condemned to being superfluous – that the present order, democratic or authoritarian, is built on force and fraud; they incite a broader and more volatile apocalyptic and nihilistic mood than we have witnessed before. Professional politicians, and their intellectual menials, will no doubt blather on about "Islamic fundamentalism", the "western alliance" and "full-spectrum response". Much radical thinking, however, is required if we are to prevent resentment from erupting into even bigger conflagrations.

# THE OBSCURE LEGAL SYSTEM THAT LETS CORPORATIONS SUE COUNTRIES

#### Claire Provost and Matt Kennard; Guardian; via Mark Barrett; Occupy

Fifty years ago, an international legal system was created to protect the rights of foreign investors. Today, as companies win billions in damages, insiders say it has got dangerously out of control

Luis Parada's office is just four blocks from the White House, in the heart of K Street, Washington's lobbying row – a stretch of steel and glass buildings once dubbed the "road to riches", when influence-peddling became an American growth industry. Parada, a soft-spoken 55-year-old from El Salvador, is one of a handful of lawyers in the world who specialise in defending sovereign states against lawsuits lodged by multinational corporations. He is the lawyer for the defence in an obscure but increasingly powerful field of international law – where foreign investors can sue governments in a network of tribunals for billions of dollars.

Fifteen years ago, Parada's work was a minor niche even within the legal business. But since 2000, hundreds of foreign investors have sued more than half of the world's countries, claiming damages for a wide range of government actions that they say have threatened their profits. In 2006, Ecuador cancelled an oil-exploration contract with Houston-based Occidental Petroleum; in 2012, after Occidental filed a suit before an international investment tribunal, Ecuador was ordered to pay a record \$1.8bn – roughly equal to the country's health budget for a year. (Ecuador has logged a request for the decision to be annulled.)

Parada's first case was defending Argentina in the late 1990s against the French conglomerate Vivendi, which sued after the Argentine province of Tucuman stepped in to limit the price it charged people for water and wastewater services. Argentina eventually lost, and was ordered to pay the company more than \$100m. Now, in his most high-profile case yet, Parada is part of the team defending El Salvador as it tries to fend off a multimillion-dollar suit lodged by a multinational mining company after the tiny Central American country refused to allow it to dig for gold.

The suit was filed in 2009 by a Canadian company, Pacific Rim – later bought by an Australian mining firm, OceanaGold – which said it had been encouraged by the government of El Salvador to spend "tens of millions of dollars to undertake mineral exploration activities". But, the company alleged that when valuable deposits of gold and silver were discovered, the government, for political reasons, withheld the permits it needed to begin digging. The company's claim, which at one point exceeded \$300m, has since been reduced to \$284m – still more than the total amount of foreign aid El Salvador received last year. El Salvador countered that the company not only lacked environmental permits but also failed to prove it had obtained rights to much of the land covered by its request: many farmers in the northern Cabañas region, where the company wanted to dig, had refused to sell their land.

Every year on 15 September, thousands of Salvadorans celebrate the date when much of Central America gained independence from Spain. Fireworks are set off and marching bands parade through villages across the country. But, last year, in the town of San Isidro, in Cabañas, the festivities had a markedly different tone. Hundreds had gathered to protest against the mine. Gold mines often use cyanide to separate gold from ore, and widespread concern over already severe water contamination in El Salvador has helped fuel a powerful movement determined to keep the country's minerals in the

ground. In the central square, colourful banners were strung up, calling on OceanaGold to drop its case against the country and leave the area. Many were adorned with the slogan, "No a la mineria, Si a la vida" (No to mining, Yes to life).

On the same day, in Washington DC, Parada gathered his notes and shuffled into a suite of nondescript meeting rooms in the World Bank's J building, across the street from its main headquarters on Pennsylvania Avenue. This is the International Centre for the Settlement of Investment Disputes (ICSID): the primary institution for handling the cases that companies file against sovereign states. (The ICSID is not the sole venue for such cases; there are similar forums in London, Paris, Hong Kong and the Hague, among others.) The date of the hearing was not a coincidence, Parada said. The case has been framed in El Salvador as a test of the country's sovereignty in the 21st century, and he suggested that it should be heard on Independence Day. "The ultimate question in this case," he said, "is whether a foreign investor can force a government to change its laws to please the investor as opposed to the investor complying with the laws they find in the country."

The ultimate question is whether a foreign investor can force a government to change its laws to please the investor

Luis Parada

Most international investment treaties and free-trade deals grant foreign investors the right to activate this system, known as investor-state dispute settlement (ISDS), if they want to challenge government decisions affecting their investments. In Europe, this system has become a sticking point in negotiations over the controversial Transatlantic Trade and Investment Partnership (TTIP) deal proposed between the European Union and the US, which would massively extend its scope and power and make it harder to challenge in the future. Both France and Germany have said that they want access to investor-state dispute settlement removed from the TTIP treaty currently under discussion.

Investors have used this system not only to sue for compensation for alleged expropriation of land and factories, but also over a huge range of government measures, including environmental and social regulations, which they say infringe on their rights. Multinationals have sued to recover money they have already invested, but also for alleged lost profits and "expected future profits". The number of suits filed against countries at the ICSID is now around 500 – and that figure is growing at an average rate of one case a week. The sums awarded in damages are so vast that investment funds have taken notice: corporations' claims against states are now seen as assets that can be invested in or used as leverage to secure multimillion-dollar loans. Increasingly, companies are using the threat of a lawsuit at the ICSID to exert pressure on governments not to challenge investors' actions.

"I had absolutely no idea this was coming," Parada said. Sitting in a glass-walled meeting room in his offices, at the law firm Foley Hoag, he paused, searching for the right word to describe what has happened in his field. "Rogue," he decided, finally. "I think the investor-state arbitration system was created with good intentions, but in practice it has gone completely rogue."

The quiet village of Moorburg in Germany lies just across the river from Hamburg. Past the 16th-century church and meadows rich with wildflowers, two huge chimneys spew a steady stream of thick, grey smoke into the sky. This is Kraftwerk Moorburg, a new coal-fired power plant – the village's controversial next-door neighbour. In 2009, it was the subject of a €1.4bn investor-state case filed by Vattenfall, the Swedish energy giant, against the Federal Republic of Germany. It is a prime example of how this powerful international legal system, built to protect foreign investors in developing countries, is now being used to challenge the actions of European governments as well.

Since the 1980s, German investors have sued dozens of countries, including Ghana, Ukraine and the Philippines, at the World Bank's Centre in Washington DC. But with the Vattenfall case, Germany found itself in the dock for the first time. The irony was not lost on those who considered Germany to be the grandfather of investor-state arbitration: it was a group of German businessmen, in the late 1950s, who first conceived of a way to protect their overseas investments as a wave of developing countries gained independence from European colonial powers. Led by Deutsche Bank chairman Hermann Abs, they called their proposal an "international magna carta" for private investors.

The investor-state arbitration system was created with good intentions, but in practice it has gone completely roque

Luis Parada

In the 1960s, the idea was taken up by the World Bank, which said that such a system could help the world's poorer countries attract foreign capital. "I am convinced," the World Bank president George Woods said at the time, "that those ... who adopt as their national policy a welcome [environment] for international investment – and that means, to mince no words about it, giving foreign investors a fair

opportunity to make attractive profits – will achieve their development objectives more rapidly than those who do not."

At the World Bank's 1964 annual meeting in Tokyo, it approved a resolution to set up a mechanism for handling investor-state cases. The first line of the ICSID Convention's preamble sets out its goal as "international cooperation for economic development". There was sharp opposition to this system from its inception, with a bloc of developing countries warning that it would undermine their sovereignty. A group of 21 countries – almost every Latin American country, plus Iraq and the Philippines – voted against the proposal in Tokyo. But the World Bank moved ahead regardless. Andreas Lowenfeld, an American legal academic who was involved in some of these early discussions, later remarked: "I believe this was the first time that a major resolution of the World Bank had been pressed forward with so much opposition."

Global development remains the ICSID's stated goal. "The idea," said the institution's current secretary-general, Meg Kinnear, "is if an investor feels that there is a fair, impartial mechanism should they ever get to a dispute, they will have that much more confidence and it will help to promote investment ... and when you invest you obviously bring jobs, revenue, technology and the like."

But now governments are discovering, too late, the true price of that confidence. The Kraftwerk Moorburg plant was controversial long before the case was filed. For years, local residents and environmental groups objected to its construction, amid growing concern over climate change and the impact the project would have on the Elbe river. In 2008, Vattenfall was granted a water permit for its Moorburg project, but, in response to local pressure, local authorities imposed strict environmental conditions to limit the utility's water usage and its impact on fish.

Vattenfall sued Hamburg in the local courts. But, as a foreign investor, it was also able to file a case at the ICSID. These environmental measures, it said, were so strict that they constituted a violation of its rights as guaranteed by the Energy Charter Treaty, a multilateral investment agreement signed by more than 50 countries, including Sweden and Germany. It claimed that the environmental conditions placed on its permit were so severe that they made the plant uneconomical and constituted acts of indirect expropriation.

"It was a total surprise for us," the local Green party leader Jens Kerstan laughed, in a meeting at his sunny office in Hamburg last year. "As far as I knew, there were some [treaties] to protect German companies in the [developing] world or in dictatorships, but that a European company can sue Germany, that was totally a surprise to me."

Vattenfall v Germany ended in a settlement in 2011, after the company won its case in the local court and received a new water permit for its Moorburg plant – which significantly lowered the environmental standards that had originally been imposed, according to legal experts, allowing the plant to use more water from the river and weakening measures to protect fish. The European Commission has now stepped in, taking Germany to the EU Court of Justice, saying its authorisation of the Moorburg coal plant violated EU environmental law by not doing more to reduce the risk to protected fish species, including salmon, which pass near the plant while migrating from the North Sea.

