

RUNNYMEDE GAZETTE

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CONTENTS

EDITORIAL

THE NEXT GENERAL IRRELEVANCE
THE SINGLE WORLD ECONOMY

ECONOMICS OF REVOLUTION

David DeGraw; via Critical Thinking

THE LONG STORY: THE BRITISH ESTABLISHMENT

Binoy Kampmark; Global Research

LET'S LISTEN TO JOHN ADAMS

"Wolla Dalbo"; Neo-Neo-Con; via Edward Spalton

HYPOTOPIA: HOW A €19BN MODEL CITY HAS CHANGED AUSTRIA'S
ATTITUDE TO PROTEST

Ajit Niranjani; the Guardian; via Obi; Occupy

BIG BROTHER WATCH

Emma Carr

PARENTS FIGHT BRITISH SOCIAL SERVICES 'GAG' TO PETITION
EUROPEAN PARLIAMENT

Bruno Waterfield, Daily Telegraph; via Victims Unite

OBAMA'S SECRET TREATY WOULD BE THE MOST IMPORTANT STEP
TOWARD A ONE WORLD ECONOMIC SYSTEM

Michael Snyder; Activist Post

UPDATED SECRET TRANS-PACIFIC PARTNERSHIP AGREEMENT (TPP)

Activist Post

ONE OF THE WORLD'S BIGGEST WEAPONS-MAKERS IS BIDDING ON AN
NHS CONTRACT WORTH £1 BILLION.

Hanna Thomas, SumOfUs.org

NEW EUROPEAN COMMISSION MARRED BY CORPORATE CONFLICTS OF INTEREST

Pratap Chatterjee; CorpWatch; Global Research

WHEN IT COMES TO CLIMATE CHANGE, JUST HAVE A LITTLE FAITH!

Ian Henshall; Reinvestigate 9/11

WORLD'S FIRST BIOMETRIC CREDIT CARD WILL ARRIVE IN 2015: PAY WITH YOUR FINGERPRINT

Nicholas West; Activist Post

VIRTUAL MONEY AND USER'S IDENTITY

TechSwarm; via Activist Post

UK PARLIAMENT DEBATED MONEY CREATION AND SOCIETY FOR FIRST TIME IN 170 YEARS. HERE'S WHAT THEY SAID

Global Table

BANK OF NORTH DAKOTA OUTPERFORMS WALL STREET

Ellen Brown; Counterpunch

IDEOLOGICAL FOUNDATIONS OF MAINSTREAM NEOCLASSICAL ECONOMICS: CLASS INTERESTS AS "ECONOMIC THEORY"

Prof. Ismael Hossein-Zadeh; Global Research

EDITORIAL

THE NEXT GENERAL IRRELEVANCE

The General Election is now a mere six months away. In a number of quarters this fact has started a mad scramble, as if the proximity of the election were had suddenly become a matter of surprise.

So various last minute manifestos and initiatives are now in circulation. In the absence of any organisational vehicle, electoral or otherwise, by which any of these ideas might at least stand a modest chance of being translated into reality, such efforts will be consigned to the library shelves. These shelves already groan under the weight of analyses, plans, charters and manifestos, going back many decades and beyond.

Of course, only one party will win ... neoliberal globalisation. The rest will be an empty contest as to which party might plausibly offer one or two very scant peanuts more than the other.

The three 'main' parties, now shorn of their mass memberships are now little more than shell entities, financed by oligarchs. The 'insurgent' parties, which together may end up polling as much as 30% of the votes, lack any consistent critique of neoliberalism or monetary policy.

It remains to be seen whether the more educated within those parties will be able to achieve any greater coherence in those matters, once the election is over.

Perhaps the best message would be several million spoiled ballots. The Democratic Resistance lacks even the most basic organisational network to achieve even that.

THE SINGLE WORLD ECONOMY

Whilst Transatlantic minds focus on TTIP we might forget what is happening in a parallel set of negotiations on the other side of the world. The Trans-Pacific programme is virtually identical. So are the methods adopted. As with the EU and the US, negotiations are being conducted behind a dense veil of secrecy.

Taken together, and with the prospect of 'fiscal union' (i.e. the final capstone of *de facto* political union, but, as usual, in disguise) looming ever closer in the Eurozone, these treaties will represent a further giant astride towards a single world economy. All that will remain is the mopping up of some BRICS states.

Naturally, where the economic power goes, the political power will shortly follow.

Not for the first time in this journal, it must be underscored that the notion that so-called 'free trade' promotes prosperity is one of the Great Lies of neoliberalism.

Whilst there may be the opportunity to export more (albeit from a manufacturing base which has shrunk by two thirds in four decades!), the quid pro quo is always that we have to import more.

Four decades of GATT and now WTO rounds have led to a huge and on-going balance of payments deficit, a 70% reduction in our manufacturing base, the de-skilling of what was once one of the most skilled workforces in the world, the passing of ownership overseas putting our economy and decisions over investment and employment at the beck and call of any oligarch from Tokyo to Toronto, ever burgeoning government and personal debt, falling and stagnating real wages especially in the lower social quartiles, ever growing economic and political inequality, food banks, loan sharks, and ... because of the frequent lack of a living wage ... an ever growing *de facto* public subsidy through welfare to corporate profits.

Nor can trade be 'free' in the presence of small numbers of very powerful market actors, constituting effective oligopolies or monopolies.

The UK economy is now a small clone of the US. Events there run in close parallel to what happens here. So Michael Snyder's words are a good summary as to why 'free trade' is a bad idea and are worth repeating:-

Of course Obama is touting this treaty as the path to economic recovery. He promises that it will greatly increase global trade, decrease tariffs and create more jobs for American workers.

But instead, it would be a major step toward destroying what is left of the U.S. economy

Over the past several decades, every time a major trade agreement has been signed we have seen even more good jobs leave the United States. And it doesn't take a genius to figure out why this is happening. If corporations can move jobs to the other side of the planet to nations where it is legal to pay slave labor wages, they will make larger profits.

Just think about it. If you were running a corporation and you had the choice of paying workers ten dollars an hour or one dollar an hour, which would you choose?

Plus there are so many other costs, taxes and paperwork hassles when you deal with American workers. For example, big corporations will not have to provide Obamacare for their foreign workers. That alone will represent a huge savings. Any basic course in

economics will teach you that labor flows from markets where labor costs are high to markets where labor costs are lower. And at this point it costs less to make almost everything overseas. As a result, we have already lost millions upon millions of good jobs, and countless small and mid-size U.S. companies have been forced to shut down because they cannot compete with foreign manufacturers.

Later this month, consumers will flock to retail stores for "Black Friday" deals. But if you look carefully at those products, you will find that almost all of them are made overseas. We buy far, far more from the rest of the world than they buy from us, and that is a recipe for national economic suicide.

We consume far more wealth than we produce, and anyone with half a brain can see that is not sustainable in the long run. The only way that we have been able to maintain our high standard of living is by going into insane amounts of debt. We are currently living in the largest debt bubble in the history of the planet, and at some point the party is going to end.

A single world economy is in any event a dreadful model. Even ships have watertight bulkheads, so in the event of a collision, it might stand a good chance of staying afloat. Remove those bulkheads and the vessel will otherwise flood and sink very quickly.

As we have seen in the past few years, a failure in one part of an economic system, will spread out of control unless the system is compartmentalised.

With the derivatives mountain hanging over us, like some latter-day Krakatoa, when eruption is not a question of *if*, but of *when*, we ain't seen nothing yet.

Frank Taylor

ECONOMICS OF REVOLUTION

David DeGraw; via Critical Thinking

Becoming aware of the \$94.4 trillion in overall wealth, and how just a fraction of that wealth can be used to evolve society for the benefit of all, opens up and expands our consciousness. Now, we will analyze the system of propaganda that conditions and contracts mass consciousness to understand how the .01% gets away with consolidating so much wealth and power.

I: Conditioned Consciousness

ModernSlaveEven the most independent minded people vastly underestimate how mentally conditioned we all are. In 1929, in response to the growing propaganda system John Dewey said, "We live exposed to the greatest flood of mass suggestion humanity has ever experienced." Since then, the flood of mass suggestion has grown exponentially.

For two obvious examples, let's look at television consumption and advertising. The average American watches more than five hours of TV a day, every single day of their life. American children view more than 40,000 ads per year, every single year of their life. Think about that. That's intensive mental domination administered on a daily basis, from the cradle to the grave.

Ultimately, as Phil Merikle summed it up, "It's what advertisers have known all along: if we just keep the exposure rate up, people will be influenced." Repetition, it's all about repetition. Repetitive messages fill our mental atmosphere. They are like the air we breathe. To paraphrase Philip Lesley in *Managing the Human Climate*, "When a message appears all around you, you tend to accept it and take it for granted. You find yourself surrounded by it and your subconscious mind absorbs the climate of repetitive ideas."

Repetitive messages form the origins of our thoughts. It's where our perception, desires and opinions are born. As Marshall McLuhan said, the mass media is an extension of our nervous system. The mainstream media is the software on which our thoughts run; it's our operating system. Repetitive mainstream propaganda creates a belief system, popular reference points, archetypes, mental patterns, a mindset and groupthink.

Groupthink is a highly infectious disease. You must be ever vigilant to escape the tyranny of groupthink and cultural conditioning. As Walter Lippmann said in *Public Opinion*, "In the great blooming, buzzing confusion of the outer world, we pick out what our culture has already defined for us, and we tend to perceive that which we have picked out in the form stereotyped for us by our culture."

To remix a quote from Dostoevsky's *Notes from Underground*, 'Leave people alone without mass media and they will be lost and confused. They will not know what to support, what to cling to, what to love and what to hate, what to respect and what to despise.' As Malcolm X summed it up, "The media is the most powerful entity on earth. They have the power to make the innocent guilty and to make the guilty innocent, and that's power. Because they control the minds of the masses."

The mainstream media creates a false reality, a "pseudo-environment." People are born and raised inside mass media created illusions. They become isolated and detached from wider reality. As Eduardo Galeano put it, "The majority must resign itself to the consumption of fantasy. Illusions of wealth are sold to the poor, illusions of freedom to the oppressed, dreams of victory to the defeated and of power to the weak."

As Harold Lasswell said in 1927, "The new antidote to willfulness is propaganda. If the mass will be free of chains of iron, it must accept its chains of silver. If it will not love, honor, and obey, it must not expect to escape seduction."

Most people live in a mental cage now, they toil on mentally conditioned plantations. As Gore Vidal put it in *The Great Unmentionable*, "We are like people born in a cage and unable to visualize any world beyond our familiar bars.... That opinion the few create in order to control the many has seen to it that we are kept in permanent ignorance of our actual estate."

To paraphrase a wise man who once fought against the .01%, 'The depravity and amount of suffering required for the accumulation of such a staggering magnitude of wealth, in the hands of a few, is kept out of the mass media, and it is not easy to make people understand this.' Especially when we have an all-encompassing propaganda system.

II: Enlightened Despotism

The most prevalent censorship today is censorship of any thoughts outside of corporate ideology. Information that leads to critical thought on the established power structure is omitted from public consciousness. Any thoughts that veer outside the spectrum of status quo supporting opinion are left out of the debate.

The mainstream press does not cover the most vital social, economic and political issues. The more important something is, the less they report on it. If mentioned at all, it's mentioned in passing, with little, if any, in-depth reporting, discussion and debate on it. It's censorship by omission and bullshit on repetition.

The Spectrum of Thinkable Thought

The mainstream media limits the debate within a Republican vs. Democrat parameter. If the two dominate political parties, which are both funded and controlled by the .01%, do not focus on an issue, it is omitted from public consciousness.

As Noam Chomsky observed, this is how propaganda and social control posing as freedom and democracy works: "The smart way to keep people passive and obedient is to strictly limit the spectrum of acceptable opinion, but allow very lively debate within that spectrum.... That gives people the sense that there's freethinking going on, while all the time the presuppositions of the system are being reinforced by the limits put on the range of the debate."

To paraphrase Alex Carey, the mainstream media creates 'the spectrum of thinkable thought. They set the terms of debate, to determine the kinds of questions that will dominate public consciousness, people's thoughts. They set the political agenda in ways that are favorable to corporate interests. The debate is never about the curtailment of the manipulative power of global corporations.'

