



Open Research Group

www.globaltable.org.uk • www.themap.org.uk
org@globaltable.org.uk

NOTES

May 16th 2018

Report of meeting held at School of Economic Science, 11 Mandeville Place, London W1U 3AJ

See: **Notes of Open Research Group meeting on 9th May 2018: [OpenResearchGroup-180509](#)**

Present: Janos, Ashburn, Ellena, Paul, Mary. Apologies: Ahmet, Bob, Dagem, Henry, John Mc, Kyle, Lillas, Liz, Maya, Philip, Robin, Sandra, Steve, Trevor.

FOOD SPECULATION: As promised, Ash had prepared a set of slides on this topic. In brief discussion of the material presented, it became apparent that this is an example of financialisation, one of the consequences of failure on the part of governments to address the corruption of our monetary system, which CCMJ had been pointing out since its founding in the 1960s: view the slides here: [ORG-FoodSpeculation](#).

HAWAII: Ellena recommended an RT documentary about Hawaii, following the pattern since 1893, it told the history of how Hawaii was taken over by US, how they want the control, a useful history, the effect of being taken over by America: **Coups R US: RT documentary looks at US 'humanitarian' interventions & regime changes:** In the new RT documentary Coups R US, prominent American journalist Stephen Kinzer examines the rationale and impact of Washington's interventions, from complacent colonialism in Hawaii to regime change in Libya: "There are three stages. In the first one, the government that we don't like shows bad faith by bothering an American company. Then we convince ourselves that this country is our geo-political enemy. And we sell the intervention as humanitarian intervention," says Kinzer, who currently lectures at Brown University, in his introduction: <https://www.rt.com/usa/426848-coups-r-us-rt-documentary/>

FRACKING: Ellena also recommended Max Keiser's report on fracking: In this special double header episode, Max and Stacy compare the real data and future for fracking using actual balance sheet results and investor complaints on the absence of any profits as of yet. From Bloomberg and CNBC, headlines warn that fossil fuels face squeeze as the cost of renewables plunge and just as the surge in natural gas supply from fracking absolutely obliterated the entire coal industry, so too will solar do the same to fracking. And, when the fracking operators can't even pay the interest on their 'credit cards' from revenues, the future in a rising interest rate world doesn't look bright: <https://www.rt.com/shows/keiser-report/426741-episode-max-keiser-1227-check-Keiser-Report-website-for-more>: <http://www.maxkeiser.com/>

BANKING: Mary deplored the lack of strategy for tackling these problems: rather than complaining against usury in general - she couldn't see that any other mechanism of money creation was going to be adopted - specific practical solutions need to be proposed to tackle the real abuses which were the consequences of the usurious system in place. As a state-owned institution, the North Dakota bank presumably avoids abuses, such as the bonuses endemic in our private banking system, which are condoned by the UK government - https://en.wikipedia.org/wiki/Bank_of_North_Dakota - see also: "Web of Debt": <https://ellenbrown.com>.

HSCB: (Hoe St Central Bank): Ellena felt that this was a feasible model, but Paul explained that it was a fund-raising project, raising funds for local projects, not a banking system, although it's very commendable. Pretending that they are a bank is a useful way of drawing attention to themselves. When living in Walthamstow, he found that it was mean-spirited, no social services, and there was a disincentive to any form of social activism. All agreed that a visit to this project should be arranged.

MULTI-CULTURALISM: Ashburn was concerned about the proposed introduction of Sharia Law in several boroughs. Mary felt that a major cause of such problems, as in Northern Ireland, is the existence of sectarian schools, which divide communities into opposing factions.

USA Democratic Crisis: Paul talked about supreme court judges in the US, those due for retirement happen to be democrats and the US is on the point of appointing right wing Republican judges to those positions.