A year after the Moorburg case closed, Vattenfall filed another claim against Germany, this time over the federal government's decision to phase out nuclear power. This second suit – for which very little information is available in the public domain, despite reports that the company is seeking €4.7bn from German taxpayers – is still ongoing. Roughly one third of all concluded cases filed at the ICSID are recorded as ending in "settlements", which – as the Moorburg dispute shows – can be very profitable for investors, though their terms are rarely fully disclosed.

There are now thousands of international investment agreements and free-trade acts, signed by states, which give foreign companies access to the investor-state dispute system, if they decide to challenge government decisions. Disputes are typically heard by panels of three arbitrators; one selected by each side, and the third agreed upon by both parties. Rulings are made by majority vote, and decisions are final and binding. There is no appeals process — only an annulment option that can be used on very limited grounds. If states do not pay up after the decision, their assets are subject to seizure in almost every country in the world (the company can apply to local courts for an enforcement order). While a tribunal cannot force a country to change its laws, or give a company a permit, the risk of massive damages may in some cases be enough to persuade a government to reconsider its actions. The possibility of arbitration proceedings can be used to encourage states to enter into meaningful settlement negotiations.

In Guatemala, government documents obtained through the country's Freedom of Information Act show how the risk of one of these cases weighed heavily on one state's decision not to challenge a controversial gold mine, despite protests from citizens and a recommendation from the Inter-American Commission on Human Rights that it be closed down. Such an action, the documents warned, could provoke the company, owned by Canadian mining giant Goldcorp, to activate the ICSID or invoke

clauses of the Central American Free Trade Agreement (Cafta) to gain "access to international arbitration and subsequent claims of damages to the state". The mine was allowed to stay open.

As the claims made by companies get bigger, it seems increasingly likely that the massive financial risks associated with investor-state arbitration will effectively grant foreign investors a veto over government decisions.

When companies are unsuccessful in their claims against states, there may be other advantages to be gained. In 2004, South Africa's new, post-apartheid Mineral and Petroleum Resources Development Act (MPRDA) came into force. Along with a new mining charter, the act sought to redress historical inequalities, in part by requiring companies to partner with citizens who had suffered under the apartheid regime. The new system terminated all previously held mining rights, and required companies to reapply for licences to continue their operations. It also instituted a mandatory 26% ownership stake in the country's mining companies for black South Africans. Two years later, a group of Italian investors, who control most of the South African granite industry, filed a landmark investor-state claim against South Africa. The country's new mining regime, they argued, had unlawfully expropriated their investments and treated them unfairly. They demanded \$350m in compensation.

The case was filed by members of the Foresti and Conti families, prominent Tuscan industrialists, and a Luxembourg-based holding company, Finstone. They cited two bilateral investment treaties, both signed in the late 1990s, during Nelson Mandela's presidency. Jason Brickhill, a lawyer at the Johannesburg-based Legal Resources Centre, said the new, post-apartheid government seemed to view these agreements "more as acts of diplomatic goodwill than serious legal commitments with potentially far-reaching economic consequences".

During that time, officials would be invited to meetings in Europe, he said, "and there would be all sorts of discussion about [South Africa's] economic and trade direction, and part of that was an expectation that they would conclude an investment treaty – but they had no real understanding of what they were committing to in law". Peter Draper, a former official in the South African Department of Trade and Industry, put it more starkly: "We were essentially giving away the store without asking any critical questions, or protecting crucial policy space."

The companies' case against South Africa dragged on for four years, before ending abruptly when the Italian group dropped its claims and the tribunal ordered them to contribute €400,000 (£290,000) towards South Africa's costs. At the time, a government press release celebrated it as "successful conclusion" – despite the fact that South Africa was still left with €5m in unreimbursed legal fees. But the investors claimed a more significant victory: the pressure of the case, they said, allowed them to strike an unprecedented deal with the South African government that allowed their companies to transfer only 5% of their ownership to black South Africans – rather than the 26% mandated by the state mining authority. "No other mining company in South Africa has been treated so generously since the advent of the [new mining regime]," one of the investors' lawyers, Peter Leon, boasted at the time.

The government seems to have agreed to this deal, which goes against the spirit of post-apartheid reparations in South Africa, to prevent a flood of other claims against it. "If the merits of the case were decided against the government, they thought, 'That's it, we are going to go down.' And I think that's why they were happy to agree to that settlement," Jonathan Veeran, another of the company's lawyers said, in an interview in Johannesburg. His clients, he said, "were most pleased with the result".

A small number of countries are now attempting to extricate themselves from the bonds of the investor-state dispute system. One of these is Bolivia, where thousands of people took to the streets of the country's third-largest city, Cochabamba, in 2000, to protest against a dramatic hike in water rates by a private company owned by Bechtel, the US civil engineering firm. During the demonstrations, the Bolivian government stepped in and terminated the company's concession. The company then filed a \$50m suit against Bolivia at the ICSID. In 2006, following a campaign calling for the case to be thrown out, the company agreed to accept a token payment of less than \$1.

After this expensive case, Bolivia cancelled the international agreements it had signed with other states giving their investors access to these tribunals. But getting out of this system is not easily done. Most of these international agreements have sunset clauses, under which their provisions remain in force for a further 10 or even 20 years, even if the treaties themselves are cancelled.

In 2010, Bolivia's president, Evo Morales, nationalised the country's largest energy provider, Empresa Eléctrica Guaracachi. The UK power investor Rurelec, which indirectly held a 50.001% stake in the company, took Bolivia to the permanent court of arbitration in the Hague demanding \$100m in compensation. Last year, Bolivia was ordered to pay Rurelec \$35m; after months of further negotiations, the two sides settled on a payment of just over \$31m in May 2014. Rurelec, which declined to comment for this article, celebrated the receipt of this award with a series of press releases on its website. "My only sadness is that it has taken so long to reach a settlement," said the fund's CEO in a statement. "All we wanted was a friendly negotiation and a handshake from President Morales."

Even states that first objected to the introduction of the investor-state dispute system at the 1964 World Bank meeting have since signed dozens of agreements expanding its reach. With the rapid growth in these treaties – today there are more than 3,000 in force – a specialist industry has developed in advising companies how best to exploit treaties that give investors access to the dispute resolution system, and how to structure their businesses to benefit from the different protections on offer. It is a lucrative sector: legal fees alone average \$8m per case, but they have exceeded \$30m in some disputes; arbitrators' fees at start at \$3,000 per day, plus expenses. While there is no equivalent of legal aid for states trying to defend themselves against these suits, corporations have access to a growing group of third-party financiers who are willing to fund their cases against states, usually in exchange for a cut of any eventual award.

Increasingly, these suits are becoming valuable even before claims are settled. After Rurelec filed suit against Bolivia, it took its case to the market and secured a multimillion-dollar corporate loan, using its dispute with Bolivia as collateral, so that it could expand its business. Over the last 10 years, and particularly since the global financial crisis, a growing number of specialised investment funds have moved to raise money through these cases, treating companies' multimillion-dollar claims against states as a new "asset class".

One of the largest of these funds to specialise in backing corporations' suits against governments, Burford Capital, is based just a few blocks from East Croydon train station, on the fifth floor of a nondescript brown brick building. Companies rarely disclose when their cases are being financed by one of these third-party investors, but in the Rurelec suit against Bolivia, Burford issued a triumphant press release celebrating its "groundbreaking" involvement. Typically, funders like this will agree to back companies' claims against states in exchange for a cut of any eventual award. In this case Burford gave Rurelec a \$15m loan, using the claim against Bolivia as security.

"Rurelec did not need capital to pay its lawyers. Rather, it needed capital to continue to grow its business," Burford said in a statement. "This is a good demonstration that the benefits of litigation finance go far beyond that of simply helping to pay legal fees," the CEO added, "and in many cases can provide an effective alternative method of financing to help companies achieve their strategic goals." It was highly rewarding for Burford as well: it announced a net profit of \$11m from the dispute.

A spokesman for Burford explained further: "Burford did not fund Rurelec's arbitration claim, which had been under way for two years before our involvement with the company. Rather, we provided a corporate debt facility to enable Rurelec to expand its South American operations, but we looked to the arbitration claim (a contingent asset) to assist in the repayment of the loan."

From the beginning, part of the justification for the international investor-state dispute system has been to create a "neutral forum" for conflicts to be resolved, with investors giving up the right to seek diplomatic support from their home countries when they file cases like this. But documents obtained in response to a Freedom of Information request reveal that Rurelec was also able to rely on the British government, which actively intervened to support its case.

The 44-page disclosure includes dozens of emails and internal briefing notes from May 2010 to June 2014, several of which explicitly reference British lobbying on behalf of the company. One email, to the UK ambassador to Bolivia, Ross Denny, whose sender has been redacted, includes the line "Lobby on Rurelec, yes." Another, from Denny, said: "Our regular high-level lobbying on behalf of Rurelec has helped to demonstrate the seriousness with which we take protection of our companies' interests." Yet another said simply: "Rurelec needs our help."

It seems the British embassy was aware that the arbitration system is supposed to be impartial. One email, which appears to be about how to respond to an enquiry from a member of the public, said: "All things being equal, our line would be that HMG does not get involved in legal proceeding as brought under the investment treaties we have signed." The message, whose sender and receivers are both redacted, continues: "If FCO [the Foreign and Commonwealth Office] has had an ongoing dialogue with the company on this topic, it would probably be more appropriate for you to respond with some general lines from us on the benefits of investment treaties."

El Salvador has already spent more than \$12m defending itself against Pacific Rim, but even if it succeeds in beating the company's \$284m claim, it may never recover these costs. For years Salvadoran protest groups have been calling on the World Bank to initiate an open and public review of ICSID. To date, no such study has been carried out. In recent years, a number of ideas have been mooted to reform the international investor-state dispute system – to adopt a "loser pays" approach to costs, for example, or to increase transparency. The solution may lie in creating an appeals system, so that controversial judgments can be revisited. Last year, David Morales, El Salvador's human rights ombudsman (a post created as part of the peace process after the country's civil war, between 1979 and 1992) took out a full-page ad in the national newspaper La Prensa Gráfica calling on the government to review all of the international investment treaties it has signed, with a view to

renegotiating or cancelling them. Luis Parada, representing El Salvador in its dispute with Pacific Rim, agrees that this would be a wise move: "I personally don't think countries get as much from these treaties than the risks that they incur in international arbitration."