Imagine how different our current economic conditions would be if the mainstream media kept discussing how a small percentage of the population has \$50 trillion in wealth, then they started debating how we could use just a fraction of that wealth to solve problems, create solutions and evolve society. What if they reported the fact that 0.5% of the 1%'s wealth could eliminate poverty?

Imagine if the mainstream media focused coverage on the trillions of dollars in fraudulent activity and theft that got us into this crisis. What if they reported on the \$12 trillion in hidden wealth? What if they reported the fact that 70% of the population cannot generate enough income to afford the cost of living without taking on ever-increasing debt?

What if they focused our attention on the Business Roundtable and the 147 interconnected companies that control 50% of the world's economy and dominate both political parties? What if they reported on all the wealth and resources that those corporations control, then debated how that wealth and those resources could be redeployed to get us onto a sustainable path?

These are just a few of the economic issues that real journalism would make known to the public in a genuine democracy. Pick any issue that affects overall society that you are knowledgeable about and look at how the mainstream media covers that issue, if they even cover it at all.

Speaking of real democracy, imagine in-depth coverage on the corruption of our political process through a system of bribery that makes the mafia look like amateurs.

What if we had real journalism instead of infotainment and talking heads reading teleprompters and reciting .01% talking points? Would the .01% get away with consolidating wealth and power in such extreme and unprecedented fashion?

Once your consciousness expands beyond the narrow parameters set by the two dominate .01% controlled political parties and the mainstream media, and you become aware of the unprecedented wealth that is available, you see how truly corrupt, shortsighted and obsolete our system is. You then realize that our mainstream media system is pure propaganda.

Mainstream media is the most effective weapon of mass oppression humanity has ever known. As William Blum said, "Propaganda is to democracy what violence is to dictatorships." When it comes to oppression, it's all cyclical yet evolutionary. Physical force has evolved into mental conditioning. It's "enlightened despotism."

In the land of propaganda, tyranny is democracy. The harsh truth is that we are not freethinking participatory citizens involved in the decision-making processes that guide our lives and determine our fate. We are mentally conditioned to be spectators and servants, reactionary consumers and mindless wage slaves.

III: Totalitarian Minds

In Jacques Ellul's 1965 analysis of the social mind, *Propaganda: The Formation of Men's Attitudes*, he summed up the present crisis with stunning insight:

"Propaganda ruins not only democratic ideas but also democratic behavior – the foundation of democracy, the very quality without which it cannot exist.... Propaganda destroys its very foundations. It creates a man who is suited to a totalitarian society....

A man who lives in a democratic society and who is subjected to propaganda is being drained of the democratic content itself – of the style of democratic life, understanding of others... he is a 'totalitarian man with democratic convictions,' but those convictions do not change his behavior in the least. Such contradiction is in no way felt by the individual for whom democracy has become a myth and a set of democratic imperatives, merely stimuli that activate conditioned reflexives.

The word democracy, having become a simple incitation, no longer has anything to do with democratic behavior. And the citizen can repeat indefinitely 'the sacred formulas of democracy' while acting like a storm trooper."

That is the most accurate description of the modern propagandized "citizen" that I've ever come across. Ellul went on to explain the inherent danger of our two-party system and the general apathy Americans have toward politics:

"The conflicting propaganda of opposing parties is essentially what leads to political abstention. But this is not the abstention of the free spirit which asserts itself; it is the result of resignation, the external symptom of a series of inhibitions. Such a man has not decided to abstain; under diverse pressures,

subjected to shocks and distortions, he can no longer (even if he wanted to) perform a political act. What is even more serious is that this inhibition not only is political, but also progressively takes over the whole of his being and leads to a general attitude of surrender....

At the same time, this crystallization closes his mind to all new ideas. The individual now has a set of prejudices and beliefs.... His entire personality now revolves around those elements. Every new idea will therefore be troublesome to his entire being."

In Comments on the Society of the Spectacle, Guy DeBord summed up the primary function of the mainstream media, "For what is communicated are orders; and with perfect harmony, those who give them are also those who tell us what they think of them."

For a deeper understanding, let's return to Ellul:

"Governmental propaganda suggests that public opinion demand this or that decision; it provokes the will of the people, who spontaneously say nothing. But, once evoked, formed, and crystallized on a point, that will becomes the people's will.

The government really acts on its own, it just gives the impression of obeying public opinion, after having first built that public opinion. The point is to make the masses demand of the government what the government has already decided to do."

They "amputate the argument" and replace it with "engineered consensus." As Robert Lynd wrote in Democracy In Reverse, "They operate actually to confirm the citizen's false sense of security in totaling up 'what the majority think'... The false sense of the public's being 'boss' that they encourage operates to narcotize public awareness of the seriousness of problems and of the drastic social changes many contemporary situations require."

James Madison also realized this when he wrote, "The larger a country, the less easy for its real opinion to be ascertained, and the less difficult to be counterfeited." That was written in 1791, when the US population was only about five million people. Bertrand Russell also hit at the root in Free Thought and Official Propaganda, when he said, "it is much easier than it used to be to spread misinformation, and, owing to democracy, the spread of misinformation is more important than in former times to the holders of power."

Once the mainstream media has created the impression that public opinion is in favor of something, people are much more inclined to support that opinion themselves. In 1935, Malcolm Willey explained, "An individual may be moved to action through repetition, as, for example, in advertising; but his action is made more certain if he is made to realize that thousands, even millions, of others are thinking and feeling as he himself does. Herein lies the importance of the contemporary communication network; it not only carries its symbols to the individual, it also impresses upon him a sense of numbers."

As social psychologist Gabriel Tarde wrote in 1901, "Newspapers have transformed... the conversations of individuals, even those who do not read papers but who, talking to those who do, are forced to follow the groove of their borrowed thoughts. One pen suffices to set off a million tongues."

In summation, as the .01% knows very well, if you have enough wealth to own mainstream media companies, you can limit and focus debate in terms that are favorable to your interests, and you can repetitiously condition the masses with messages and opinions that support your objectives.

In Taking the Risk Out of Democracy, Alex Carey summed it up in one sentence: "That this simple regime of thought-control should prove to have been so triumphant, with so little public resistance, must be put down to its persistent, repetitive orchestration."

IV: Indoctrinated Intelligentsia

What the old masters used to do with whips, they now do with paychecks. The .01% conditions the population through the mainstream media and they use their wealth to coerce, bribe and indoctrinate the administrative class into propagating their ideology. An indoctrinated intelligentsia has been produced like products off an assembly line. In The Genesis of the Technocratic Elite, Zoran Vidakovic breaks down how the assembly line of indoctrination works:

"Selection, education, and specific indoctrination of technical and administrative cadres are carried out first in metropolitan educational and research factories and their branches in dependent societies, under

the wing of the superficially independent foundations which sustain the international projects of 'technical aid,' and then within the personnel policy of the transnational corporations that raise people from the local environments to responsible managerial and technical functions in their internationally located branches, or that in other ways subordinate and direct the 'modernized' industrial entrepreneurs, agrarian 'reformers,' functionaries, and leading intellectuals from the ministries and banks, universities, and public information, cultural, and scientific institutions.

The essential effect of this great factory for the almost assembly line production of dependent and emasculated 'technocratic elites' is that the material position, status, and professional success of the members of these groups imperatively depends on their conformity to the ideology of dependence and the interiorization of the intellectual, political, and ideological characteristics of this social type programmed in metropolitan laboratories for the technological, social, and cultural transformation of 'developing countries.'...

The ideology of total repression unites with the ideology of technological and cultural dependency and assimilation; in this union repression gains strength as the condition of the entire dependent economic growth, technological progress, and 'modernization of society,' as a circle of insurmountable dependency on the import of prefabricated knowledge and technical and consumerist models is closed up by the ambitions of the protagonists of authoritarian rule."

As you can see, you don't need a conspiracy theory to understand this system of indoctrination and mental conditioning; you just need to have a basic understanding of social psychology and behaviorism. We live in a Skinner box. It's classic "behavioral modification" (b-mod) within a "token economy." The .01% incentivizes and rewards certain behavior, and they punish or withdraw basic necessities for other behavior.

It's behaviorism 101. Give people a paycheck to have certain opinions and do certain things. You can see it everywhere, in almost all professions, not just the media. If you think a certain way, if you do certain things, you will be awarded with a paycheck. If you don't, you lose your paycheck. Or, to paraphrase Thomas Paine in Rights of Man, "Those who do not participate in this enacting do not get fed."

As W.E.H. Lecky once said, "The simple fact of applying certain penalties to the profession of particular opinions, and rewards to the profession of opposite opinions, while it will make many hypocrites, it will also make many converts."

If you propagate the message of the .01% and uphold the status quo, you can become rich and famous. That's what shortsighted ego-driven careerists do. They are the ultimate pawns of empire. They enrich themselves by riding the coattails of conquerors.

The bottom line is the bottom line; you either bow down and play by their rules or you lose access to basic necessities. It's the root of modern monetary and mental enslavement.

V: Free Your Mind

When you expose mental conditioning processes, the false reality and illusions that people are trapped in, the propagandized mind will instinctively dismiss or attack you. When it comes to the reactionary propagandized mind, their impulsive, instinctive dismissal further demonstrates how well they have been indoctrinated and conditioned. People will bite your hand when you try to remove the mental leash from their neck.

As Mihaly Csikszentmihalyi explained in *The Evolving Self*, "To prevent its annihilation, the ego forces us to be constantly on the watch for anything that might threaten the symbols on which it relies for identity. Our view of the world becomes polarized into 'good' and 'bad' – things that support the image, and those that threaten it." This is also how the third Mayan veil works. In this case, our media created cultural programming; it distorts reality to make it congruent with conditioned views.

Anything that deviates from the conditioned norm is ridiculed and instantly, instinctively dismissed before critical thinking skills are activated. The repetitious conditioning process leads to an amputation of critical thinking faculties. That which people are not familiar with becomes evil and damaging to their mental construct, to their conditioned thought patterns and their fabricated self-image.

We tend to look for anything that confirms our pre-existing beliefs while ignoring anything that goes against them. This is how confirmation bias works, to paraphrase Bertrand Russell: "If people are offered a fact which goes against their conditioning or cultural programming, they will refuse to

believe it. If, on the other hand, they are offered something which goes in accordance to their conditioning, they will accept it, even on the slightest evidence.'

Carl Sagan referred to this as being in a state of bamboozlement: "One of the saddest lessons of history is this: If we've been bamboozled long enough, we tend to reject any evidence of the bamboozle. We're no longer interested in finding out the truth. The bamboozle has captured us. It's simply too painful to acknowledge, even to ourselves, that we've been taken. Once you give a charlatan power over you, you almost never get it back."

Until you see the walls, you can't break free. As Aldous Huxley put it in *Brave New World Revisited*, "The victim of mind-manipulation does not know that they are a victim. To them, the walls of their prison are invisible, and they believe they are free." When it comes to the current mental conditioning process, it's hard to break free when you are repetitively told you are free.

Having been bred within this all-pervasive propaganda system, I understand the disbelief people feel. When our conditioned belief system is called into question and comes crashing down, it is a hard pill to swallow. No one wants to believe that they have been manipulated or taken advantage of. This will stir up an instinctive dismissal, a powerful emotional response. We are creatures of habit, and it is much easier, over the short-term, to just stay on a path of denial and ignorance. Hear no evil. See no evil.

Toward Freedom

The task is to consciously counter conditioned consciousness. The most difficult and important prerequisite to freedom is the ability to see past all of your culturally programmed biases. It takes great personal inner-strength and determination to achieve this. You will inevitably have to face many facts that will go against your programmed, conditioned beliefs. If you can endure this, you will experience true freedom.

As Mihaly Csikszentmihalyi put it in *The Evolving Self*, "In order to gain control of consciousness, we must learn how to moderate the biases built into the machinery of the brain. We allow a whole series of illusions to stand between ourselves and reality.... These distortions are comforting, yet they need to be seen through for the self to be truly liberated... to come ever closer to getting a glimpse of the universal order, and of our part in it."