THE SPIDERS WEB: Ashburn played a DVD *The Spiders Web*: which tells the story of how, as the British Empire disintegrated, Britain sought another role, as a world financial power. In the days of the British Empire all the countries used sterling, with the decline of empire, British commercial interests were under threat. Egypt nationalised the Suez Canal, the US declined to support us, Britain was humiliated, there was a run on the pound, we limited our banks overseas lending, and founded the Eurodollar market, based elsewhere, and thus not under the governance of the Bank of England. When the US banks realised there was an unregulated space, they moved to London. At the same time the overseas territories began to be used – 90% of international loans were made via this bank, so the City of London survived the collapse of the British Empire. The City of London is run by the City of London Corporation, it's a separate entity from London, it has its own head, the Lord Mayor, in November it stages the Lord Mayor's Show. In 1066 the Normans failed to conquer the City of London, and they came to an arrangement. Its Lord Mayor is appointed by the Heads of Guilds. It has a permanent representation in the House of Commons, and can pursue different financial policies from those decided by Parliament. At its heart is the Bank of England, which is a regulatory authority and can attract other banks to London. The Bank of Credit and Commerce International went bankrupt. BCCI had collaborated with the world's intelligence agencies, and was also involved in fraudulent activities and terrorism. The Bank of England could have investigated BCCI. Robert Lee Pemberton's comment: Banks are a protected species, more in London than any other city. Light touch regulation was one way of attracting business in London. They created off-shore centres in former British Colonies. The Trust is a mechanism, emerged from the time of the crusades, when the assets of Knights going to fight are left in the care of trusted stewards. Anyone can set up a trust, there is no regulation, there is no obligation to register them, they are not required to make annual statements, they are invisible arrangements. John Christensen says "not millions, but about 50 trillion", which belong to nobody for tax purposes, eg Cayman Islands. Trusts lie at the core of the British model, the basic building blocks of Anglo-Saxon secrecy, Trusts lead to shell companies, to secret bank accounts, spanning multiple jurisdictions, they own off-shore companies, which own assets, numerous variations of offshore secrecy structures, lawyers set up ever more complex structures - even though we see it, we are not able to act upon it, the only way to change it is to have a published register of the beneficiaries of Trusts. Eg Panama Papers, Mossac Von Seco, Law firms registered in British Overseas Restrictions.... claims that they have no jurisdiction over them. Britain plays the game of pretending they are independent. Britain appoints governments, they can veto their legislation, allows them some space. John Christensen investigated all of this by taking a job working offshore. The British Government prefers not to intervene, un-minuted informal discussions take place behind closed doors. In the British Establishment, you have to know the codes, irony involved, codified language that people in the know understand - you don't have to spell things out. British can claim that these territories are independent. In 1967 they relocated.... to the Cayman Islands. In reality much of the wealth is controlled in London. Deals are concluded in London and registered elsewhere. This is a very convenient relationship - Jersey, Guernsey now operate as Tax Havens. Britain's role in finance, you can see the relative shares of each country. Two big centres, US 19% of global market, UK 25% of global market, then ex colonies, eg Hong Kong, Bahrain, Cyprus make it up to 40%, so you can describe it as a second empire. At time of British Empire the City of London was the world's largest financial centre. As the empire declined so too did the city. The creation of the BCCI revived it with a new system, which has taken the place, from 1962, money thrust through tax havens. Wealthy individuals shifted their wealth offshore in exchange for secrecy and no tax. As much as half are owned by the UK, one of the victims is Africa, which is a huge net debtor to the rest of the world, in 2008 270 billion dollars, but offshore wealth is 944 billion dollars. The borrowed money may never be repaid. Ecuador, attempted to set up UN tax organisation, but every time it is blocked. As long as we have cross-border city it will continue to be a problem. Elites in developing nations use these centres to hide their wealth offshore, enabling the corrupt elite to loot their countries. Development progress is difficult because individuals can use these mechanisms. World wide developing countries use BCCI every year through tax evasion, illicit flows into western nations has side-effects. The economies of US and UK began to "financialise" = process of de-industrialisation. In 1960s US economist Michael Hudson working at Chase Manhattan, US, prevented money being placed in foreign banks. If you don't get this money, it will go to French banks the US. In 1967 he received a memo urging Chase Manhattan to become the Switzerland of the world, the plan was to organise off-shore banking centres, the Latin American criminals would put their money in the offshore Caribbean banks and deposit the inflow into head office, this helped them to support the value of its currency, every country looks to its foreign exchange rate, you have a steady balance of trade, the IMF calls light capital "errors and omissions", they wanted to include criminals in the US payment statistics, but the government got upset, they didn't want to report crime. In the 1970s the British started doing something similar, we put our money into speculation rather than manufacture, it has helped to de-industrialise the country, money goes to London instead of these other tax havens. With the silent backing of the US, the off-shore system developed into the dominant financial market.