Other countries have already decided to cut their losses, and tried to get out of these trade treaties. Shortly after settling the lawsuit with foreign mining companies over its new post-apartheid mining rules, South Africa began to terminate many of its own investment agreements.

"What was concerning for us was that you could have an international arbitration – three individuals, making a decision – on what was in effect a legislative programme in South Africa that had been arrived at democratically, and that somehow this arbitration panel could potentially call this into question," said Xavier Carim, a former deputy director-general in South Africa's Department of Trade and Industry. "It was very, very clear that these treaties are open to such wide interpretations by panels, or by investors looking to challenge any government measure, with the possibility of a significant payout at the end of the day," said Carim, who is now South Africa's representative to the World Trade Organisation in Geneva. "The simple fact is that these treaties give very little benefit and just pose risk."

Before moving to terminate its agreements, the South African government commissioned an internal study to help determine whether such treaties actually did help boost foreign investment. "There was no pattern between signing treaties and getting investment," Carim explained. "We've had huge investments from the US and Japan and India and a number of other countries where we don't have investment treaties. Companies don't come and invest in a country or not because it does or doesn't have a bilateral investment treaty. They invest if there is a return to be made."

Brazil has never signed up to this system – it has not entered into a single treaty with these investor-state dispute provisions – and yet it has had no trouble attracting foreign investment.

Parada said it would take "a broad consensus of determined states" in order to truly rein in this system. "The states that created the system are the only ones that can fix it," he said. "I have not seen a critical mass of states with the political will [to do this] ... much less a broad consensus. But I still hope it happens."

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#### **EU NUTS AND REGIONS**

#### Sonya Jay Porter; UKIP Daily

(Of all the many attempts to create a European megastate by stealth and deceit, this must rank as the nuttiest - Ed)

The plan by the European Union to destroy the historical borders — both internal and external — of its separate countries is speeding up. It has been inching forward with little publicity in Britain since our ancient counties vanished from the EU election of 1999 and were replaced by twelve 'regions', one each for Scotland, Wales and Northern Ireland and nine for England.

But recently there has been mention in the British media that the EU has set aside millions of pounds in funds to ensure that certain areas in northern France will be merged with others in southern England to form a territory called "Arc Manche" with its own flag, designed to give the zone an "identity", ostensibly for cultural purposes.

But this is just part of the EU NUTS — Nomenclature of Territorial Units for Statistics (nomenclature d'unites territoriales statistiques), or the division of all EU countries into areas, again ostensibly, for statistical purposes. The basic countries have a two letter code — UK, for instance — and each Region is a NUTS1 and has an additional letter for its regions, such as 'J' for the South East Region while Wales, Scotland and Northern Ireland are UKL, UKM and UKN respectively. Then comes the first subdivision of the Regions, or NUTS2. While Northern Ireland remains one NUTS2, Wales now has two and Scotland, which still believes it could be an independent country within the European Union, now consists of four NUTS2 subdivisions. The nine regions of what was England now consist of 30 NUTS2.

There is yet one more sub-division: NUTS3. These consist of five groups of districts in Northern Ireland, 23 Groups of unitary authorities or LECs in Scotland, 12 groups of Unitary Authorities or groups of districts in the nine regions of England.

Of course the United Kingdom is not the only country to be divided in this way. There are now 97 EU regions at NUTS1, 270 at NUTS2 and 1294 at NUTS3, and in addition, there are approximately 110 organisations known as Euroregions, which cross national borders. These are said to be for cross-border co-operation in various fields including the promotion of trade links, cultural ties, transport policies, tourism, education and spatial development.

The first Euroregion, which took in parts of Germany and the Netherlands, was created by Germany in 1958 to ensure, it stated, that national borders should not be a barrier to the integration of Europe. Although several of these date back to the 1960s, it was the 1990s which saw the largest increase in cross-border regions all over Europe. In fact today there are virtually no local or regional authorities in border areas which are not somehow involved in inter-regional cooperation initiatives. Nor do these inter-regions stop at the borders of the current European Union.

Turkey, which has yet to be formally accepted as a member of the EU, nevertheless has extensive inter-regional programmes linking it with Greece. Switzerland with its substantial banking sector and Norway with its huge resources of oil, are both particular targets in spite of the fact that they, too, are currently outside the EU. For instance, the Nordic Council, which comprises Norway, Sweden, Finland and Denmark, gets EU grants for all of its eight Euroregions and the EU says that it is necessary to include Switzerland so as to integrate it into European regional planning. According to the August 2009 Current Concerns, the English edition of the Swiss magazine Zeit-Fragen, largely unknown to the Swiss population (and certainly not voted for by them), this most democratic of countries is being split into three huge Metropolitan Areas — Zurich, Geneva and Basel — ready to act as 'European Motors' and to play leading roles in Europe in a number of respects such as economic performance, decision-making, etc.

But of particular interest to us here in Britain is the fact that three of these Euroregions cross our borders: the Arc Manche, the Atlantic Region and the North Sea Region.

The Arc Manche was originally set up in 1966. It currently includes the French areas of Brittany, Nord-pas de Calais, Lower Normandy, Upper Normandy and Picardy together with the English counties of Dorset, Hampshire, the Isle of Wight, Kent, and West and East Sussex. It has created its own forums for conferences, etc. and on 12th October 2005, members of Arc Manche first met in Brighton to create the Channel Arc Manche Assembly. Inter-regional Assemblies, where they exist, usually consist of regional heads of governments, commissions of executive officers, general secretariats and standing commissions on a wide range of issues. These officials, as is often with the EU, are not elected by the general public.

The North Sea Region was created in 2007 and links areas of six countries bordering the North Sea: Norway (which is outside of the EU), Sweden, Denmark, Germany, Belgium, and the Netherlands and the whole eastern side of the UK. The Atlantic Region, which was possibly created in 2008, takes in the west of Scotland, Wales, Cornwall and Devon, Northern Ireland and Eire, plus parts of south-western France, Spain and Portugal. In addition, three other Arcs" or Commissions — the Islands, the Intermediterranean and that of the Baltic Sea — were set up between 1979 and 2003. In other words, the EU is busy knitting the various nations so tightly together, destroying both local and national loyalty, that it will be difficult to unpick them and retrieve our countries should we ever wish to leave the European Union. And that's the idea.

Author's Footnote: Although I have done my best to make sure that the above is correct, the information about EU organizations can be very confusing — there are frequent changes of names, areas, competences, etc. — which I take to be a deliberate ploy on the part of the EU in to prevent the general public from gaining information about it. I apologise to the EU if this is not so.

### WHEN THE LANGUAGE OF FREEDOM DIES, FREEDOM DIES WITH IT

#### Charles Farrier; No-CCTV; via Activist Post

Back in March (2015) a UK parliamentary select committee published a report [1] which expounded, amongst other things, its views on the police uploading arrest photographs, including those of people not subsequently convicted, into a facial recognition database. The police started doing this on the quiet, without any public announcement or public debate on their reasons for doing it or its impact on individual freedoms. Here is what the Select Committee had to say:

We fully appreciate the positive impact that facial recognition software could have on the detection and prevention of crime. However, it is troubling that the governance arrangements were not fully considered and implemented prior to the software being 'switched on'. This appears to be a further example of a lack of oversight by the Government where biometrics is concerned; a situation that could have been avoided had a comprehensive biometrics strategy been developed and published." ['Current and future uses of biometric data and technologies' report, House of Commons Science and Technology select committee, 2015]

Oh boy, strong words, they must have been pretty annoyed - oh no, hang on a minute - "fully appreciate the positive impact", "governance arrangements were not fully considered", "lack of oversight"... There must have been a mistake at the printers, they appear to have accidentally printed a sermon on the merits of doing nothing other than producing yet more administrative red tape. Is this the best that a committee given the task of holding the government to account can do? Can the committee members only consider the alleged benefits of yet more technology-led policing in abstraction whilst ignoring the real costs in terms of freedoms?

In 1822, before there was an organised professional police force in Britain, a parliamentary select committee considered various suggestions for "facilitating the detection of crimes". In their report they wrote [2]:

It is difficult to reconcile an effective system of police, with that perfect freedom of action and exemption from interference, which are the great privileges and blessings of society in this country; and Your [this] Committee think that the forfeiture or curtailment of such advantages would be too great a sacrifice for improvements in police, or facilities in detection of crime, however desirable in themselves if abstractedly considered. ['Report from the Select Committee on the Police of the Metropolis', 1822]

Or consider the words of an 1818 parliamentary select committee, similarly considering the suggestion of a preventative rather than reactive police force [3]:

... in a free country, or even in one where any unrestrained intercourse of society is admitted, such a system would of necessity be odious and repulsive, and one which no government could be able to carry into execution. ['Third report from the Committee on the State of the Police of the Metropolis', 1818]

What happened along the way to turn select committees from defenders of freedom into yes-men for the police and state? Why have politicians so stupendously failed to stand up for what is right?

#### The death of the language of freedom

In the 19th century, when the committees on the police of the metropolis wrote these reports, there was a richer language of freedoms and liberties. It was common for parliamentarians to use the phrase "unconstitutional" to criticise excesses of the state, so that in effect if some measure or proposal was right it was constitutional and if it was wrong it was unconstitutional. This use of the word constitutional demonstrated that certain core values were considered to be part of the life blood of the people. There were basic concepts of right and wrong that a much larger proportion of the population, compared to today, just got and the values of freedom and liberty permeated through the whole of western society.

This is not to idealise life in the 19th century (neither, for that matter, is this to say that things were worse - in fact there is plenty of evidence to suggest that select committees could be just as bent then as they are now! [4]). This is to explore the sterile and dead language of dissent that mortally constrains modern discourse of matters that affect our freedoms and liberties. It is through language that we communicate and understand concepts such as freedom. When the language of freedom dies, freedom itself dies.