Even if a person is strong enough to have an awareness of their conditioning, it is another level to confront and transcend it. As Nietzsche said in *Twilight of the Idols*, "Even the most courageous among us only rarely has the courage for that which he really knows."

Noam Chomsky makes the ease in which you can free your mind clear, and stresses the importance of doing so:

"To take apart the system of illusions and deception which functions to prevent understanding of contemporary reality is not a task that requires extraordinary skill or understanding. It requires the kind of normal skepticism and willingness to apply one's analytical skills that almost all people have and that they can exercise...."

As long as some specialized class is in position of authority, it is going to set policy in the special interests that it serves, but the conditions of survival, let alone justice, require rational social planning in the interests of the community as a whole, and by now that means the global community.

The question is whether privileged elite should dominate mass communication and should use this power as they tell us they must - namely to impose necessary illusions, to manipulate and deceive.... In this possibly terminal phase of human existence, democracy and freedom are more than values to be treasured; they may well be essential to survival."

Most of us are aware that our economic and political systems are overrun with corruption and that society is on a disastrous path. However, many of us feel powerless to change things. It is stunning to hear so many people say that they can't do anything about it. Far too many people think that we can't create change; that is the primary reason why we don't. Why do you think that we can't change the world? How did you come to that conclusion? Who taught you to believe that?

These beliefs are only a result of our conditioning; it's a propaganda-induced delusion. We have become so propagandized that many of us do not realize the significant position that we are in. We are a critical mass of people who have the power to evolve society and change the course of history.

The overwhelming majority of people feel powerless to create political change. If they would just

realize that they are the overwhelming majority, they would no longer feel this way. As Ellul said, "Only when he realizes his delusion will he experience the beginning of genuine freedom – in the act of realization itself – be it only from the effort to stand back and look squarely at the phenomenon and reduce it to raw fact."

As Malcolm X said, "I say and I say it again, you've been had. You've been took. You've been hoodwinked, bamboozled, led astray, run amok." We live in the richest and most technologically advanced society in the history of civilization. There is no reason for poverty to exist. People should not have to struggle and be buried in debt to get basic necessities and live a healthy life. We've been hoodwinked, bamboozled and led astray, as the .01% runs amok.

Transcend Conditioned Consciousness

Time comes and times go...

Thanks to the Internet, people are now freeing their minds from conditioning. The Internet is to our generation what pamphlets were to our forefathers' during the first American Revolution. People are using the Internet to find out all the vital information that the mainstream media is not letting people know about. As a result, we now have a critical mass of informed and outraged citizens.

As William Adams Brown said, "We are developing a social conscience, and situations which would have been accepted a generation ago as a matter of course are felt as an intolerable scandal." John Dewey continues, "Liberty in the concrete signifies release from the impact of particular oppressive forces; emancipation from something once taken as a normal part of human life but now experienced as bondage.... Today, it signifies liberation from material insecurity and from the coercions and repressions that prevent multitudes from participation in the vast cultural resources that are at hand."

The inevitable demise of the .01% was summed up by George Orwell when he said, "For if leisure and security were enjoyed by all alike, the great mass of human beings who are normally stupefied by poverty would become literate and would learn to think for themselves; and when once they had done this, they would sooner or later realize that the privileged minority had no function, and they would sweep it away. In the long run, a hierarchical society was only possible on a basis of poverty and ignorance."

As Thomas Jefferson once said, "Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of day."

People are throwing off their mental shackles and realizing their potential. We are now transcending conditioned consciousness and expanding our awareness on a scale unprecedented in human history.

An empowering consciousness is evolving.

THE LONG STORY: THE BRITISH ESTABLISHMENT

Binoy Kampmark; Global Research

There have been stages in British history when the Establishment, a term popularised by Henry Fairlie in the 1950s, has come in for some rough treatment, if only in cranky press columns. Structurally speaking, the Establishment – that group of individuals whose role is merely to influence others by means of the Oxbridge common room deal – remains relevant, even if it remains an unhealthy sore of British tradition.

Recently, the establishment, if it passes for that, has come in for another round of punishment given the resignation of London's Lord Mayor Fiona Woolf as head of the Government's child sex abuse inquiry. It is said that she had links to Lord Leon Brittan, who, as Tory Home Secretary in the 1980s, failed to act on a dossier of paedophilia allegations.[1] In her words, such "negative comment and innuendo" based on mere "perceptions" were the reasons cited for the resignation.

This brings the number of resignations for a perceived conflict of interest in the same position to two, with Baroness Butler-Sloss quitting because her late brother Sir Michael Havers was attorney-general during the Thatcher years. The Establishment face-off with efforts to unmask

paedophilia continues.

Such conflicts are the stuff of tired institutions, notably those seemingly beyond reform. When Prime Minister John Major implemented his disastrous “Back to Basics” campaign, one which emphasised traditional values which were promptly ignored in both bedroom and home, Martin Jacques would write in the Sunday Times (Jan 16, 1994) that it was a “parable about the state of our nation.” British society was “embarrassed by its own radicalism”, having “no language in which to express it properly.” Institutions had been left stranded, and the past a poor substitute to articulate matters relevant to the present.

All that, however, hardly matters. The establishment continues to prove infuriating with rituals, which possess an almost byzantine quality. They are protected by the media, which is very much attuned to the protocols of establishment discretion. Sources are often anonymous, with the information cycle and resulting decisions, being controlled by “credible” links. These remain hidden. People are shrouded, tracks covered. It was this point that Fairlie noted in writing about the defection of Guy Burgess and Donald Maclean to the Soviet Union, both of the Cambridge Five set who, ironically, worked within the establishment against itself. But old boys always remain old boys, even if they piddle in the ponds of their upbringing.

Fairlie’s own description of the establishment was one featuring both “the centres of official power” and “the whole matrix of official and social relations within which such power is exercised.” Notably here, the exercise of that power is based on those “subtle social relationships” with links, connections, engagement.

Owen Jones, in the latest book on the same subject, prefers to see the establishment as a network of “powerful groups that need to protect their position in a democracy in which almost the entire adult population has the right to vote.”[2] Establishment thinking is corrupted by its own assumptions – it rejects the state but thrives on its complicity and assistance, be it rights and protections of private property, vast subsidies, bailouts, a form of “socialism for the rich”.

But the new establishment wealth is what bothers such individuals as Martin Amis, unhappy that money has gotten the better of Britain, creeping along the class lines and then liquidating them like an asphyxiating fig tree. “Money has won.”[3] The host has been strangled – class Britain has become moneyed Britain. This is not merely some grumpy snipe – Britain has changed. The Thatcherite misfits have become the tenured Blairites, who have become the drunk Cameroonians dealing in disingenuous notions of shrinking the state. This is a crude Britain, but it hardly suggests a more egalitarian one. The new billionaires are stalking the land, modern oligoi who have taken all and sundry under the direction of the law. Some of the Tory toffs are struggling to keep up.

All societies tend towards elites of some sort, even as they deny they are doing so. “The idea of the establishment survives more in the aspiration to show defiance than the craving to belong,” argues Rafael Behr in *The New Statesman* (8-14 Feb, 2013). This is not necessarily a healthy thing, but it need not be an unhealthy one. As Jacques himself noted, such an elite needs to work according to forms of “openness and porousness”. Those in power should be accountable. It should be wielded with a degree of transparency. Breaches of that trust should be punished.

Such visions remain impaired, more by structural features such as the continued dominance of elite universities that feed Whitehall and City, and the sideways movement of state privatisation. The establishment has become outsourced and very much a creature of market principles. The People’s Army of UKIP, for that reason, are a bubbling menace for it, dragging away support with its truculent populism. UKIP’s victory at Clacton-on-Sea, and close calls at Heywood and Middleton, are giving the Tories blushes and headaches. In some parts of the country, they also risk doing the same to Labour.

The pub, rather than Parliament, has tended to be the great leveller. It is something UKIP’s leader, Nigel Farage knows all too well. The pint at the bar with the ‘common folk’ implies precisely that, an undermining of the threads of hierarchical relations with chummy familiarity and engagement. Common is not establishment, a sort of nervous rejection about the same people who just might vote for the same party. That is the exercise of power by social relations of a different sort, with people Prime Minister David Cameron all too prematurely termed “fruitcakes, loonies

and closet racists”.

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Notes

[1] <http://www.telegraph.co.uk/news/uknews/crime/11202624/Questions-for-Theresa-May-as-Fiona-Woolf-resigns.html>

[2] <http://www.theguardian.com/society/2014/aug/26/the-establishment-uncovered-how-power-works-in-britain-elites-stranglehold>

[3] <http://www.spectator.co.uk/features/9163651/a-buyers-guide-to-the-british-establishment/>

LET'S LISTEN TO JOHN ADAMS

“Wolla Dalbo”; Neo-Neo-Con; via Edward Spalton

Despite our Founders deep knowledge, real world experience and street smarts, their very informed, widespread discussions and debates about how to set up our government, when you think about it, our Constitution and our government, in essence, just assume and rely on the good faith and fidelity of our leaders for them to work, there are no really effective, built in mechanisms to prevent a leader from becoming a tyrant, and those weak tools we do have, also assume that a vigilant and courageous Congress will invoke and implement them.

The assumption is that our leaders—people who we just assume understand and love our country, its history, traditions, and form of government—will generally obey both the spirit and the letter of our Constitution, our laws, and our traditions, and have the vision and guts to implement them, no matter what.

I agree about the Founders’ deep knowledge—wisdom even. But if they set up the government the way they did, it was not because of any sort of naivete or vague hopefulness about government or its leaders, it was because they realized that there is no way to protect people who have lost their own wisdom and judgment about these things. The Founders tried to put in all the built-in, automatic stops to tyranny they could devise, and they were tremendously clever and creative about it. But they also realized that the task of protecting people was impossible, and that the temptation to go the way of tyranny would be great. Perhaps even unstoppable.

But they tried their best. Maybe even the best anyone could have done.

Let’s hear John Adams:

I do not say that democracy has been more pernicious on the whole, and in the long run, than monarchy or aristocracy. Democracy has never been and never can be so durable as aristocracy or monarchy; but while it lasts, it is more bloody than either. ... Remember, democracy never lasts long. It soon wastes, exhausts, and murders itself. There never was a democracy yet that did not commit suicide. It is in vain to say that democracy is less vain, less proud, less selfish, less ambitious, or less avaricious than aristocracy or monarchy. It is not true, in fact, and nowhere appears in history. Those passions are the same in all men, under all forms of simple government, and when unchecked, produce the same effects of fraud, violence, and cruelty. When clear prospects are opened before vanity, pride, avarice, or ambition, for their easy gratification, it is hard for the most considerate philosophers and the most conscientious moralists to resist the temptation. Individuals have conquered themselves. Nations and large bodies of men, never.

From the same letter:

The jaws of power are always open to devour, and her arm is always stretched out, if possible, to destroy the freedom of thinking, speaking, and writing. Liberty cannot be preserved without a general knowledge among the People, who have... a right, an indisputable, unalienable, indefeasible, divine right to that most dreaded and envied kind of knowledge, I mean the characters and conduct of their rulers. There is danger from all men. The only maxim of a free ‘government’ ought to be to trust no man living with power to

endanger the public liberty. Liberty cannot be preserved without general knowledge among people.

That last sentence is perhaps the most important. But they're all pretty important. Adams' thoughts on this should be prominently displayed and taught in every classroom. But even I, who had a more traditional, old-fashioned education, never learned this sort of thing. Was it thought too difficult, too boring, for kids? Or had the educational system already been taken over by the left, even way back then (remember, I grew up in NYC, where the teachers' unions were already leftist)

HYPOTOPIA: HOW A €19BN MODEL CITY HAS CHANGED AUSTRIA'S ATTITUDE TO PROTEST

Ajit Niranjana; the Guardian; via Obi; Occupy

Campaigners wanted to help the public understand how much money the government had used to bail out a bank – so they created the model for a vast city that could be built for the same amount of cash.

Riots and demonstrations have gripped the continent's capitals for the past five years of the eurozone crisis – but in Vienna, a group of innovative students are trying a different form of urban protest.