In 1829, despite the above mentioned opposition, a new preventative professional police force was introduced in London and it didn't take long before they were caught spying on the people. In 1832, Sergeant Popay of the Metropolitan Police, wearing plain clothes and using a false name, joined the Camberwell Branch of the National Political Union and attended meetings at which he urged members to "use stronger language than they did in their resolutions" [5] and generally encouraged violence against the state.

When members of the union discovered Popay's true identity there was a public outcry and during a debate on the new police of London (the Metropolitan Police) William Cobbett MP presented a petition to parliament "against the system of Police adopted in the Metropolis". The parliamentary record of that debate shows [6]:

The Petition stated the abhorrence of the Petitioners at the conduct of Popay, who was a member of that novel and unconstitutional force called the New Police, the members of which were employed as spies, as instigators of mischief, ensnaring, betraying, and coercing the people. ['Metropolitan Police', House of Commons Debate, 7th August 1833]

Now, in the face of the police uploading photographs of innocent people into a facial recognition database, we merely hear politicians, the media and even campaign groups calling for more "transparency" or "regulation", "proportionality" and "necessity" - this modern lexicon, or Newspeak, may seem to sound good but you're never really sure what it's meant to mean. Is secretly uploading photographs to a facial recognition database a crisis in necessary and proportionate transformational transparency? The language of freedom is dead, and unless we resurrect it...

Newspeak was designed not to extend but to DIMINISH the range of thought, and this purpose was indirectly assisted by cutting the choice of words down to a minimum. [George Orwell, 1984, Appendix]

#### **Endnotes:**

- [ 1] 'Current and future uses of biometric data and technologies', 6th Report of the House of Commons Science and Technology Committee, HC 734,paragraph 100, page 33 http://www.publications.parliament.uk/pa/cm201415/cmselect/cmsctech/734/734.pdf
- [2] 'Report from the Select Committee on the Police of the Metropolis.' (1822) P.P. (440) IV.91, page 11
- [ 3] 'Third report from the Committee on the State of the Police of the Metropolis' (1818) P.P. (423) VII.1, page 32
- [ 4] See for instance 'The police spy, or The Metropolitan Police; its advantages, abuses, and defects', Captain W White 1838, p21

[5] 'Employment of Spies', House of Commons Debate, 27th June 1833, vol 18 cc1254-63 <a href="http://hansard.millbanksystems.com/commons/1833/jun/27/employment-of-spies">http://hansard.millbanksystems.com/commons/1833/jun/27/employment-of-spies</a>
[6] Petition from the National Political Union of Newcastle-on-Type 'Metropolitan Police' House

[6] Petition from the National Political Union of Newcastle-on-Tyne, 'Metropolitan Police', House of Commons Debate, 7th August 1833, vol 20 cc404-8

http://hansard.millbanksystems.com/commons/1833/aug/07/metropolitan-police

### UK ENFORCES LAW WHICH BANS PUBLIC FROM CRITICISING THE GOVT

#### Janine Griffiths; Akashic Times; via Richard Colborne

A British citizen was held for days without charge in a London mental hospital under little-known laws which allow the police to arrest and detain anybody who voices criticism against politicians or celebrities.

The Fixated Threat Assessment Centre (FTAC) was quietly set up to identify individuals who they claim pose a direct threat to VIPs including the Prime Minister, the Cabinet and the Royal Family. It was given sweeping powers to check more than 10,000 suspects' files to identify mentally unstable potential "killers and stalkers" with a fixation against public figures.

The team's psychiatrists and psychologists then have the power to order treatment – including forcibly detaining suspects in secure psychiatric units. Using these powers, the unit can legally detain people for an indefinite period without trial, criminal charges or even evidence of a crime being committed and with very limited rights of appeal.

FTAC is enforced by the police anti-terrorism unit, and so although it technically is a separate branch of law, it is enforced under the Anti-Terrorism Crime and Security Act. It works in a similar way to laws in Thailand which ban citizens from saying anything critical of the Thai royal family.

A number of British citizens have already fallen victim to these laws. Activist David Compan was imprisoned without charges in a London mental hospital after he publicly associated himself with the International Tribunal into Crimes of Church and State (ITCC) campaign to hold the Crown of England responsible for crimes against children. Social worker Elizabeth Scully has confirmed to ITCCS organizer Rhianne Mockridge that David was held for 'examination', but Scully initially refused to say where or provide any other details.

David Compan is a friend and supporter of Rhianne and other ITCCS activists in Coventry, who have led occupations of local roman catholic churches and are now convening a common law court to enforce ITCCS warrants against convicted felons and child abusers. The Akashic Times recently learned that after tireless campaigning by the ITCCS, David was released\*. However, the law which allowed him to be locked up in the first place, is still in full effect.

The FTAC law allows the government to imprison indefinitely without charges anyone who is considered to be "fixated" about public figures, "VIP's", or members of the Royal Family.

Currently the law is very vague over what can be considered to be an unhealthy obsession against public figures. Worryingly, no trial is needed to provide evidence of the crime. Until now, it has been the exclusive decision of doctors and mental health professionals to determine if someone should be forcibly detained. But the new unit uses the police to identify suspects – increasing fears the line is being blurred between criminal investigation and doctors' clinical decisions.

Human rights activists fear the team – whose existence has never been publicised – may be being used as a way to detain suspected terrorists without having to put evidence before the courts. It also comes amid a continuing row over proposed mental health legislation which will make it easier to 'section' someone deemed a threat to the public.

MP Andrew Lansley was an outspoken critic of the law and said it could be used to target anybody with a religious, political or cultural belief that goes against the norm. He said: "The Government is trying to bring in a wider definition of mental disorder and is resisting exclusions which ensure that people cannot be treated as mentally disordered on the grounds of their cultural, political or religious beliefs. "When you hear they are also setting up something like this police unit,

it raises questions about quite what their intentions are. The use of mental health powers of detention should be confined to the purposes of treatment. But the Government wants to be able to detain someone who is mentally disordered even when the treatment would have no benefit. Combined with the idea that someone could be classed as mentally ill on the grounds of their religious beliefs, it is a very worrying scenario."

The laws were previously introduced under Tony Blair and are still being used today.

Last year we exposed how the Justice and Security Bill gives British courts the mandate to hold both criminal – and civil – cases in private and prevent suspects from hearing the evidence against them. It also enhances the powers of the Intelligence and Security Committee – which was established by the Intelligence Services Act in 1994. It effectively makes them exempt from having to supply documents under the Freedom of Information Act and extends their right to conduct surveillance on the internet.

Suspects who have been excluded from secret court proceedings would be represented by a 'special advocate' – a security cleared lawyer chosen by the government or prosecutor, who is appointed on their behalf. At the end of court hearing, the person being tried may win or lose their case without knowing why, as the court's reasoning will likely be "classified".

In fact, suspects don't even have to be told there is a trial taking place against them, until they are arrested to begin their prison sentence. The legislation effectively marked the start of tyranny and 'disappearing' in the UK, which is usually seen in countries like North Korea or Zimbabwe.

Last year, we revealed how new laws were being introduced to allow for the use of secret courts in the UK for criminal and civil cases. The law effectively makes it "legal" to hold a court case against someone without their knowledge, detain them and penalise them – without telling them why, and without giving them access to a lawyer.

# BRITISH POLICING: A DANGEROUS MONSTER IN WAITING

#### Brian Gerrish; UK Column; via Mike Clayton

The 'austerity' banner is assisted by an increasingly poisonous environment within the police itself. An already hard and sometimes dangerous job has become even more pressured, target driven and laden with paper. In recent months evidence has been emerging of a dangerous change in policing both north and south of the border. We ignore these events at our peril.

In Scotland a highly centralised Police Scotland has been formed by merging the original 8 police districts. Under the control of one Chief Constable, Sir Stephen House, Police Scotland has rapidly become a law unto itself. Aside from the fact that there is now no possibility of independent investigation of the police, as Police Scotland will investigate Police Scotland, Chief Constable House has been brazenly arming police on routine patrols across Scotland. When the prevelance of armed offices came to the attention of Members of the Scottish Parliament, House effectively told the elected members that the arming of police was his affair and not theirs.

His alarming dictatorial control then shifted to Scotland's judges as he tried to influence a Sheriff who had deep concens over police cover-ups. "Scotland's top cop Sir Stephen House slapped down after trying to interfere with the role of sheriffs." Nothing serious there then.

Coupled with armed police patrols, police bullying of judges and police cover-ups, we must remember that there is no separation of powers in Scotland. The Cabinet Minister for Justice is just that - a political cabinet minister. He is responsible for the Justice system, security, access to justice, criminal law and procedure, civil law, the police, the legal profession, courts, sentencing, prisons and prisoners, victims and witnesses, reducing re-offending, youth

justice, criminal justice social work, community safety, fire and rescue services, anti-social behaviour, drugs policy, violence reduction, anti-sectarianism & liquor licensing.

Since the SNP holds total political power, and under the hand of Nicola Sturgeon it has already been accused of Nazi style control over its Members of the Scottish Parliament, the present SNP Minister for Justice Michael Matheson, holds immense power over all aspects of the law. In a party where criticism of the party policy is barred, Matheson's justice policies, however draconian, are unlikely to be challenged.

So a troika of Nicola Sturgeon, Matheson and House, now control the law and policing in Scotland. They are above the law, control the law and are the law. Aside from armed police that the public do not want, we should also remember that Police Scotland have recently refused to give evidence when a man died in custody. East Germany or the new Scottish model of government? Not so many years ago British politicians on both sides of the border would have been shouting in horror at such flagrant abuse of power in a thirld world country let alone in Europe. Now there is a just a defening silence.

In England the centralisation of the 43 police districts is happening by stealth. The smokescreen is 'austerity' cuts. Westminster would have us believe that the shortage of public money means that every police force must look for savings, and that invariably means amalgamation and privatisation. Devon and Cornwall and Dorset police are already getting into bed together to save money and others are following.