Corrupt politicians, jailed banking bosses and alleged connections to shady mafia groups in the Balkans – the story of failed Bavarian bank Hypo Alpe Adria has been an ongoing catastrophe for Austria. But the largely passive public reaction to the €19bn bailout of this “bad bank” inspired a group of architecture, civil engineering and urban planning students to pose the question: what could you build with €19bn?

Over four months, these students from the Technical University of Vienna designed and created a model city for the same price as the bailout in one of Vienna's main squares, Karlsplatz, as a protest project that has captured the attention of the country.

The model city was designed with green spaces and transport links, and could theoretically hold 102,574 inhabitants.

Named “Hypotopia”, combining the name of the failed bank with the utopia the students wanted to create, the model city could theoretically hold 102,574 inhabitants – making it the sixth largest city in Austria, a country with a population roughly equal to London. After an unexpected nomination, Hypotopia is now in the running to be “Austrian word of the year”, and a social media campaign is rapidly gathering signatures.

The fledgling team built the city without any funding or support. They wanted to help the public visualise the enormous scale of the bailout. Project founder and civil engineering student Lukas Zeilbauer said: “Hypotopia is more than just an architecture project, it's a protest in concrete.

“The online petition calling for an official inquiry didn't get much more than 150,000 signatures. If the public actually knew just how much money had been taken from us, then there'd be many, many more. Education is an important part of that.”

Hypotopia was built from concrete and wooden blocks donated by businesses, and stood on display outside Vienna's famous Karlskirche church for three weeks in October. The project attracted tens of thousands of visitors. Several prominent figures visited, including the president Heinz Fischer and politicians from all important political parties. Accompanying lectures were held in the neighbouring technical university on a range of topics concerning the city, including economics, education and green cities.

The exhibition culminated in a march around the city under the slogan “Wir tragen die Last der Zukunft” (We bear the burden of the future).

The exhibition culminated in a protest on 30 October, in which more than 1,000 Austrians marched around the Ringstraße road around the city centre to parliament. Demonstrators used trolleys and wheelbarrows to carry more than 25 tonnes of Hypotopia's concrete blocks with them, carrying a banner with the words: "Wir tragen die Last der Zukunft" (We bear the burden of the future).

Protesters on the march carried the concrete and wooden blocks from the model city.

Matthias Strolz, founder and chairman of the liberal New Austria party, was one of the MPs who joined the march. "At parliament we've dumped the sixth largest city in Austria – between Klagenfurt and Innsbruck in terms of size – which you could build with the money of the Hypo disaster," Strolz said. "This is a memorial against political incompetence, a signal to politicians that this will go on further."

The sentiment was echoed by many protesters, who felt the creation of Hypotopia had a strong impact on public perception of the scandal. "People were absolutely shocked by how much €19bn is," said one organiser. "The Austrian people just can't think in such dimensions."

Hypo Alpe Adria was nationalised in 2009 to prevent its collapse after a series of corruption scandals. €5.5bn of tax-payers' money was immediately poured in to cover outstanding loans, with a further €10-14bn projected to cover the rest. Public disapproval for the government's handling of the scandal stands at 65% and most Austrians would have preferred to let the bank go under than fund its bailout. Despite this, Hypotopia's creators felt the public were too willing to accept the loss of their money.

Diana Contiu, architecture student at the Technical University of Vienna and co-creator of Hypotopia.

With an enormous theoretical budget of €19bn, Zeilbauer's team of students had the freedom to think big. They meticulously designed the city to industrial standards, factoring in the costs of everything from soil excavations to education. Hypotopia contains more than 1,200 components, including rubbish incinerators, power plants and €2.15bn of planned transport infrastructure.

"We used real costs for everything. Every wooden and concrete block you see in the model is a building," explained Zeilbauer. "We know how many people live on each floor, the purpose of each building, and how much it would cost per square metre. We've included everything a city needs – though you'll find there are no banks here in Hypotopia."

Although the city was disassembled for the protest march, the brains behind Hypotopia want its success to continue. Most of the concrete blocks are being recycled but a few are being retained for next year's Vienna Biennale art festival to ensure the project lives on.

"Our online platforms are also still running," said urban planner Manuel Oberaufner. "The fact that our exhibition and the physical model of Hypotopia is gone does not mean that our idea has died."

BIG BROTHER WATCH

Emma Carr

Who's Watching Your Webcam?

The Daily Mail has revealed that people could be being watched in their own homes or at work as hackers are targeting webcams and uploading the live footage to the internet. The warning comes from the Information Commissioner's Office (ICO), which is urging people to upgrade their passwords from the default setting.

Very few people would leave their front doors unlocked, yet failing to password protect your devices carries the same risks to both their privacy and security. As the capability of these devices becomes increasingly sophisticated, it is inevitable that users will inadvertently expose themselves and their lives to hackers.

This warning from the ICO should come as a timely wake up call that the public need to start educating themselves about the technology they are bringing into their homes and how to keep it secure. The advice from the ICO is:

Change your default password
Check all available security settings
Secure all your other devices with an internet connection

GCHQ Chief Criticises Tech Firms

In an unusual step the new head of GCHQ, Robert Hannigan, has written an article accusing technology companies of aiding terrorism and failing to help with investigations. The article is entirely vague in its criticisms of the tech companies, giving little detail of what information GCHQ is failing to receive from the tech companies..

The article in the Financial Times states that "the largest US technology companies that dominate the web" were "in denial" about the roles they played in helping terror groups evade intelligence agencies. He went on to argue that these websites had become the "command and control networks of choice" for terrorists.

What is concerning is that there is no indication that the tech companies already assist law enforcement and intelligence agencies at all. When in fact there are official treaties (the Mutual Legal Assistance Treaty) and voluntary schemes with individual companies. For instance, in August 2013 Facebook published its first transparency report. It showed that the UK requested data on 1,975 occasions, of these only 32% were rejected. As well as this in 2012 UK law enforcement bodies made the most requests for information from Skype, nearly double the amount made in Germany.

Off the record: How Police Use Surveillance Powers

We recently published a report (PDF) highlighting the true scale of police forces' use of surveillance powers. The report comes at a time when the powers have faced serious criticism, following revelations that police have used them to access journalists' phone records.

The research focuses on the use of 'directed surveillance' contained in the controversial Regulation of Investigatory Powers Act (RIPA) by police forces; a form of covert surveillance conducted in places other than residential premises or private vehicles which is deemed to be non-intrusive, but is still likely to result in personal information about the individual being obtained.

Although the report details how directed surveillance powers were authorised more than 27,000 times over a three year period, police forces are not compelled to record any other statistics; therefore we cannot know the exact number of individuals that these authorisations relate to.

PARENTS FIGHT BRITISH SOCIAL SERVICES 'GAG' TO PETITION EUROPEAN PARLIAMENT

Bruno Waterfield, Daily Telegraph; via Victims Unite

(This article reflects the tip of a very large iceberg, as regular readers of Victims Unite will know. We have no constitutional protection against secret 'justice', the very concept of which must surely be oxymoronic - Ed)

Britain's social services are "unique" in the European Union for "threatening and bullying" parents who speak out against the forced adoption or "snatching" of their children, MEPs have said.

The comments were made after a group of British parents who lost their children to social workers or forced adoption took their plight to the European Parliament's petition committee on Tuesday, which makes representations to the European Commission.

One man from south east England, who cannot be named due to court injunctions, told The Telegraph that he was threatened with arrest if he complained to the Brussels assembly's about his son being forcibly put into care. "These authorities are like the modern Nazis," he said. "I was told I could be arrested for protesting over my son being forcibly placed in care."

The parliament's committee condemned "unacceptable" moves to pressure people from giving

evidence to MEPs at a time when most complaints about forced adoption or the unjust loss of children to social services are coming from Britain.

Related Articles

"In my experience, the UK is unique in Europe for the secrecy of its family courts and for the threats and bullying by authorities of parents who want to speak out about their treatment," said Tatjana Zdanoka, a Latvian MEP, "We know that individuals have been threatened with severe consequences by authorities in the UK if they come to the European Parliament's Petitions Committee to tell their story."

It emerged that British parents and European couples have previously been arrested and lost of visiting rights with their children for taking their case to MEPs.

"People are threatened with imprisonment," said Sabine Kurjo McNeill, a campaigner against forced adoptions who helps parents with legal advice. "People have been punished for exercising their rights." Mrs McNeill said that a Portuguese couple who had attended the parliament in March were "arrested and had their house raided" after returning to England.

A Welsh man was punished by having visits to his son restricted, "leading to a suicide attempt," she said.

The commission cannot intervene in child protection cases but has offered to broker a meeting between parents, including many European couples, and the British authorities.

Jude Kirton-Darling, a Labour MEP, called for an investigation because of the increasing number of forced adoption or care complaints coming from Britain. "The number of petitions suggests that something worrying is going on," she said, "There should be a an investigation about what is going on in the UK. There needs to be a detailed response form the Government."

Government officials declined to attend the meeting or to "comment on or intervene in court proceedings or individual cases".

"Parents have legal representatives who are appointed to ensure their views are heard," said a Government letter to MEPs.

OBAMA'S SECRET TREATY WOULD BE THE MOST IMPORTANT STEP TOWARD A ONE WORLD ECONOMIC SYSTEM

Michael Snyder; Activist Post

Barack Obama is secretly negotiating the largest international trade agreement in history, and the mainstream media in the United States is almost completely ignoring it. If this treaty is adopted, it will be the most important step toward a one world economic system that we have ever seen.

The name of this treaty is "the Trans-Pacific Partnership", and the text of the treaty is so closely guarded that not even members of Congress know what is in it. Right now, there are 12 countries that are part of the negotiations: the United States, Canada, Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. These nations have a combined population of 792 million people and account for an astounding 40 percent of the global economy. And it is hoped that the EU, China and India will eventually join as well. This is potentially the most dangerous economic treaty of our lifetimes, and yet there is very little political debate about it in this country.

Even though Congress is not being allowed to see what is in the treaty, Barack Obama wants Congress to give him fast track negotiating authority. What that means is that Congress would essentially trust Obama to negotiate a good treaty for us. Congress could vote the treaty up or down, but would not be able to amend or filibuster it.

Of course now the Republicans control both houses of Congress. If they are foolish enough to blindly give Barack Obama so much power, they should all immediately resign.

And it is critical that people understand that this is not just an economic treaty. It is basically a gigantic end run around Congress. Thanks to leaks, we have learned that so many of the things that

Obama has deeply wanted for years are in this treaty. If adopted, this treaty will fundamentally change our laws regarding Internet freedom, healthcare, copyright and patent protection, food safety, environmental standards, civil liberties and so much more. This treaty includes many of the rules that alarmed Internet activists so much when SOPA was being debated, it would essentially ban all "Buy American" laws, it would give Wall Street banks much more freedom to trade risky derivatives and it would force even more domestic manufacturing offshore.

In other words, it is the treaty from hell.

In addition to imposing Obama's vision for the world on 40 percent of the global population, it is also being described as a "Christmas wish-list for major corporations". Of the 29 chapters in the treaty, only five of them actually deal with economic issues. The rest of the treaty deals with a whole host of other issues of great importance to the global elite.

The following list of issues addressed by this treaty is from a Malaysian news source...

- domestic court decisions and international legal standards (e.g., overriding domestic laws on both trade and nontrade matters, foreign investors' right to sue governments in international tribunals that would overrule the national sovereignty)
- environmental regulations (e.g., nuclear energy, pollution, sustainability)
- financial deregulation (e.g., more power and privileges to the bankers and financiers)
- food safety (e.g., lowering food self-sufficiency, prohibition of mandatory labeling of genetically modified products, or bovine spongiform encephalopathy (BSE) or mad cow disease)
- Government procurement (e.g., no more buy locally produced/grown)
- Internet freedom (e.g., monitoring and policing user activity)
- labour (e.g., welfare regulation, workplace safety, relocating domestic jobs abroad)
- patent protection, copyrights (e.g., decrease access to affordable medicine)
- public access to essential services may be restricted due to investment rules (e.g., water, electricity, and gas)

Why can't we get this type of reporting in the United States?

And if this treaty is ultimately approved by Congress, we will essentially be stuck with it forever.

This treaty is written in such a way that the United States will be permanently bound by all of the provisions and will never be able to alter them unless all of the other countries agree.

Are you starting to understand why this treaty is so dangerous?

This treaty is the key to Obama's "legacy". He wants to impose his will upon 40 percent of the global population in a way that will never be able to be overturned.

Of course Obama is touting this treaty as the path to economic recovery. He promises that it will greatly increase global trade, decrease tariffs and create more jobs for American workers.

But instead, it would be a major step toward destroying what is left of the U.S. economy

Over the past several decades, every time a major trade agreement has been signed we have seen even more good jobs leave the United States. And it doesn't take a genius to figure out why this is happening. If corporations can move jobs to the other side of the planet to nations where it is legal to pay slave labor wages, they will make larger profits.

Just think about it. If you were running a corporation and you had the choice of paying workers ten dollars an hour or one dollar an hour, which would you choose?

Plus there are so many other costs, taxes and paperwork hassles when you deal with American workers. For example, big corporations will not have to provide Obamacare for their foreign workers. That alone will represent a huge savings. Any basic course in economics will teach you that labor flows from markets where labor costs are high to markets where labor costs are lower. And at this point it costs less to make almost everything overseas. As a result, we have already lost millions upon millions of good jobs, and countless small and mid-size U.S. companies have been forced to shut down because they cannot compete with foreign manufacturers.

Later this month, consumers will flock to retail stores for "Black Friday" deals. But if you look carefully at those products, you will find that almost all of them are made overseas. We buy far, far more from the rest of the world than they buy from us, and that is a recipe for national economic suicide.

We consume far more wealth than we produce, and anyone with half a brain can see that is not sustainable in the long run. The only way that we have been able to maintain our high standard of living is by going into insane amounts of debt. We are currently living in the largest debt bubble in the

history of the planet, and at some point the party is going to end.

Please share this article with as many people as you can. We need to inform people about what Obama is trying to do. If Obama is successful in ramming this secret treaty through, it is going to do incalculable damage to what is left of the once great U.S. economy.

This article first appeared here at the Economic Collapse Blog. Michael Snyder is a writer, speaker and activist who writes and edits his own blogs The American Dream and Economic Collapse.

UPDATED SECRET TRANS-PACIFIC PARTNERSHIP AGREEMENT (TPP)

Activist Post

WikiLeaks has released a second updated version of the Trans-Pacific Partnership (TPP) Intellectual Property Rights Chapter. The TPP is the world's largest economic trade agreement that will, if it comes into force, encompass more than 40 per cent of the world's GDP. The IP Chapter covers topics from pharmaceuticals, patent registrations and copyright issues to digital rights. Experts say it will affect freedom of information, civil liberties and access to medicines globally. The WikiLeaks release comes ahead of a Chief Negotiators' meeting in Canberra on 19 October 2014, which is followed by what is meant to be a decisive Ministerial meeting in Sydney on 25–27 October.

Despite the wide-ranging effects on the global population, the TPP is currently being negotiated in total secrecy by 12 countries. Few people, even within the negotiating countries' governments, have access to the full text of the draft agreement and the public, who it will affect most, none at all. Large corporations, however, are able to see portions of the text, generating a powerful lobby to effect changes on behalf of these groups and bringing developing country members reduced force, while the public at large gets no say.

Julian Assange, WikiLeaks' Editor-in-Chief, said:

"The selective secrecy surrounding the TPP negotiations, which has let in a few cashed-up megacorps but excluded everyone else, reveals a telling fear of public scrutiny. By publishing this text we allow the public to engage in issues that will have such a fundamental impact on their lives."

The 77-page, 30,000-word document is a working document from the negotiations in Ho Chi Minh City, Vietnam, dated 16 May 2014, and includes negotiator's notes and all country positions from that period in bracketed text. Although there have been a couple of additional rounds of talks since this text, little has changed in them and it is clear that the negotiations are stalling and that the issues raised in this document will be very much on the table in Australia this month.

The last time the public got access to the TPP IP Chapter draft text was in November 2013 when WikiLeaks published the 30 August 2013 bracketed text. Since that point, some controversial and damaging areas have had little change; issues surrounding digital rights have moved little. However, there are significant industry-favoring additions within the areas of pharmaceuticals and patents. These additions are likely to affect access to important medicines such as cancer drugs and will also weaken the requirements needed to patent genes in plants, which will impact small farmers and boost the dominance of large agricultural corporations like Monsanto.

Nevertheless, some areas that were highlighted after WikiLeaks' last IP Chapter release have seen alterations that reflect the controversy; surgical method patents have been removed from the text. Doctors' groups said this was vitally important for allowing doctors to engage in medical procedures without fear of a lawsuit for providing the best care for their patients. Opposition is increasing to remove the provision proposed by the US and Japan that would require granting of patents for new drugs that are slightly altered from a previous patented one (evergreening), a technique by the pharmaceutical industry to prolong market monopoly.

The new WikiLeaks release of the May 2014 TPP IP text also has previously unseen addendums, including a new proposal for different treatment for developing countries, with varying transition periods for the text to take force. Whilst this can be viewed as an attempt to ease the onus of this harsh treaty on these countries, our diplomatic sources say it is a stalling tactic. The negative proposals within the agreement would still have to come into force in those countries, while the governments that brought them in would have changed.

Despite the United States wanting to push to a resolution within the TPP last year, this bracketed

text shows there is still huge opposition and disagreement throughout the text. At this critical moment the negotiations have now stalled, and developing countries are giving greater resistance. Despite the huge lobbying efforts, and many favorable proposals for big pharmaceutical companies, they are not getting entirely what they wish for either. Julian Assange said:

"The lack of movement within the TPP IP Chapter shows that this only stands to harm people, and no one is satisfied. This clearly demonstrates that such an all-encompassing and divisive trade agreement is too damaging to be brought into force. The TPP should stop now."

Current TPP negotiation member states are the United States, Japan, Mexico, Canada, Australia, Malaysia, Chile, Singapore, Peru, Vietnam, New Zealand and Brunei.

People to go to for comment:

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ONE OF THE WORLD'S BIGGEST WEAPONS- MAKERS IS BIDDING ON AN NHS CONTRACT WORTH £1 BILLION.

Hanna Thomas, SumOfUs.org

Stop Lockheed Martin from taking over healthcare systems and profiting off our doctors!

(This is an appeal to sign the petition on the SumofUS site - Ed)

American arms-dealer Lockheed Martin is trying to buy up the NHS. If successful, the world's biggest weapons manufacturer will be in your GP's office, handling your records and scheduling your appointments.

Lockheed Martin isn't content with the profits it makes as the USA's favorite military contractor. In addition to selling weapons to armies and individuals around the world, the company has branched out to taking over public services. There's a sick irony in putting healthcare in the hands of a company whose products kill and maim millions of men, women, and children every year. Lockheed Martin products are everywhere: drones in Pakistan, land mines in the Congo and weapons shipments that have been 'misplaced' into the hands of Islamic State militants.

Farming out NHS services to corporations hurts doctors and decreases the quality of patient care. The government says this move will make NHS services more efficient -- but in reality it will just increase Lockheed Martin's profits at our expense, and fund research into more weapons for the US.

Tell the government not to accept Lockheed Martin's bid on the NHS contract. Gun-runners don't belong in the NHS!

The contract to support GP administrative services is worth £1 billion of public money. Lockheed Martin is one of several big corporations vying for it – and the government isn't allowing the NHS to compete.

There are a number of NHS organisations that have been handling this function for years, and they say that they could take the contract right now. But the NHS has been banned from meetings about its own future and isn't being allowed to bid.

If this were really about saving the government money, bidding would be open to organisations that have already proven they can do the job. What's really happening is another step in selling off the NHS to the highest bidder.

This bidder has blood on its hands.

Sign the petition to stop the government from giving £1 billion to Lockheed Martin and giving arms

dealers control of the NHS.

Thanks for all that you do,

More information:

International arms firm Lockheed Martin in the frame for £1bn NHS contract The Independent, 21 November 2014

World's biggest arms firm targets £1billion NHS contract, Mirror, 19 November 2014

NEW EUROPEAN COMMISSION MARRED BY CORPORATE CONFLICTS OF INTEREST

Pratap Chatterjee; CorpWatch; Global Research

The newly elected president of the European Commission and his cabinet – who together form the central executive body for the 28 member states of the European Union – have deep ties with powerful corporate interests that make them poor choices to support citizen rights, say critics.

The European Commission oversees a European Union budget of €142 billion a year and over 23,000 staff. The Commission functions plays a key role in proposing and implementing pan European legislation which directly affect its 507 million citizens as well as rules that govern the national budgets of the 28 member states.

Jean-Claude Juncker who elected by the European Parliament to take over as European Commission president on November 1 came to the job after eight years as the prime minister of Luxembourg, where he helped transform the country into the largest tax haven on the continent.

“Juncker has dedicated his career to ensuring that society becomes less fair; that wealthy institutions and individuals can avoid the taxes little people and small businesses must pay,” writes Nick Cohen, a columnist for the Guardian.

Indeed the European Commission that Juncker has taken over is currently investigating tax arrangements for two major multinationals in Luxembourg – a deal with Amazon from the U.S. struck in 2003 and another with Fiat of Italy that was agreed in 2012.

“National authorities must not allow selected companies to understate their taxable profits by using favourable calculation methods,” said Joaquín Almunia, the European Commission vice president in charge of competition policy, in a press statement issued one week before Juncker took the helm in Brussels. “It is only fair that subsidiaries of multinational companies pay their share of taxes and do not receive preferential treatment which could amount to hidden subsidies.”

Juncker will be joined by 27 other commissioners, one from each member state, who were elected October 22 after four weeks of hearings, that activists say were deeply flawed. “Commissioners were not adequately grilled about their background and possible conflicts of interest and thus if they were suitable for the role,” says Olivier Hoedeman of Corporate Europe Observatory, a Brussels based research and campaign group.* “Too often they failed to elicit precise answers, letting the commissioners-designate off-the-hook.”

Corporate Europe Observatory singled out several who they believe are ill suited for their new roles including Miguel Arias Cañete of Spain, the new climate commissioner; Jonathan Hill of the UK, in charge of financial services; Carlos Moedas of Portugal, the research commissioner; and Karmenu Vella of Malta, who will take on environment, fisheries and maritime affairs.

For example Cañete, the new Energy and Climate Change commissioner, is a shareholder and former president of two Spanish oil companies: Petrolífera Dúcar SL and Petrologis Canarias SL. “Given his current and recent ties to the oil industry, he would regularly find himself caught in real or perceived conflicts of interest,” writes Fabian Flues of Friends of the Earth Europe. (Cañete was

elected despite the fact that almost 600,000 people signed a petition to oppose his appointment.)

Hill from the UK, the new Financial Services and Capital Markets Union commissioner, founded a public relations and lobbying company called Quiller Consultants that has typically represented financial businesses like Bank of America and HSBC and investment managers like Brewin Dolphin and Citadel. Oliver Wright of the Independent called Hill the “most senior former lobbyist in Government” when he became Speaker of the House of Lords.

“European citizens who care about the environment, about tackling the banks, about de-intensifying agriculture, should all be concerned about the composition and direction of the Juncker Commission,” adds Hoedeman. “It will continue, and possibly expand, the pressure on social rights and public services, including under the slogan of ‘competitiveness’, as advocated strongly by the biggest and most powerful corporate lobby groups.”

Pratap Chatterjee is a member of the advisory board of Corporate Europe Observatory.

WHEN IT COMES TO CLIMATE CHANGE, JUST HAVE A LITTLE FAITH!

Ian Henshall; Reinvestigate 9/11

<http://www.dailytech.com/Global+Warming+Afforded+Same+Legal+Status+as+Religion+in+UK/article16721.htm>

This 2009 article could have a bearing on attempts to censor us through the non-violent extremist ploy

(This item might serve as a reprise to the article by Pater Tenebrarum in the last edition - Ed)

In an unusual case in the United Kingdom, it has been ruled that climate change beliefs should be afforded the same legal protections as religious freedoms. The bizarre ruling sets a landmark legal precedent and could have broad implications both in Britain and abroad.