The 'austerity' banner is assisted by an increasingly poisonous environment within the police itself. An already hard and sometimes dangerous job has become even more pressured, target driven and laden with paper. In addition the political interference and meddling is relentless.

Whilst many people know only too well that the Independent Police Complaints Commission is certainly not independent or trustworthy, the 'grouping up' of police districts, means the opportunity for at least a separate police force to conduct an investigation is dwindling fast. In parallel, control of police policy and training has been slipped into the hands of the former Association of Chief Police Officers ACPO, an unaccountable private company. Now replaced by the National Police Chiefs Council NPCC, a decision which ACPO alone made, NPCC is a body of unknown legal standing, and is in any case, buried out of public sight within the Metropolitan Police.

How has it been possible that British Constables, a civilian service and traditionally unarmed apart from batons, have been allowed to fall under the control of their own increasingly unaccountable senior officers? How is it also possible that these same senior officers have taken the British 'bobby' from unarmed with public respect, to paramilitary, black uniformed and heavily armed, with corresponding public concern and fear?

As with Scotland, the visible and increasingly unaccountable power of the police could only have been achieved with the agreement, or perhaps acquiescence of our politicians. If the latter, what has caused them to remain silent as our police have become thuggish black shirts, bristling with automatic weapons, tazers, gas and high tech batons, whilst the tally of deaths in custody has spiralled?

The overwhelming evidence appears to be that the transformation of British police has been achieved with the agreement of our elected political masters. The new policing policy changes have been drifted in backed by Westminster, and more recently a devolved Scottish Parliament, both using an opaque visibility. As Tony Bunyan, Statewatch Editor, commented in 2008: "We can now see a pattern emerging across the EU where people who exercise their democratic right to attend cross border protests are confronted by aggressive para-military policing, surveillance, preventive detention and expulsion.

This is a reflection of the EU's definition of "security" at international events which is now defined as covering both "counter-terrorism" and "public order". Back in 2003 the bilateral exchange of information on "suspected troublemakers" between EU states for international

events was agreed. What is proposed now is not the one-off exchange of information related to a specific event but a permanent EU-wide database of suspected "troublemakers", this is utterly unacceptable in a democratic Europe." If the draconian EU policing objectives are the most transparent, a raft of other factors have driven the militarisation and metamorphosis of our 'Bobbies.' Factors influencing police behaviour include dramatic changes in Personality and Values. Upstanding, reliable and trustworthy public servants are out, and low intellect, tattooed, 'just need a job' are in. This aspect is adversely reinforced by the increasing privatisation of police roles by companies such as G4S.

Next to changes in the type of individual policing us, we now have significant changes in police training itself. The caring, protecting public servant training model is out, and the heavyweight armed response against a dangerous and unpredictable public containing would be terrorists is in. Training by knowledgeable and experienced police officers is old hat, and has been replaced by Leadership and Diversity Courses using political charities such as Common Purpose, with applied behavioural psychology and mental reframing by NLP.

Leading Powerful Partnerships for example was a five day police training course backed by both the Home Office and the Scottish Police College. Aimed at senior 'leaders' in the police service and across the public and voluntary sectors... "the programme challenges leaders to step outside their comfort zone, try different approaches and reinvigorate their creative thinking. Participants can expect to return to the workplace with renewed energy and an insight into how they can enable their organisation to work successfully with partners..."

Strange, that at a time when many would say that the police are failing to perform the simple task of protecting the public, and their emphasis seems to increasingly be upon tough public order and counter insurgency measures, they are being 'challenged to step outside their comfort zone, try different approaches and to reinvigorate their creative thinking'.

Noteable also that the 'Leading Powerful Partnerships' training is just that - training to stimulate and facilitate working with partners. Isn't a fundamental principle of good policing that they are independent of others and can investigate without fear or favour? The question is, who decided that the police needed training in partnerships, and why?

Perhaps we get a clue via Dame Shirley Pearce, a Clinical Psychologist and 'Independent' Chair of the College of Policing? Or then again perhaps they really do need her experience with Cambridge and East Anglia Universities, or the Higher Education Funding Council for England, or Health Education England.

A better clue would appear to come from the heavy penetration of the political charity Common Purpose in the police. Also encouraging its 'future leaders' to step outside their comfort zone and lead 'beyond authority', Common Purpose took partnership working to a whole new level. Senior police officers were trained to 'break out of their professional and social 'silos' to lead beyond authority.' Yes that is correct...'lead beyond their professionally given authority', and hence their professional and public accountability.

Leading outside their authority, many senior police officers such as Geoff Dodd Divisional Commander Chief Superintendent and Assistant Chief Constable Steve Smith West Yorkshire police were recruited to Common Purpose's Advisory Boards to work in partnership with individuals from the public, private and voluntary sectors - behind closed doors naturally, and using 'Chatham House' rules to protect the identity of those present. As Maria Wallis former Chief Constable Devon and Cornwall Police said in Common Purpose's own publicity material..."An intensive and fascinating insight into decision making at the top level ...20:20 has helped me to understand the mechanics of policy making in the UK and Europe and how to influence it."

Remembering that the poor performance of Maria Wallis caused mayhem in Devon and Cornwall Constabulary, and great angst amongst her civilian staff, it also ultimately led to her departure. We might wonder if her mind was too focused on the "mechanics of policy making in the UK and Europe and how to influence it" rather than on policing Devon and Cornwall and

catching criminals. Since Common Purpose taught Maria about UK and EU policy making, we might perhaps assume that Common Purpose was enacting policy in selecting and training her. We might also assume that Common Purpose was steering her to influence that UK and European policy in their own image. We might also assume that the policy changes included policing policy with a heavy bias towards EU driven policing models, for which Tony Bunyan Statewatch Editor gave warning.

Returning to the question as to whether our politicians knew about the dangerous changes to the face of British policing, of course they knew. The change has been too broad, too deep and too calculated for them not to. We can assume therefore that our politicians north and south of the border have been a key part of the police transformation to a paramilitary status. That the real object of the change has been undeclared to the public and implemented largely by stealth, must surely lead us to believe that our politicians do not have the best interests of the public at heart. Unchecked, the transformation of our police, represents a dangerous monster in waiting.

# MET POLICE SPENDS MILLIONS OF POUNDS ON SECRET AIRCRAFT

## Jason Lewis/Andy Blackmore; Daily Telegraph; via Nathon Allonby

The Metropolitan Police has secret spy planes capable of eavesdropping on mobile phone calls from the sky.

The existence of the fleet of planes - each costing at least £3 million to purchase and hundreds of thousands more to operate - has never been publicly disclosed. The police have being using the planes since at least 1997. The disclosure of the spending, which is not detailed in official accounts, comes as the police face 20 per cent cuts in their budget, creating fears that hundreds of support staff will lose their jobs and the number of officers reduced.

Despite the cuts the Met's secret fixed wing aircraft fleet is still flying regular sorties over London from a base at Farnborough airfield, in Hampshire. The planes have apparently been fitted with secret surveillance equipment capable of intercepting mobile phone calls or eavesdropping on conversations.

They are understood to be similar to surveillance planes available to MI5 which have been used in anti-terrorism operations and were used to help West Midlands Police track suspects connected to a plot to kidnap and behead a British Muslim soldier.

One of the planes is a Cessna F04, which can carry up to 14 passengers or be fitted with specially integrated patrol mission packs. We have been asked not to disclose full details of the aircraft on security grounds. The twin engine craft are operated separately from the Met's Air Support Unit which has three helicopters and flies hundreds of hours a month in support of police operations around the capital at a cost of £3 million a year.

Last week a Metropolitan Police spokesman refused to discuss its use of the fixed wing aircraft but insisted it has gone through a "full" procurement process. However members of the Metropolitan Police Authority, which scrutinises the force's spending said they had never been told of the aircraft.

According to Civil Aviation Authority records, the aircraft is registered to a firm called Nor Leasing. There is no trace of the firm on any other official record and its business address registered with the CAA is actually a branch of Mail Boxes Etc, which offers a virtual office services and mail forwarding, in Surbiton, south-west London. Another Cessna was also previously registered to Nor Leasing at the same address and at another service address in Kensington, west London.

In 1997 one of the original individuals listed as "trading as" Nor Leasing was John Carnt who at the time was a senior Metropolitan Police detective. Superintendent Carnt then head of the Serious and Economic Crime Group, set up to combat major fraud, money laundering and art and antiques thefts.

The pattern of hidden spending is believed to have been established by Tony Williams, a former assistant finance director at Scotland Yard, who established a secret web of companies for use in specialist undercover operations. But Mr Williams also used the same techniques to steal millions of pounds from the force to set himself up as a bogus Scottish "laird". Williams was accused of stealing

more than £4 million from Scotland Yard. He was jailed for seven years in 1995.

Metropolitan Police Authority member James Cleverly said he was totally unaware that the Met had any fixed wing aircraft. Mr Cleverly, who also sits on the authority's counter terrorism and protective services committee, which examines the force's covert work, said: "This is not something that I have been made aware of or have had the opportunity to scrutinise. In the light of the tight financial situation we are facing and the cuts being imposed on the police service it is imperative that we examine any assets that could be construed as a 'luxury'. I would expect full disclosure of details of this to the MPA to enable us to examine whether it represents good value for money for the police service."

# A MODERN GREEK TRAGEDY: A WARNING TO OTHERS?

#### James Stanier; Renegade Inc.

Looking at the terms of the Greek bailout one thing is abundantly clear: this is not only a heartless deal, but a brainless one as well. The IMF – no tooth fairy themselves, as the Nigerian Seun Kuti's song IMF makes clear – have signaled that they think the current Greek debt will never be repaid and would benefit from a partial write off, along with some 'reforms' that would see pensions slashed further and the retirement age pushed upwards. Sadly this program, austere in of itself, is not sufficient for those within the German Government and the EU who will accept no suggestion of a debt write off whatsoever.