The case began when Tim Nicholson, former head of sustainability at property firm Grainger PLC was laid off in July 2008 for his criticism of management on the basis of climate change beliefs. Mr. Nicholson, who renovated his house to be greener and refuses to fly by air, was upset that Rupert Dickinson, the firm's chief executive, had an employee fly to him in Ireland to deliver his Blackberry.

When Mr. Nicholson began to gripe and express his environmental sentiments, he was later dismissed. He took his former employers to court, contending that the same laws that protect religious freedoms protected his “philosophical belief about climate change and the environment.”

His employers contended that climate change was a scientific, not a religious or philosophical belief, and thus not legally protected. Mr. Nicholson, however, insisted that climate change was a philosophical belief as “philosophy deals with matters that are not capable of scientific proof.” His lawyer, Shah Qureshi, head of employment law at Bindmans LLP, added that to not grant AGW beliefs the same protections as religion would mean “that the more evidence there is to support your views, the less likely it would be for you to enjoy protection against discrimination.”

That theory was put to the test in an unusual court case and in the end Mr. Nicholson prevailed. Justice Michael Burton who delivered the ruling, ironically had used the same logic to hand a victory to climate skeptics over advocates of anthropogenic global warming theory seeking to show school children An Inconvenient Truth by Al Gore. The court, which Justice Burton served on, ruled that the move was a political, not a scientific work, and was unfit for the classroom.

Mr Nicholson lauded the verdict, stating, “I believe man-made climate change is the most important issue of our time and nothing should stand in the way of diverting this catastrophe. This philosophical belief that is based on scientific evidence has now been given the same protection in law as faith-based religious belief. Belief in man-made climate change is not a new religion, it is a philosophical belief that reflects my moral and ethical values and is underlined by the overwhelming scientific evidence.”

His employers have vowed to appeal the decision. If it stands, however, it could have major legal

affects in Britain and beyond. Affording environmental beliefs the same status as religion opens companies to suits from employees complaining about lack of recycling facilities or offering low-carbon travel. It also prevents employers from dismissing employees from their environmental beliefs, even if they seem radical.

In the U.S., similar protections exist for employment and religion/philosophy. The laws are certainly worded differently, but the British decision could embolden those seeking similar protections in the U.S. At the end of the day, the ruling forces society to be accept and cater to a variety of opinions on climate change and environmentalism, while at the same time making it harder for organizations, particularly government funded ones, to voice views on such topics.

See more at:

<http://www.dailytech.com/Global+Warming+Afforded+Same+Legal+Status+as+Religion+in+UK/article16721.htm#sthash.YY1IFvU8.dpuf>

WORLD'S FIRST BIOMETRIC CREDIT CARD WILL ARRIVE IN 2015: PAY WITH YOUR FINGERPRINT

Nicholas West; Activist Post

In a recent article, "In The Internet of Things YOU Will Be The Key," I outlined the many ways that the human body will become the next-generation identification system. The move to give everyone a global unique ID that can be verified across all human activity has been in the works for some time and the applications are pervasive.

The fear of identity theft and cyber-banking crime has been the latest sales pitch to encourage accepting identity tech such as vein scanners, facial recognition, voiceprints, iris scans - even tears - as well as their attendant databases. There is an ongoing cooperative effort between global banks and corporations to ensure that there will be standardized, centralized entry into the consumer/Internet/banking matrix of the future.

Another data point to note in the evolution of biometric ID is that MasterCard is now partnering with a Norwegian company called Zwipe to introduce the first fully biometric credit card, which will dispense with a PIN and instead use a fingerprint sensor for verification.

The transition to a cashless society continues apace, while simultaneously incorporating an all-inclusive tracking database from which it will become very difficult to escape if one wishes to interact in any meaningful way with a modern-day economy. Apparently, this means even a simple trip to the corner store:

Last month, he Ajay Bhalla, president of enterprise safety and security at Mastercard, remarked on the future of biometric payments, saying "the idea of running out for some milk, walking into a store and using your thumb print to make the purchase has sounded futuristic, even if the technology has been in place for a while." He added, "We have already had great success in Africa, with financial inclusion projects which use biometrics to identify millions of cardholders." (emphasis added)

Aside from the fact that fingerprints were only used to log criminals in the past, the use of biometrics in Africa mentioned in the quote above is certainly not unique, as India has implemented a biometric ID program for all of its 1.2 billion residents. Countries such as Japan and Israel are also well on their way toward cashless societies. This clearly shows the ability to scale up this technology to eventually include everyone on the planet.

As Brandon Turbeville has covered extensively, planet-wide biometric ID is the stated goal of corporations, as well as various globalist foundations. I would point you to the following articles for a comprehensive overview:

Better Than Cash Alliance' Backed by Bill Gates to Usher in Cashless Society

Facebook Banking on a Cashless Society

Beyond the Cashless Society: IBM's Vision for the Future

Zwipe does attempt to alleviate concerns about any type of crossover use for your personal biometric

signature:

"...noteworthy features about the card technology is that cardholder fingerprint data is stored directly on the card, not in an external database, and there is no need for a PIN entry. What's more, the card functions without a battery; energy is harvested from the payment terminals. Activation is through a simple fingerprint scan; the bank card can be used anywhere that accepts contactless payments. Also, cardholders can make payments of any amount with the card."

Perhaps, in this case, the fingerprint data itself isn't stored in a database, but it would seem that the purchase information must be - just as every other financial transaction is. Perhaps it does, however, highlight a growing PR concern after multiple banking and corporate hacks have put hundreds of millions of people's identities at risk.

These developments mark just how far down the path we are toward pulling everyone into the financial matrix. In lieu of ensuring that people must be given the choice to completely opt out, alternatives such as Bitcoin should be explored in order to maintain some of its very best counter-functions. One clear difference with Bitcoin and its attendant blockchain that needs to be understood is that it is inherently a decentralized, non-database structure that puts security into the hands of the end-user, not with any specific company charged with its oversight. (For a thorough look at what financial transactions and payment systems really should look like, please see this informative video featuring Bitcoin expert Andreas Antonopolous as he educates the Canadian Senate Banking Committee - it's much more riveting than it sounds.)

Nevertheless, the biometrics agenda goes far beyond financial transactions, but this is the most palatable way to introduce the concept as a logical necessity to solve myriad problems with banking security. Naturally, the more people who are part of the banking system, the more people who are held hostage by its failures and are then forced to become integrated into the solution. This should be kept in mind as we find ourselves in the midst of a perfect storm of health crises where we are already hearing calls of Big Data to be employed for health tracking and BioSurveillance.

Health and finances are easily the two greatest concerns for the average person, so it's no mystery why they are starting here. But what's next? What other "threats" are looming?

Main source: <http://phys.org/news/2014-10-mastercard-zwipe-fingerprint-sensor-card.html>

Recently from Nicholas West:

Invisible Biometrics: Your Voice is Your New ID

Twitter Opens Entire Database to MIT - How Will It Be Used?

3D Printed "Baby" Robot Designed to Discover Humanity

VIRTUAL MONEY AND USER'S IDENTITY

TechSwarm; via Activist Post

Bitcoin, cryptocurrency, Digital, economy

Bitcoin is the new money: minted and exchanged on the Internet. Faster and cheaper than a bank, the service is attracting attention from all over the world. But a big question remains: are the transactions really anonymous?

Several research groups worldwide have shown that it is possible to find out which transactions belong together, even if the client uses different pseudonyms. However it was not clear if it is also possible to reveal the IP address behind each transaction. This has changed: researchers at the University of Luxembourg have now demonstrated how this is feasible with only a few computers and about €1,500.

"It's hard to predict the future, but some people think that Bitcoin could do to finance what the Internet did to communications", says Prof. Alex Biryukov, who leads digital currency research at the

University. "So I think especially for Luxembourg it is important to watch what happens with Bitcoin".

The Bitcoin system is not managed by a central authority, but relies on a peer-to-peer network on the Internet. Anyone can join the network as a user or provide computing capacity to process the transactions. In the network, the user's identity is hidden behind a cryptographic pseudonym, which can be changed as often as is wanted. Transactions are signed with this pseudonym and broadcast to the public network to verify their authenticity and attribute the Bitcoins to the new owner.

In their new study, researchers at the Laboratory of Algorithmics, Cryptology and Security of the University of Luxembourg have shown that Bitcoin does not protect user's IP address and that it can be linked to the user's transactions in real-time. To find this out, a hacker would need only a few computers and about €1,500 per month for server and traffic costs. Moreover, the popular anonymization network "Tor" can do little to guarantee Bitcoin user's anonymity, since it can be blocked easily.

The basic idea behind these findings is that Bitcoin entry nodes, to which the user's computer connects in order to make a transaction, form a unique identifier for the duration of user's session. This unique pattern can be linked to a user's IP address. Moreover, transactions made during one session, even those made via unrelated pseudonyms, can be linked together. With this method, hackers can reveal up to 60% of the IP addresses behind the transactions made over the Bitcoin network.

"This Bitcoin network analysis combined with previous research on transaction flows shows that the level of anonymity in the Bitcoin network is quite low", explains Alex Biryukov. In the paper recently presented at the ACM Conference on Computer and Communications Security, the team also described how to prevent such an attack on user's privacy. Software patches written by the researchers are currently under discussion with the Bitcoin core developers.

This publication is available on ORBi lu : Deanonimisation of clients in Bitcoin P2P network. University of Luxembourg

Related TechSwarm Article:

5 Inventions That Herald an "Outernet" Revolution

- See more at: <http://www.techswarm.com/2014/11/virtual-money-and-users-identity.html#sthash.1jObZtar.dpuf>

UK PARLIAMENT DEBATED MONEY CREATION AND SOCIETY FOR FIRST TIME IN 170 YEARS. HERE'S WHAT THEY SAID

Global Table

On Thursday 20th November 2014 over 30 MPs took part in a debate in the House of Commons on money creation and society. This was the first time in 170 years, since the Bank Charter Act in 1844, that the topic has been fully debated. Money creation affects almost every aspect of our lives, and is directly connected to almost all public policy, including public and private debt levels, house prices, and rising inequality, but it's very poorly understood. A recent poll found that 7 out of 10 MPs believed that only the government can create money[1], when in fact 97% of money is created by banks as they make loans, as recently confirmed by the Bank of England[2] MPs acknowledged the problem of their own lack of understanding of money creation [1]

Peter Lilley MP stated that "A lot has been made of the ignorance of Members of Parliament of how money is created. I suspect that that ignorance..... explains many things, not least why we entered the financial crisis with a regulatory system that was so unprepared for a banking crisis."

Zac Goldsmith MP was the first to admit at the debate that he does not fully understand the system, stating, "I suspect that most people here would be humble enough to recognise that the banking wizardry

we are discussing is such a complex issue that very few people properly understand it.” However there was wide understanding by MPs in the debate that banks create new money whenever they make a loan, as confirmed by the Bank of England recently [2] and a wide agreement on this being a problem

Steve Baker MP said “Whenever a bank makes a loan, it simultaneously creates a matching deposit in the borrower’s bank account, thereby creating new money.” Peter Lilley MP set out the process by which money is destroyed: “By contrast, when a bank loan is repaid, that extinguishes money; it disappears into thin air”

The negative consequences of this monetary system and current monetary policy were highlighted, including: house prices, inequality, lack of productive investment, and the environment.

Michael Meacher MP stated that “banks produce too much mortgage credit in a boom ...which produces a housing bubble and raises house prices.”

Steve Baker MP stated that “Quantitative Easing —is a deliberate policy of increasing the wealth of people who are older and wealthier.”

Austin Mitchell MP pointed out that “Only 8% of the credit created [by banks] has been lent to new businesses.”

The disconnect between the ecological and economic system were highlighted by Zac Goldsmith MP when he commented on “the extraordinary situation in which it is possible to imagine economic growth even as the last of the world’s great ecosystems or the last of the great forests are coming down. The economy is no longer linked to the reality of the natural world from which all goods originally derive.” Cross-party support came for a proposal to set up a monetary commission.

Michael Meacher Labour MP for Oldham West and Royton ended by calling on “the Government to set up a commission on money and credit, with particular reference to the potential benefits of sovereign money, which offers a way out of the continuing and worsening financial crises that have blighted this country and the whole international economy for decades.”

Zac Goldsmith Conservative MP for Richmond Park stated that “The time has come to establish a monetary commission and for Parliament to become much more engaged [in this issue].”

Additionally Steve Baker MP outlined his support for “proposals from the Bank’s chief economist, Andy Haldane, [to] commission ‘anti-orthodox research’” This was supported by the Government Treasury Minister Andrea Leadsom MP, who stated that “Andy Haldane has said the Bank itself will be looking at, and encouraging, the exploration of alternative views.”

Positive Money applauds the MPs willing to attend the debate and speak on money creation and society. Executive Director Fran Boait stated, “Thousands of our supporters have put in time to ensure that this important debate was a success. We don’t expect MPs to fully understand how the money and banking system works, but we do expect them to be concerned about it. It was fantastic to see the MPs engage in the conversation, and acknowledge that the current system is causing more problems than it is solving.”

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NOTES:

[1] 100 MPs were polled through Dods Monitoring in July 2014. MPs were asked to read a number of statements and indicate whether they were true or false. They could also select “Don’t know”. In response to the statement “Only the government – via the Bank of England or Royal Mint – has the authority to create money, including coins, notes and the electronic money in your bank account.”, 71% said this was true, 20% said it was false (the correct answer) and 9% said they didn’t know. There was no significant difference between the parties. In response to the statement “New money is created when banks make loans, and existing money is destroyed when members of the public repay loans.”, only 12% of MPs gave the correct answer: true. 64% of MPs said this was false, while 24% said they didn’t know. Total responses came from: 39 x Conservatives; 45 x Labour; 10 x Lib Dems; 6 x Others. The full results can be found here: <http://bit.ly/1qTZHHa>

[2] The Bank of England released two articles explaining the money creation process - "Money in the modern economy: An Introduction" and "Money creation in the Modern Economy" - in their flagship Quarterly Bulletin of March 2014.

BANK OF NORTH DAKOTA OUTPERFORMS WALL STREET

Ellen Brown; Counterpunch

(Further evidence from the US of the value ... indeed necessity ... of devolved local banking - Ed)

While 49 state treasuries were submerged in red ink after the 2008 financial crash, one state's bank outperformed all others and actually launched an economy-shifting new industry. So reports the Wall Street Journal this week, discussing the Bank of North Dakota (BND) and its striking success in the midst of a national financial collapse led by the major banks. Chester Dawson begins his November 16th article:

It is more profitable than Goldman Sachs Group Inc., has a better credit rating than J.P. Morgan Chase & Co. and hasn't seen profit growth drop since 2003. Meet Bank of North Dakota, the U.S.'s lone state-owned bank, which has one branch, no automated teller machines and not a single investment banker.

He backs this up with comparative data on the BND's performance:

[I]ts total assets have more than doubled, to \$6.9 billion last year from \$2.8 billion in 2007. By contrast, assets of the much bigger Bank of America Corp. have grown much more slowly, to \$2.1 trillion from \$1.7 trillion in that period.

. . . Return on equity, a measure of profitability, is 18.56%, about 70% higher than those at Goldman Sachs and J.P. Morgan. . . .

Standard & Poor's Ratings Services last month reaffirmed its double-A-minus rating of the bank, whose deposits are guaranteed by the state of North Dakota. That is above the rating for both Goldman Sachs and J.P. Morgan and among U.S. financial institutions, second only to the Federal Home Loan Banks, rated double-A-plus.

Dawson goes on, however, to credit the BND's remarkable performance to the Bakken oil boom. Giving his article the controversial title, "Shale Boom Helps North Dakota Bank Earn Returns Goldman Would Envy: U.S.'s Lone State-Owned Bank Is Beneficiary of Fracking," he contends:

The reason for its success? As the sole repository of the state of North Dakota's revenue, the bank has been one of the biggest beneficiaries of the boom in Bakken shale-oil production from hydraulic fracturing, or fracking. In fact, the bank played a crucial part in kick-starting the oil frenzy in the state in 2008 amid the financial crisis.

That is how the Wall Street-owned media routinely write off the exceptional record of this lone publicly-owned bank, crediting it to the success of the private oil industry. It would be more accurate to say that the bank made the boom.

Excess Deposits Do Not Explain the BND's Record Profits

Dawson confirms that the BND played a crucial role in kickstarting the boom and the economy, at a time when other states were languishing in recession. It did this by lending for critical infrastructure (roads, housing, hospitals, hotels) when other states' banks were curtailing local lending.

But while the state itself may have reaped increased taxes and fees from the oil boom, the BND got no more out of the deal than an increase in deposits, as Dawson also confirms. The BND is the sole repository of state revenues by law.

Having excess deposits can hardly be the reason the BND has outdistanced even JPMorganChase and Bank of America, which also have massive excess deposits and have not turned them into loans. Instead, they have invested their excess reserves in securities.

Interestingly, the BND has also followed this practice. According to Standard & Poor's October 2014 credit report, it had a loan to deposit ratio in 2009 of 91%. This ratio dropped to 57.5% in 2014. The excess deposits have gone primarily into Treasuries, US government agency debt, and mortgage-backed securities. Thus the bank's extraordinary profitability cannot be explained by an excess of deposits or an expanded loan portfolio.

Further eroding the official explanation is that the oil boom did not actually hit North Dakota until

2010. Yet it was the sole state to have escaped the credit crisis by the spring of 2009, when every other state's budget had already dipped into negative territory. Montana, the runner-up, was in the black by the end of 2009; but it dropped into the red in March of that year and had to implement a pay freeze on state employees.

According to Standard & Poor's, the BND's return on equity was up to 23.4% in 2009 – substantially higher than in any of the years of the oil boom that began in 2010.

The Real Reasons for Its Stellar Success

To what, then, are the remarkable achievements of this lone public bank attributable?

The answer is something the privately-owned major media have tried to sweep under the rug: the public banking model is simply more profitable and efficient than the private model. Profits, rather than being siphoned into offshore tax havens, are recycled back into the bank, the state and the community.

The BND's costs are extremely low: no exorbitantly-paid executives; no bonuses, fees, or commissions; only one branch office; very low borrowing costs; and no FDIC premiums (the state rather than the FDIC guarantees its deposits).

These are all features that set publicly-owned banks apart from privately-owned banks. Beyond that, they are safer for depositors, allow public infrastructure costs to be cut in half, and provide a non-criminal alternative to a Wall Street cartel caught in a laundry list of frauds.

Dawson describes some other unique aspects of the BND's public banking model:

It traditionally extends credit, or invests directly, in areas other lenders shun, such as rural housing loans.

. . . [R]etail banking accounts for just 2%-3% of its business. The bank's focus is providing loans to students and extending credit to companies in North Dakota, often in partnership with smaller community banks.

Bank of North Dakota also acts as a clearinghouse for interbank transactions in the state by settling checks and distributing coins and currency. . . .

The bank's mission is promoting economic development, not competing with private banks. "We're a state agency and profit maximization isn't what drives us," President Eric Hardmeyer said.

. . . It recently started offering mortgages to individuals in the most underserved corners of the state. But Mr. Hardmeyer dismisses any notion the bank could run into trouble with deadbeat borrowers. "We know our customers," he said. "You've got to understand the conservative nature of this state. Nobody here is really interested in making subprime loans."

The Downside of a Boom

The bank's mission to promote economic development could help explain why its return on equity has actually fallen since the oil boom hit in 2010. The mass invasion by private oil interests has put a severe strain on the state's infrastructure, forcing it to muster its resources defensively to keep up; and the BND is in the thick of that battle.

In an August 2011 article titled "North Dakota's Oil Boom is a Blessing and a Curse", Ryan Holeywell writes that virtually all major infrastructure in the boom cities and counties is strained or exhausted. To shore up its infrastructure needs, the state has committed hundreds of millions of dollars in revenue. Meanwhile, it is trying to promote industries other than oil and gas, such as companies involved with unmanned aircraft, manufacturing associated with wind energy equipment, and data centers; but the remoteness of the western part of the state, along with the high cost of labor, makes doing business there complicated and expensive.

Hydrofracking, which has been widely attacked as an environmental hazard, is not as bad in North Dakota as in other states, since the process takes place nearly two miles underground; but it still raises significant environmental concerns. In 2011, the state levied \$3 million in fines against 20 oil companies for environmental violations. It also undertook a review of industry regulations and was in the process of doubling its oil field inspectors.

The greatest stresses from the oil industry, however, involve the shortage of housing and the damage to the county road system, which in many places consists of two-lane gravel and dirt roads. Drilling a new well requires more than 2,000 truck trips, and the heavy rigs are destroying the roads. Fixing them has been estimated to require an investment of more than \$900 million over the next 20 years.

These are external costs imposed by the oil industry that the government has to pick up. All of it requires financing, and the BND is there to provide the credit lines.

Lighting a Fire under Legislators

What the Bank of North Dakota has done to sustain its state's oil boom, a publicly-owned bank could do for other promising industries in other states. But Dawson observes that no other state has yet voted to take up the challenge, despite a plethora of bills introduced for the purpose. Legislators are slow to move on innovations, unless a fire is lit under them by a crisis or a mass popular movement.

We would be better off sparking a movement than waiting for a crisis. The compelling data in Dawson's Wall Street Journal article, properly construed, could add fuel to the flames.

Ellen Brown is an attorney, founder of the Public Banking Institute, and author of twelve books, including the best-selling Web of Debt. In The Public Bank Solution, her latest book, she explores successful public banking models historically and globally. Her 200+ blog articles are at EllenBrown.com.

IDEOLOGICAL FOUNDATIONS OF MAINSTREAM NEOCLASSICAL ECONOMICS: CLASS INTERESTS AS “ECONOMIC THEORY”

Prof. Ismael Hossein-Zadeh; Global Research

There is now a widespread consensus that mainstream/neoclassical economists failed miserably to either predict the coming of the 2008 financial implosion, or provide a reasonable explanation when it actually arrived. Not surprisingly, many critics have argued that neoclassical economics has created more confusion than clarification, more obfuscation than elucidation. Economic “science” has, indeed, become “an ideological construct which serves to camouflage and justify the New World Order” [1].

Also not surprisingly, an increasing number of students who take classes and/or major in economics are complaining about the abstract and irrelevant nature of the discipline. For example, a group of French graduate students in economics recently wrote an open letter, akin to a manifesto, critical of their academic education in economics as “autistic” and “pathologically distant from the problems of real markets and real people”:

“We wish to escape from imaginary worlds! Most of us have chosen to study economics so as to acquire a deep understanding of the economic phenomena with which the citizens of today are confronted. But the teaching that is offered . . . does not generally answer this expectation. . . . This gap in the teaching, this disregard for concrete realities, poses an enormous problem for those who would like to render themselves useful to economic and social actors” [2].

The word “autistic” may be offensive and politically incorrect, but it certainly provides an apt description of mainstream economics.

Interestingly, most economists do not deny the abstract and irrelevance feature or property of their discipline; but argue that the internal consistency of a theory—in the sense that the findings or conclusions of the theory follow logically from its premises or assumptions—is more important than its relevance (or irrelevance) to the real world. Nobel Laureate economist William Vickery, for example, maintains:

“Economic theory proper, indeed, is nothing more than a system of logical relations between certain sets of assumptions and the conclusions derived from them. . . . The validity of a theory proper does not depend on the correspondence or lack of it between the assumptions of the theory or its conclusions and observations in the real world. . . . In any pure theory, all propositions are essentially tautological, in the sense that the results are implicit in the assumptions made” [3].

Paul Samuelson, another Nobel Laureate in Economics, likewise writes, “In pointing out the consequences of a set of abstract assumptions, one need not be committed unduly as to the relation between reality and these assumptions.”

How or why did economics as a crucially important subject of inquiry into an understanding of social

structures evolve in this fashion, that is, as an apparently rigorous and technically elaborate discipline without much usefulness in the way of understanding or solving economic problems?

Perhaps a logical way to answer this question is to look into the origins of the neoclassical economics, and how it supplanted the classical economics that prevailed from the early stages of capitalism until the second half of the 19th century—supplanted not as an extension or elaboration of that earlier school of economic thought but as a deviation from, or antithesis, to it.