What all parties within the troika (ECB, IMF and EC) do agree on is that with the Euro straightjacket preventing Greece from devaluing its currency, the only avenue is 'internal devaluation'. Internal devaluation is a clinical term for the destruction of workers' rights, pay and conditions in order to make the Greek economy more attractive to international capital. The problem with this line of thinking is previous reforms have not had that effect, in fact they have limited the very growth that Greece needs in order to ever be able to pay off its obligations. The Einstein quote about insanity as "doing the same thing over and over again and expecting different results" comes to mind.

But perhaps the reason for this counter-intuitive punishment of the Greek people does not rely on knowledge of economics, but history. The public defenestration of Greece's popular finance minister and the open attack on the Greek people's twice expressed will to try a different path to resolve their debt crisis conjures up memories of the military strategy of Vlad Tepes. When Vlad's enemies stormed his capital of Târgoviște he would display the heads of his conquered foes on spikes. This brutal policy was intended to send a message to others seeking to raid the territory Vlad ruled with an iron fist. In 1462 it worked when Mehmed II halted his advance upon seeing 20'000 impaled bodies. Today it is Yanis Varoufakis' head on a spike, to warn others of the consequences of disobeying EU rule by suggesting something as untoward as a referendum to let their people decide on their fate. It is fitting that the man who inspired the legend of Dracula seemingly also inspires those that are sucking the blood from the Greek economy today.

The fear in EU circles of Syriza's symbol of hope spreading across the continent is understandable. When the news broke that Syriza had won the Greek election and would be leading a new government, a wave of optimism emerged throughout Europe that a new way was possible. What began in the Peloponnese peninsula spread to Iberia as Podemos emerged as a powerful player in Spain, another country in the grip of austerity politics. Left-wing mayors stormed the recent elections with Madrid electing a Communist former-judge, Barcelona an anti-evictions activist and Valencia a progressive teacher. Even in our own cold and conservative isles Jeremy Corbyn is running for the Labour leadership on a platform of opposing austerity, and his chances of winning seem to be getting better by the day. These rumblings of discontent with the

neo-liberal order are not a unified movement, some want a better capitalism, some want an alternative to capitalism, but they all believe in the old slogan, 'Another World is Possible'.

For those holding the reigns of power in Europe this clearly represented a movement that must be stopped as soon as possible, and what better way to stop it than to humiliate the party that started this agitation against the status quo?

And there can be no doubt that this is a total humiliation for Alexis Tispras, who was elected on a platform of opposing the very deal he has forced through the Greek parliament, against the wishes of many in his own party. On the streets the jubilant scenes that greeted Syriza's victory in the elections, and the "OXI" vote on the Greek referendum, have turned sour, with protesters tear gassed by police. Hope burns in the fires of Hellen.

Whilst this would be an unedifying spectacle in any country, to see it take place in the fabled "birthplace of democracy" is bitterly ironic. It is, however, a long way from being without precedent. In 1944 Hitler's troops that had been occupying the country for three years began to withdraw and the left-wing partisans that had been battling the Fuhrer's army during the occupation began to move towards Athens. As recounted in Ed Vulliamy and Helena Smith's outstanding Guardian article, Winston Churchill became worried at the prospect of the partisans forming their own government so gave orders for British troops to turn against their former allies in National Liberation Front. Vulliamy and Smith even go as far as to allege that Britain worked alongside Nazi-collaborators to suppress the feared leftist uprising. The actions of the Allies that year allowed the Greek right to remain strong, a position they would retain during the Greek civil war, the Regime of the Colonels, and today under the banner of Golden Dawn. When you see Tsipras, a man with all the power of a marionette, remember this is not the first time powers outside Greece have used their might to squash the will of the Greek people and use that ancient land for their own ends.

But the people attacking Greek freedom today do not wield guns, this was a coup by banks not tanks. To find a closer historical precedent it is necessary to travel to the South Africa of 1990, as Nelson Mandela was released from prison a new country seemed possible. Mandela's African National Congress had spent the Apartheid years not just fighting white rule, but also putting together a vision for the country they would run when they were successful. The dream that kept those fighters motivated during the grueling campaign was based on full employment, nationalisation of key industry, and a broad, redistributive economic agenda to empower black South Africans financially as well as politically. It was only after their victory that the dream turned sour, the Apartheid regime had run up large debts and the costs of servicing these debts meant plans to advance a democratic socialist vision were shelved. With wealthier whites leaving the country and taking their capital with them, black South Africans were left picking up the bar tab for a party they had never been invited to. Like Syriza, the ANC now stand as a formerly radical party, in power but without power, rubber stamping decisions made my money men who know that by owning debt they own the country and the populace.

That is now the fate of poor Greece, decimated by the troika's demands that it meet the needs not of its people but of international financial capital. That is also the threat being made against anyone in the Eurozone that dares to even think differently or to envision a better means of living. The EU has not just attacked democracy, it has attacked imagination.

"He is richest who is content with the least, for content is the wealth of nature."

~ Socrates

"Contentment is natural wealth, luxury is artificial poverty."

~ Socrates

## STINGRAY FAKE PHONE MASTS PLACED AROUND LONDON TO LISTEN IN ON CALLS

#### Andrew Griffin; Independent; via Nathon Allonby

More than 20 fake phone towers, which indiscriminately hoover up information from phones, have been found active in London. The controversial technology is supposedly used to catch the communications of criminals, by intercepting information on its way to the network. But they're unable to distinguish between the phones of criminals and everyone else, meaning that they pick up all of the information that is sent through them.

The Stingrays, also known as IMSI catchers, work by tricking phones into think that they're phone masts. When phones connect to them, they are able to pick up all of the data that is flowing through them, but the people using them would have no idea that it is happening.

Police around the world are thought to be using the technology. But this is the first time that they have been found in the UK. The Metropolitan Police was reported in 2009 to have bought some Stingrays, and in November the Times said that the police had started using them. But Sky News's investigation is the first evidence of their use.

The Met would not confirm or deny that it was using the technology, telling Sky News that "the only people who benefit are the other side, and I see no reason in giving away that sort of thing".

The director-general of the National Crime Agency told Sky News: "Frankly, some of what we need to do is intrusive, it is uncomfortable, and the important thing is we set that out openly and recognise there are difficult choices to be made."

But the technology can also be bought easily and relatively cheaply on the internet, meaning that some or all of the use found by Sky News could be from criminals or other non-governmental people. "When will Police stop pretending IMSI catchers don't exist?" said Eric King, deputy director of Privacy International. "The spying tool has featured in everything from 'The Wire' to 'Zero Dark Thirty'. Companies are selling them on the grey market to anyone who can pay, "The only thing we don't know about them, is what the police are doing to protect people from their use by criminals, and when they use them, what legal frameworks ensures they're properly used?"

Sky News located the masts using technology made by GMSK Cryptophone, a German security company. The organisation found the more than 20 fake towers in three weeks of use.

# BILDERBERG WIELDS ARTIFICIAL INTELLIGENCE: "A TOOL TO MASSIVELY AMPLIFY OUR ABILITY TO CONTROL THE WORLD"

#### Aaron Dykes; Activist Post

The underground project to unseat humanity and create a world run by technology has been officially underwritten by the elite.

What do we know about Bilderberg's techno-control master plan since the wrap up of its June 11-14 conference? As usual, not much from the inside; but we know quite a bit by tracing the work of its attendees and insider members, as well as the progression of the conference itself over the past decades, as invitees have increasingly tended towards the high-tech.

Robotics and technology are huge steps ahead. Artificial intelligence is one giant leap further. Meanwhile, Bilderberg's steering committee has invited more and more entrepreneurs from Silicon Valley as well as tech heads leading changes on the Internet, in cybersecurity and the vast changes happening in technology.

As such, Google's chairman Eric Schmidt has become a visible center of the 21st Century Bilderberg meetings, giving further gravity to chic geeks brushing shoulders with the power brokers of the post-WWII era, who have long dominated banking, industry, military and political interests. Palantir's Alex Karp — a notable technology attendee from recent years — has now been added to the steering committee this year in 2015, joining the insider tech-axis with friend and sometimes partner Peter Thiel, the so-called "PayPal Mafia" Don and Facebook's key early funding angel.

The new power bloc is still based around banking and other traditional spheres, of course, but they are now partners with computing. Microsoft's Craig Mundie has been a key attendee for some time now, while Bill Gates has occasionally dropped by. Former NSA director Keith Alexander appeared consecutively for many years since 2008, paralleling the importance of mass surveillance and the advent of "cyber warfare."

Coincidentally (or not), former NSA contractor Edward Snowden's pivotal leaks on surveillance – first disclosed on June 5, 2013 – overlapped the June 6-9 Bilderberg conference, where attendees discussed "How big data is changing almost everything" as well as "Cyber warfare and the proliferation of asymmetric threats," while 2014 brought the inauspicious topic "Does privacy exist" to Bilderberg's forum – a sour after thought to a year of unsettling Snowden leaks. All of that has subtly reaffirmed the lowly and disregarded status of the masses, and reinforced the fact that personal freedom is valued at less-than-zero and everything and everything is being watched.

#### 2015... has added the Artificial Intelligence icing on that cake.

Now... after all that and more... Bilderberg officially brings artificial intelligence to the table. (Of course, these elites have backed the rise of technology and computing since the beginning when major firms like IBM, Microsoft, Intel and Apple were started decades ago, but I digress).

In 2015, Bilderberg dropped the suggestive names and went right for the topics bullet-point list, bringing "artificial intelligence" and "cybersecurity" to the top of that list. And two of its attendees stand out in bold for their role in bringing this forward:

Regina Dugan, Vice President for Engineering, Advanced Technology and Projects, Google Demis Hassabis, Vice President of Engineering, Google DeepMind

This should register as Bilderberg's most disturbing connection to covert politics yet. Not that it should surprise everyone that they went there, but the rise of robots is actually upon us. Amazon (whose founder and CEO Jeff Bezos attended Bilderberg in 2011 and 2013) is rapidly replacing its labor force with warehouse robots, and looking to use drones for delivery in the near future... while it has long relied upon complex algorithms to stunt competition and beat everyone including Wal-mart to the punch. The world's manufacturers in China have already made incredible strides in raising a robotic workforce that is only growing stronger every day... and the jobs become more and more endangered with each passing phase. Silicon Valley is even unleashing an R2D2-like robocop that would do automated crime patrols...