Well-known classical economists like Adam Smith, David Ricardo, John Stuart Mill and Karl Marx sought to understand capitalism in fundamental ways: they studied the substance of wages and prices beyond supply and demand; they also examined the foundations of economic growth and accumulation—that is, the sources of the “wealth of nations,” as Smith put it, or “the laws of motion of capitalist production,” as Marx put it. They further sought to understand the basis or logic of the distribution of economic surplus, that is, the origins of the various types of income: wages/salaries, interest income, rental income, and profits.

To this end, they distinguished two major types of work or economic activity: productive and unproductive, that is, productive labor and productive enterprise (manufacturing) versus unproductive labor and unproductive enterprises (buying and selling, or speculation). Accordingly, they saw the capitalist social structure as consisting of different classes of conflicting or antagonistic interests: capitalists, workers, landlords, tenants/renters, and the poor.

These classical economists wrote in an era that could still be considered a time of transition: transition from feudalism to capitalism. Although feudalism was in decline, the powerful interests vested in that older mode of production and social structure still fiercely resisted the rising new mode of production, the modern industrial capitalism, and its champions, called the “bourgeoisie.”

In the second half of the 18th and first half of 19th centuries, the conflicting interests of these two rival factions of the ruling elites served as powerful economic grounds for a fierce political/ideological struggle between the partisans of the two sides. Whereas the elites of the old system viewed the rising bourgeoisie as undermining their traditional rights and privileges, the modern capitalist elites viewed the old establishment as hindering rapid industrialization, “proletarianization” and urbanization.

In the ensuing ideological battle between the champions of the old and new orders, the writings of classical economists such as Smith, Ricardo and Mill proved quite helpful to the proponents or partisans of the new order. As influential intellectuals who were concerned that the hindering influences and extractive businesses of the old establishment may hamper a clean break from pre-capitalist modes of economic activity, they wrote passionately about what created real values and/or “wealth of nations,” and what was wasteful and a drain on economic resources. To this end, their writings included lengthy discussions of the labor theory of value—the theory that human labor constitutes the essence of value—and related notions of productive and unproductive activities.

Accordingly, they characterized the propertied classes that reaped income by virtue of controlling the assets (that the economy needed in order to function) as the “rentier,” “unproductive” or “parasitic” classes. Rentier classes collect their unearned proceeds from ownership “without working, risking, or economizing”, wrote John Stuart Mill of the landlords and money-lenders of his day, arguing that “they grow richer, as it were in their sleep” [4].

Unsurprisingly, during the early stages of industrial revolution, when the old establishment still posed serious challenges to the relatively new and evolving capitalist mode of production, the view of human labor as the source of real values, expounded by Karl Marx and other classical economists, provided a strong theoretical case for industrial expansion and/or capitalist development. “In its earliest formulations, the labor theory of value reflected the perspective of, and was serviceable in the fulfillment of the objective needs of, the industrial capitalist class” [5].

Although the rising capitalist class found the labor theory of value (and its logical implications for class conflicts) potentially “disconcerting,” that concern was temporarily pushed to the backburner, as the main threat at this stage of capitalist development came from the landowning/rentier classes, not the working class. Indeed, history shows that in nearly all the so-called “bourgeois-democratic” revolutions, signifying the historical transition from pre-capitalist to capitalist formations, the burgeoning working class, the newly proletarianized peasants, sided with the bourgeoisie against its pre-capitalist nemesis.

By the mid-19th century, however, this pattern of social structure and/or class alliances was drastically changed. Concentration of capital and the rise of corporation had by the last third of the 19th century

gradually overshadowed the role of individual manufacturers as the drivers of the industrial development. In place of owners/managers, more and more “corporate managers were hired to direct and oversee industrial enterprises and to channel profits automatically as part of a perpetual accumulation process. . . . Increasingly, profits and interest came to be the result of passive ownership,” similar to absentee landownership of the feudal days [6].

Along with agricultural production on an increasingly capitalistic basis, these developments meant a radical reconfiguration of social and/or class alliances: the industrial bourgeoisie and the landowners were no longer adversaries, as they were all now capitalists and allies; and the working class, which had earlier supported the bourgeoisie against the landed aristocracy, was their class enemy. What added to the fears of the capitalist class of the growing and relatively militant working class was the spread of Marx’s theory of “labor as the essence of value and economic surplus,” which was by the mid- to late-19th century frequently discussed among the leading circles of industrial workers.

These changes in the actual social and economic developments, in turn, prompted changes in the ruling class’s preferences regarding theories of capitalist production and/or market mechanism. Industrial capitalists who had earlier used the labor theory of value to their advantage in their struggle against the old, pre-capitalist establishment were now quite fearful of and hostile to that theory. Instead, “the theoretical and ideological needs of the owners of industrial capital became identical with those of the landlords and merchant capitalists. They all needed a theory that sanctioned their ownership” [7]; a theory that obfuscated, instead of clarifying, the origins of real values and the sources of wealth and/or income—hence, the shift from classical to neoclassical economics.

The formal theoretical shift from classicism to neoclassicism was pioneered (in the last three decades of the 19th century) by three economists: William Stanley Jevons, Carl Menger and Leon Walras. A detailed discussion of these pioneers of neoclassical economics is beyond the purview of this essay. Suffice it to say that all three categorically shunned the labor theory of value in favor of utility theory of value, that is, “value depends entirely upon utility,” as Jevons put it.

At the heart of the theoretical/philosophical shift was, therefore, the move from labor to utility as the source of value: a commodity’s value no longer came from its labor content, as classical economists had argued, but from its utility to consumers. The new paradigm thus shifted the focus of economic inquiry from the factory and production to the market and circulation, or exchange.

By the same token as the new school of economic thought abandoned the classicals’ labor theory of value in favor of the utility theory of value, it also discarded the concept of value, which comes from human labor, in favor of price, which is formed (in the sphere of circulation or market) by supply and demand interactions. Henceforth, there was no difference between value and price; the two have since been used interchangeably or synonymously in the neoclassical economics.

Once the focus of inquiry was thus shifted from how commodities are produced to how they are bought and sold, the distinction between workers and capitalists, between producers and appropriators, became invisible. In the marketplace all people appear as essentially identical: they are all households, consumers or “economic agents” who derive utility from consuming commodities, and who pay for those commodities “according to the amount of the utility/pleasure they derive from their consumption.” They are also identical in the neoclassical sense that they are all “rational,” “calculating,” and utility “maximizing” market players.

An obvious implication (and a major advantage to the capitalist class) of this new perspective was that in the marketplace social harmony and “brotherhood,” not class conflict, was the prevailing mode of social structure. “The supposed conflict of labor with capital is a delusion,” Jevons asserted, arguing that

“We ought not look at such subjects from a class point of view,” because “in economics at any rate [we] should regard all men as brothers” [8].

It should be pointed out (in passing) that the utility theory of value did not start with Jevons. The theory had already been spelled out in the late 18th and early 19th centuries by earlier economists such as Jeremy Bentham, Jean-Baptiste Say, Thomas Malthus and Claude Frédéric Bastiat. However, Jevons and his utilitarian contemporaries of the second half of the 19th century added a new concept to the received theory: the concept of marginal utility or, more specifically, diminishing marginal utility. According to this concept, the utility derived from the use or consumption of a commodity diminishes with every additional unit consumed.

Despite the fact that Jevons’ addition of the concept of marginal utility to the received utility theory of

value was conceptually very simple (indeed, the whole concept of utility and the so-called “law of diminishing marginal utility” are altogether banalities or truisms), it nonetheless proved to be instrumentally a very important notion in the neoclassical economics. For, the term “marginal” was soon extended to other economic categories such as marginal cost, marginal revenue, marginal propensity to consume, and the like; thereby paving the way for the application of differential calculus to economics. “By introducing the notion of marginalism into utilitarian economics, Jevons had found a way in which the utilitarian view of human beings as rational, calculating maximizers could be put into mathematical terms” [9].

Whereas the utilitarian views of the earlier economists had been firmly discredited in the late 18th and early 19th centuries by proponents of the labor theory of value as truisms that did not explain much of the real world economic developments, the math-coded utilitarianism of Jevons (and his fellow neoclassicals since then) has been shielded from such criticisms by a protective cover of mathematical veneer. Despite the fact that, aside from the mathematical mask, the new notion of utility represented no conceptual or theoretical advances over the earlier version, it was celebrated as a “revolution” in economic thought, the so-called “neoclassical revolution.” Presenting a body of largely axiomatic principles, or religious-like normative guidelines (such as how “rational” consumers should behave), by means of elaborate and mesmerizing mathematics is like covering weeds with Astroturf.

Despite its irrelevance and uselessness, neoclassical economics is neither uninteresting nor illogical. Within its own premises and presuppositions it is both logical and mathematically rigorous, which explains why it is packaged as a scientific discipline. But, again, it falls pitifully short of explaining how real world markets or economies work, or how economic crises, as inherent occurrences to a capitalist economy, take place; or what to do to counter such crises that would help not only the capitalist/financial elites but the society at large. Although most mainstream economists proudly characterize their discipline as scientific, adornment of the discipline by a façade of mathematics does not really make it scientific. In reality, the math superstructure simply masks the flawed or unreliable theoretical foundation of the discipline.

It follows from the discussion presented in this essay that a driving force behind the evolution of economics as a dismal and obscuring discipline is the role of influential vested interests and/or the dominant ruling ideology. In a critique of mainstream/neoclassical economists’ blatant disregard for actual developments in the real world, economics Professor Michael Hudson writes:

“Such disdain for empirical verification is not found in the physical sciences. Its popularity in the social sciences is sponsored by vested interests. There is always self-interest behind methodological madness. That is because [professional] success requires heavy subsidies from special interests who benefit from an erroneous, misleading or deceptive economic logic. Why promote unrealistic abstractions, after all, if not to distract attention from reforms aimed at creating rules that oblige people actually to earn their income rather than simply extracting it from the rest of the economy?” [10].

Why or how is it that most economists are either unaware or pretend to be unaware of the specious theoretical foundations of their discipline?

A charitable answer is that perhaps the majority of economists who teach their discipline or otherwise work as economic professionals are not necessarily guilty of obfuscation, or deliberately promoting a faulty paradigm. Many economists sincerely believe in the integrity of their discipline as they carry out highly specialized research or produce scholarly publications. Economists’ confidence or faith in their discipline, however, does not make it any less flawed. They simply teach or carry out elaborate scholarly research work within a faulty paradigm without questioning, or even detecting, some of the submerged defects that makes the discipline not only irrelevant and useless but indeed harmful, as it tends to create more confusion than illumination or understanding.

It can also be argued that since most economists are deeply wedded to their profession, and are dependent on it as the source of both intellectual and financial survival, they would most likely be in denial, and would continue working within the only academic tradition or professional path they know how to navigate, even if they suspected or realized the esoteric and irrelevant nature of their discipline.

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Publishers 1989). He is also a contributor to Hopeless: Barack Obama and the Politics of Illusion (AK Press 2012).

Notes

[1] Michel Chossudovsky and Marshall, G.A. (eds.) *The Great Global Economic Crisis*, Montreal, Quebec, Canada: Center for Research on Globalization (2010, p. xviii).

[2] As quoted in Gordon Bigelow, "Let There Be Markets: The Evangelical Roots of Economics," *Harper's*, May issue: <http://harpers.org/archive/2005/05/let-there-be-markets/>.

[3] William Vickery, *Microeconomics*, New York: Harcourt, Brace, and World, 1964, p. 5.

[4] As quoted in Michael Hudson and Dirk Bezemer, "Incorporating the Rentier Sectors into a Financial Model," *World Economic Review*, <http://wer.worldeconomicsassociation.org/article/view/36>.

[5] E. K. Hunt, *History of Economic Thought: A Critical Perspective*, New York and London, M.E. Sharpe 2002, p. 282.

[6] *Ibid.*, p. 283.

[7] *Ibid.*

[8] As quoted in *ibid.*, p. 254.

[9] *Ibid.*, p. 252.

[10] Michael Hudson, "Krugman's Attack on my Review of Samuelson," <http://michael-hudson.com/2009/12/krugmans-attack-on-my-review-of-samuelsan/>.

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