#### Google Launches the 'Manhattan Project of Al'

Google – intimately represented at Bilderberg by the gregarious Eric Schmidt – is putting the finishing touches on the self-driving car and getting clearance to put these autonomous vehicles on the road. Once that is past the honeymoon phase, it is sure to slash deeply into the trucker workforce, long a mainstay of the middle class, and erode personal rights to driving as well. Meanwhile, Google has also conducted the biggest purchase of all time in artificial intelligence. Under the leadership of Schmidt, the notorious futurist Ray Kurzweil – longing for the age of Singularity, spiritual machines and the chance for a few to maybe live forever – was hired in December 2012 to head Google's attempt to "work on new projects involving machine learning and language processing" for Google – in other words, artificial intelligence, a life-long passion for

Kurzweil.

Since that time, Google bought up nearly every important A.I. firm in its reach — giving it probably more leverage over the pivotal transition to machine intelligence than the U.S. military or government. At the top of that list is Boston Dynamics, the robotics firm closely linked with DARPA, the Defense Department, and MIT, who have created killer robots that can run at top speeds, climb walls, take down prey and carry payloads. (Regina Dugan, also attending Bilderberg this year, was a top executive at DARPA before joining Google.)

Regina Dugan – described as a "badass" – was the 19th director of the Pentagon's DARPA (which stands for Defense Advanced Research Projects Agency) and has its roots in the ARPA-creation of the Internet. Dugan left DARPA in 2012 to go even further at Google with their Advanced Technology and Projects (ATAP). As she told the world at a D11 conference, her work involves bringing biometrics and edible encrypted passwords to consumer markets, in part by making the technology "trendy" and desirable through wearables and even temporary authentication tattoos (because, as she explains, what kid wouldn't want to piss off their parents with a tattoo?). Dugan has done a great deal to bring the world to our present trajectory and possible, unfortunate destination.

Then there is DeepMind – perhaps Google's least known but most promising purchase – which uses developments in the understanding of neuroscience to power algorithms for machine learning... the key hurdle to true artificial intelligence... and the great, perhaps awful beyond.

Carnegie Mellon professor Larry Wasserman wrote that the "startup is trying to build a system that thinks. This was the original dream of AI. As Shane [Legg] explained to me, there has been huge progress in both neuroscience and ML and their goal is to bring these things together. I thought it sounded crazy until he told me the list of famous billionaires who have invested in the company." Whatever DeepMind co-founder discussed behind closed doors at Bilderberg, it is not of just passing importance. Rather, it is the tip of the iceberg of the most massive transformation of human society yet.

DeepMind's systems use neural networks and "deep learning" methods that deploy low-level transistor networks to produce high-level effects so that they can, for instance, distinguish a cat's face from a human one — a trivial task for a human, but hard for a machine. That has been developed into "artificial general intelligence" (AGI) that can learn to solve tasks without prior programming, and have already been used to replace 60 hand-crafted systems across Google. The AGI system's deployment into speech recognition, now used in Android phones and Google Translate, had led to the biggest overall improvement in speech recognition in 20 years, Suleyman said, with a 30% reduction in transcription error rates. Yet training the program for the task took less than five days.

Mustafa Suleyman, who with Demis Hassabis and Shane Legg set up the London-based machine learning company that was bought by Google in January 2014 for £400m, mounted a spirited defence of the company's successes. He told a conference on machine learning that "artificial intelligence, AI, has arrived. This isn't just some brief summer for this technology, and it's not about to go away again. These are production breakthroughs."

The London Guardian quoted a DeepMind investor who said that Google has embarked upon a "Manhattan project of AI" – massive, secretive and with grand implications enough to hold humanity itself in the balance:

Google has bought almost every machine-learning and robotics company it can find, or at least, rates. It made headlines two months ago, when it bought Boston Dynamics, the firm that produces spectacular, terrifyingly life-like military robots, for an "undisclosed" but undoubtedly massive sum. It spent \$3.2bn (£1.9bn) on smart thermostat maker Nest Labs. And this month, it bought the secretive and cutting-edge British artificial intelligence startup DeepMind for £242m. And those are just the big deals. It also bought Bot & Dolly, Meka Robotics, Holomni, Redwood

Robotics and Schaft, and another AI startup, DNNresearch. It hired Geoff Hinton, a British computer scientist who's probably the world's leading expert on neural networks. And it has embarked upon what one DeepMind investor told the technology publication Re/code two weeks ago was "a Manhattan project of AI". If artificial intelligence was really possible, and if anybody could do it, he said, "this will be the team". The future, in ways we can't even begin to imagine, will be Google's.

"Artificial Intelligence is a tool to massively amplify our ability to control the world." That's a statement, couched with positive outloook, from Mustafa Suleyman a co-founder of DeepMind, the AI firm now acquired by Google and represented this year at Bilderberg by co-founder Demis Hassabis, the Vice President of Engineering at DeepMind.

Suleyman says fears that artificial intelligence will wipe out human beings are completely overblown, however, emphasizing instead that DeepMind is set on improving humanity's lot, and that it insisted upon an ethics board to keep it in check as part of Google's buyout package. Suleyman insisted that AI is, and will remain, a tool that humans can control and direct, rather than a threat. Yeah, like we didn't hear that one from Cyberdyne ahead of the apocalyptic rise of Skynet in the Terminator films! Paradoxically, Suleyman also stated:

But everything we have built is a product of intelligent human activity. AGI is a tool to massively amplify our ability to control the world.

For whatever reason, Suleyman doesn't see the negative side of all this... but everyone else easily can. Speaking to a conference on machine intelligence in London on Friday, Suleyman said that he was dismayed by the negative attitudes being shown towards AI. "It's sad how quickly we've adopted to the reality and don't acknowledge the magic and the good that these systems can bring. The narrative has gone straight from 'isn't it terrible that AI has been such a flop' to 'isn't it terrible that AI has been such a success'."

Why did Bilderberg bring DeepMind to the table? The reasons are many fold, but easily summed up in that statement: "artificial intelligence is a tool to massively amplify our ability to control the world.

#### **Conclusion**

Power that great will not easily fall into the right hands, no matter how inspired and determined its ethics boards aim to be. Google is channelling that incredible power, and Bilderberg is leveraging it. Please think about that before dismissing the "secretive meeting" as a sophomoric conspiracy theory of the paranoid, and a nothing doing gathering of professions who simply keep quiet because of Chatham House rules barring disclosure of the proceedings. Naïvety is a dangerous setback that we cannot afford at this point. Something big is indeed in the works, and the average citizen of the Western nations will surely be the last to know, when their employment – their only means of making a living – is rendered obsolete by advances in technology. Just remember that it was never inevitable; it was was fuelled and brought to market by a cartel of cloaked and brokered global power. DeepMind's leaders would have us believe that fears of its influence are overblown... Meanwhile, behind closed doors, the Bilderberg group has made the same claim, and the world has believed it at its own peril.

Aaron Dykes is a co-founder of TruthstreamMedia.com, where this article first appeared. As a writer, researcher and video producer who has worked on numerous documentaries and investigative reports, he uses history as a guide to decode current events, uncover obscure agendas and contrast them with the dignity afforded individuals as recognized in documents like the Bill of Rights.

# NEW WIFI TRACKING SYSTEM COUNTS PEOPLE - EVEN WITHOUT A CONNECTED DEVICE

#### Kevin Samson; Activist Post

Many scientists have issued health warnings about the near-ubiquitous presence of WiFi in our homes and in public. Now there might be a new concern on the horizon - public WiFi signals that can identify and track groups of individuals, even if they are not holding a personal connected device.

As we have come to learn, one of the hallmarks of technology is multi-use capability. It is for this reason that we are softened up with all of the benefits, before being introduced to the darker side. Researchers continue to pursue invisible, pervasive ways to track human beings. Below is a chronicle of how WiFi signals are being used in creative new ways to ensure that whether or not you have opted out of the latest gadgetry, you still will be caught in an ever-widening net of the latest surveillance tech.

A little more than two years ago, the first enhancement of Wi-Fi was labeled WiTrack. It marked an improvement over a discovery by MIT researchers a few months previous that they had called Wi-Vi. At the time, researchers were able to use dual signals to detect the general location of moving objects behind walls, but not an exact image. WiTrack uses radio signals to pinpoint a person's location more accurately. An MIT press release explained the significant difference between Wi-Vi and WiTrack:

WiTrack operates by tracking specialized radio signals reflected off a person's body to pinpoint location and movement. The system uses multiple antennas: one for transmitting signals and three for receiving. The system then builds a geometric model of the user's location by transmitting signals between the antennas and using the reflections off a person's body to estimate the distance between the antennas and the user. WiTrack is able to locate motion with significantly increased accuracy, as opposed to tracking devices that rely on wireless signals, according to Adib.

"Because of the limited bandwidth, you cannot get very high location accuracy using WiFi signals," Adib says. "WiTrack transmits a very low-power radio signal, 100 times smaller than WiFi and 1,000 times smaller than what your cell phone can transmit. But the signal is structured in a particular way to measure the time from when the signal was transmitted until the reflections come back. WiTrack has a geometric model that maps reflection delays to the exact location of the person. The model can also eliminate reflections off walls and furniture to allow us to focus on tracking human motion."

As if on cue, we are presented with the enormous benefits of this low-cost technology, while being given none of the potential negatives. In the video, we see the convenience element that would fit into the various applications of smart homes and the Internet of Things. Secondly are video games, which would take the somewhat cumbersome Wii to entirely new levels. And leave it to MIT to pimp the two most military-oriented games on the market that would benefit:

Imagine playing a video game like Call of Duty or Battlefield and having the ability to lead your virtual army unit while moving freely throughout your house.

Yes, imagine further acclimating America's youth to become even more involved in the realism that has become violent gaming based on military campaigns, but I digress. For the real sales pitch, we have to look at disaster relief and personal safety, which is precisely what the rollout of the microwave device cited above set out to highlight. Here is what was said about Wi-Vi:

Researchers think the Wi-Vi system could also be used to find survivors in destroyed buildings or count and track criminals. Compared to previous military-oriented tracking systems, Wi-Vi is cheap, compact and lightweight, which makes it practical for consumer uses such as personal safety. Researchers now hope to improve the technology so it can work with denser walls over longer ranges.

MIT later announced that they had "perfected" a system which can track multiple people through walls, as well as breathing and heart rate, to 99% accuracy. This new system was called WiZ,

Researchers at the Computer Science and Artificial Intelligence Laboratory transmitted a low-power wireless signal through a wall and measured how long it took the signals to bounce back. Changes in

the reflected signals allowed the team to measure movement, or even minute chest movements. Based on a person's chest rising and falling, the CSAIL group can determine their heart rate with 99 percent accuracy. The system can track up to four people at a time.

Perhaps most significantly, though, with the world moving towards wearable computers and ubiquitous sensor networks, WiZ could play a role in tracking your movement and vital signs without having to wear a Fitbit or smartwatch. It's quite easy to imagine a wide-scale radio-based sensor network that tracks the movements of everyone through a given area — and then using some kind of beacon system (say, if your smartphone broadcast your identity) that sensor data could be correlated to each person. It would be equal parts great news for people wanting to keep track of their health and activity levels, and modern-day governments that just love to surveil their populace.

The move toward "ubiquitous sensor networks" without having to wear any pesky devices is indeed being perfected. And, once again, we can see a multi-use approach that leans more heavily toward future tracking and social management than it does its oft-touted search-and-rescue pitch.

Researchers in UC Santa Barbara professor Yasamin Mostofi's lab are proving that wireless signals can do more than provide Internet access. They have demonstrated that a WiFi signal can be used to count the number of people in a given space, leading to diverse applications, from energy efficiency to search-and-rescue. "Our approach can estimate the number of people walking in an area, based on only the received power measurements of a WiFi link," said Mostofi, a professor of electrical and computer engineering. This approach does not require people to carry WiFi-enabled telecommunications devices for them to be counted, Mostofi emphasized.

To accomplish this feat of people-counting, the researchers put two WiFi cards at opposite ends of a target area, a roughly 70-square space. Using only the received power measurements of the link between the two cards, their approach can estimate the number of people walking in that area. So far, they have successfully tested with up to and including nine people in both indoor and outdoor settings. With the near-ubiquity of WiFi in many settings, the researchers' findings have the potential for many diverse applications. For instance, the ability to estimate the number of people in a given space could be used in smart homes and buildings, so air conditioning and heating could be adjusted according to the level of occupancy. "Stores can benefit from counting the number of shoppers for better business planning," noted Mostofi.

Security and search-and-rescue operations could also take advantage of occupancy estimation. Previous work in the research lab involved imaging stationary objects/humans through walls with WiFi signals, and Mostofi plans to eventually bring the two projects together in the future.

The electronic tracking and Internet surveillance that we all have been enduring at the hands of the NSA and their corporate partners pales in comparison to the real-world, real-time tracking that seems to be on the horizon beyond the virtual matrix. As tech site GIGAOM opined with tongue in cheek, this technology will "ruin hide and seek forever."

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## FAST TRACK HANDS THE MONEY MONOPOLY TO PRIVATE BANKS, **PERMANENTLY**

Ellen Brown; The Web of Debt Blog

In march 2014 the Bank of England let the cat out of the bag: money is just an IOU, and the banks are rolling in it. So wrote David Graeber in The Guardian the same month, referring to a BOE paper called "Money Creation in the Modern Economy." The paper stated outright that most

common assumptions of how banking works are simply wrong. The result, said Graeber, was to throw the entire theoretical basis for austerity out of the window.

The revelation may have done more than that. The entire basis for maintaining our private extractive banking monopoly may have been thrown out the window. And that could help explain the desperate rush to "fast track" not only the Trans-Pacific Partnership (TPP) and the Trans-Atlantic Trade and Investment Partnership (TTIP), but the Trade in Services Agreement (TiSA). TiSA would nip attempts to implement public banking and other monetary reforms in the bud.

#### The Banking Game Exposed

The BOE report confirmed what money reformers have been saying for decades: that banks do not act simply as intermediaries, taking in the deposits of "savers" and lending them to borrowers, keeping the spread in interest rates. Rather, banks actually create deposits when they make loans. The BOE report said that private banks now create 97 percent of the British money supply. The US money supply is created in the same way. Graeber underscored the dramatic implications:

[M] oney is just an IOU. The role of the central bank is to preside over a legal order that effectively grants banks the exclusive right to create IOUs of a certain kind, ones that the government will recognise as legal tender by its willingness to accept them in payment of taxes. There's really no limit on how much banks could create, provided they can find someone willing to borrow it.

Politically, said Graeber, revealing these facts is taking an enormous risk:

Just consider what might happen if mortgage holders realised the money the bank lent them is not, really, the life savings of some thrifty pensioner, but something the bank just whisked into existence through its possession of a magic wand which we, the public, handed over to it.

If money is just an IOU, why are we delivering the exclusive power to create it to an unelected, unaccountable, non-transparent private banking monopoly? Why are we buying into the notion that the government is broke – that it must sell off public assets and slash public services in order to pay off its debts? The government could pay its debts in the same way private banks pay them, simply with accounting entries on its books. What will happen when a critical mass of the populace realizes that we've been vassals of a parasitic banking system based on a fraud – that we the people could be creating money as credit ourselves, through publicly-owned banks that returned the profits to the people?

Henry Ford predicted that a monetary revolution would follow. There might even be a move to nationalize the whole banking system and turn it into a public utility. It is not hard to predict that the international bankers and related big-money interests, anticipating this move, would counter with legislation that locked the current system in place, so that there was no way to return money and banking to the service of the people – even if the current private model ended in disaster, as many pundits also predict. And that is precisely the effect of the Trade in Services Agreement (TiSA), which was slipped into the "fast track" legislation now before Congress. It is also the effect of the bail-in policies currently being railroaded into law in the Eurozone, and of the suspicious "war on cash" seen globally; but those developments will be the subject of another article.

#### TiSA Exposed

On June 3, 2015, WikiLeaks released 17 key documents related to TiSA, which is considered perhaps the most important of the three deals being negotiated for "fast track" trade authority. The documents were supposed to remain classified for five years after being signed, displaying a level of secrecy that outstrips even the TPP's four-year classification.

TiSA involves 51 countries, including every advanced economy except the BRICS (Brazil, Russia, India, China, and South Africa). The deal would liberalize global trade in services covering close to 80% of the US economy, including financial services, healthcare, education, engineering, telecommunications, and many more. It would restrict how governments can manage their public

laws, and it could dismantle and privatize state-owned enterprises, turning those services over to the private sector.

Recall the secret plan devised by Wall Street and U.S. Treasury officials in the 1990s to open banking to the lucrative derivatives business. To pull this off required the relaxation of banking regulations not just in the US but globally, so that money would not flee to nations with safer banking laws. The vehicle used was the Financial Services Agreement concluded under the auspices of the World Trade Organization's General Agreement on Trade in Services (GATS). The plan worked, and most countries were roped into this "liberalization" of their banking rules. The upshot was that the 2008 credit crisis took down not just the US economy but economies globally.

TiSA picks up where the Financial Services Agreement left off, opening yet more doors for private banks and other commercial service industries, and slamming doors on governments that might consider opening their private banking sectors to public ownership.

#### Blocking the Trend Toward "Remunicipalization"

In a report from Public Services International called "TISA versus Public Services: The Trade in Services Agreement and the Corporate Agenda," Scott Sinclair and Hadrian Mertins-Kirkwood note that the already formidable challenges to safeguarding public services under GATS will be greatly exasperated by TiSA, which blocks the emerging trend to return privatized services to the public sector. Communities worldwide are reevaluating the privatization approach and "remunicipalizing" these services, following negative experiences with profit-driven models. These reversals typically occur at the municipal level, but they can also occur at the national level.

One cited example is water remunicipalization in Argentina, Canada, France, Tanzania and Malaysia, where an increasing frustration with broken promises, service cutoffs to the poor, and a lack of integrated planning by private water companies led to a public takeover of the service.

Another example is the remunicipalization of electrical services in Germany. Hundreds of German municipalities have remunicipalized private electricity providers or have created new public energy utilities, following dissatisfaction with private providers' inflated prices and poor record in shifting to renewable energy. Remunicipalization has brought electricity prices down. Other sectors involved in remunicipalization projects include public transit, waste management, and housing. Sinclair and Mertins-Kirkwood observe:

The TISA would limit and may even prohibit remunicipalization because it would prevent governments from creating or re-establishing public monopolies or similarly "uncompetitive" forms of service delivery. . . .

Like GATTS Article XVI, the TISA would prohibit public monopolies and exclusive service suppliers in fully committed sectors, even on a regional or local level. Of particular concern for remunicipalization projects are the proposed "standstill" and "ratchet" provisions in TISA. The standstill clause would lock in current levels of services liberalization in each country, effectively banning any moves from a market-based to a state-based provision of public services. This clause . . . would prohibit the creation of public monopolies in sectors that are currently open to private sector competition. Similarly, the ratchet clause would automatically lock in any future actions taken to liberalize services in a given country. . . . [I]f a government did decide to privatize a public service, that government would be unable to return to a public model at a later date.

That means we can forget about turning banking and credit services into public utilities. TiSA is a one-way street. Industries once privatized remain privatized. The disturbing revelations concerning TiSA are yet another reason to try to block these secretive trade agreements. For more information and to get involved, visit: Flush the TPP, The Citizens Trade Campaign, Public Citizen's Global Trade Watch or Eyes on Trade.

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