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EDITORIAL

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A VERY POST-MODERN TANTRUM**

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EDITORIAL

CASHLESS IS COMING!

As items from Ellen Brown, Michael Snyder and Nathan Allonby testify, news on the 'Cashless Society' front become more worrying by the month. Behind the scenes (and where else?) events appear to be moving at a pace.

As with many of these issues, it is all of a piece. As Snyder reports, the move by the UN towards a global biometric identity system and the 'Cashless Society' are opposite sides of the same coin.

What are the driving motivations behind the Cashless Society? These can be confidently listed as follows;-

Mass surveillance goes without saying. A cashless world will extend the arm of electronic snooping with breathtaking universality. Yet again we see the bogies of

'crime'. 'terrorism', 'safety and security' and 'paedophilia' deployed to drum the sheeple into compliance.

If you can't withdraw money as cash, then there can't be a run on the bank. If the bank goes bust then you are trapped. No way out!

In that last regard a cashless world ensures that if a bank gets into trouble, then we all forced to take a 'haircut'. Cyprus was the proving ground for so-called 'bail-in'. Again no way out. And again, it is necessary to remind readers that when you deposit money in a bank, you cede ownership and control of your money.

Lastly we get to the issue of 'negative interest rates'. Reduced to its simplest form this is effectively a process by which all money continuously devalues. Some may say that this already happens with inflation. That is true. But money held in a bank account ... from which in a cashless world there is no escape ... not only devalues with inflation but is subject to the double whammy of the negative interest rate. All national currency then becomes a Worgl.

Some economists might crow that such a situation would stimulate demand. Without getting into a discussion on the virtues and vices of demurrage currencies (of which the Worgl was probably the prototype), too much economic theory sees demand ... and thus consumption ... regardless of what is being 'demanded' ... as an end in itself rather than a means to an end. With a demurrage currency, saving becomes impossible unless money is quickly translated into gold and collectables. But is not saving ... setting aside for old age and a rainy day also a legitimate and necessary activity?

Another worrying aspect is the mounting enthusiasm amongst the financial fraternity for blockchain and crypto-currencies. This looks like co-option with a vengeance. Naturally all such transactions will have the virtue of being cashless.

The speed of advance of the Cashless Society makes the need for alternative local (paper) currencies and trading systems all the more urgent.

A VERY POST-MODERN TANTRUM

Ken Livingstone's appointment as overseer of Labour's defence policy review came as a surprise to many. His claims to any deep or detailed knowledge of such matters appear to rest on his experience of civil defence whilst leader of the long-defunct Greater London Council.

Whether such experience (and, to boot, three decades ago) equips him with an adequate grasp of the intricacies of modern ships, planes, tanks, artillery, the vast and rapidly advance gamut of defence technologies, procurement, deployment and so forth might easily be doubted.

When Labour MP Kevan Jones voiced such doubts, the result was a Livingstone eruption calling Jones's mental health into question.

The backdrop of Livingstone's little tantrum has, however, eluded many. The issue was not whether it was factually correct, or even arguable, that Livingstone lacked bona fides in defence policy, but whether such a suggestion was insulting or derogatory.

But how many times do we hear the like? Time and again the central issue of any controversy is not whether this or that statement is factually true, arguable, or requires further investigation, research and debate. So often, the central issue is whether this or that statement is insulting or derogatory.

I speak as one who does not feel this widespread post-modern obligation of collapsing into some cringing, whingeing, mewling heap every time my life collides with a modicum of adversity, to be revived with smelling salts. Being of an older, 'sticks and stones' generation, I am made, hopefully, of somewhat tougher fibre. In any event adversity ... whether in the events of our lives or the words directed against us ... is there to temper the soul, straighten the spine, and to act as an antidote to vanity, complacency, casualness and hubris. Life is not just about everything served on a high-tech plate, with inclusive silver service, at the flick of a credit card.

So as an inverse paraphrase of McLuhan, in the post-modern world the message becomes the medium. The factual truth or arguability of any statement becomes very much secondary to the subjective (and often manufactured) effect of that statement, if it features at all.

When and how can rational scepticism, with all the analytic and forensic thinking that goes with that, be restored to the centre of our culture?

Frank Taylor

'I DON'T TAKE MY MANDATE FROM THE PEOPLE' EU COMMISSIONER TELLS ANTI-POVERTY CAMPAIGNER

Donna Rachel Edmunds; Breibart via Sonya Porter

The European Union's Trade Commissioner Cecilia Malmström has told a leading campaigner that she does not take her mandate "from the European people." Her statement came in response to a question on the unpopular Transatlantic Trade and Investment Partnership (TTIP) deal between America and the EU, which is opposed by millions of European citizens.

The socialist campaign group War on Want has been leading the charge against TTIP, which it believes will damage public service provision in Europe. "TTIP's dodgy aim is to lift trade 'barriers' between the US and Europe but these rules actually provide some of our most crucial health, social and environmental protection," the group's website tells its followers.

It's a popular message – War on Want's petition against the deal has gained more than 2,260,000 signatures from across Europe over the past year, half a million of which came from British signatories. The group has also orchestrated a number of well attended protest events, the latest, held last weekend in Berlin, attracting 250,000 marchers, according to War on Want.

In light of their success John Hilary, War on Want's executive director was recently granted an interview with Cecilia Malmström, who, as the EU's Trade Commissioner, is responsible for steering the deal through.

He used the opportunity to challenge her on how she could press ahead with the deal in the face of such widespread opposition. Her answer he described as "chilling" – she bluntly told him "I do not take my mandate from the European people."

Mr Hilary said: "In reality, as a new report from War on Want has just revealed, Malmström receives her orders directly from the corporate lobbyists that swarm around Brussels. The European Commission makes no secret of the fact that it takes its steer from industry lobbies such as BusinessEurope and the European Services Forum, much as a secretary takes down dictation. It's no wonder that the TTIP negotiations are set to serve corporate interests rather than public needs."

Ms Malmström's stark indifference to the views of European electorate may be a turning point for left wing opposition to the European Union (EU) project. Her comments come less than two weeks after her fellow EU Commissioner, Migration chief Dimitris Avramopoulos advised the leaders of Europe's member states to take a leaf out of the Commission's book and "stop thinking about the

political cost” of the pro-immigration policies forced on their countries by Brussels.

“The Commission does not take the blame because it does not care about the political cost,” the EU Commissioner told Politico.

However, unlike Avramopoulos whose views are supported by the left, Ms Malmström is setting herself against the powerful left wing lobby. War on Want boasts nearly 26,000 followers on Twitter and close to 35,000 on Facebook, but the success of its petition and marches is testament to a far greater reach, thanks to its frequent appeals for its followers to share its materials on their own social media. Their #NoTTIP hashtag has been used thousands of times on Twitter alone in both English and a range of European-language tweets.

Labour’s new leader Jeremy Corbyn has previously admitted that he voted to leave the European Community, the precursor to today’s EU, when Britain last had a referendum on the matter in 1975. He has also heaped praise on Labour’s 1983 electoral manifesto, which stated that “British withdrawal from the Community is the right policy for Britain,” prompting fears among Europhiles within his party that he would seek to back the ‘Leave’ campaign. However, in September he confirmed that the party will be campaigning to stay in. Talking to the BBC, Corbyn said that he couldn’t envisage a situation in which Labour would campaign for a British exit if the prime minister negotiated a bad deal, saying: “I think we are going to be working with trade unions and social groups all across Europe as well as social groups in this country.” He added that he opposes what he sees as a move towards “a free market approach” by the Union since the signing of the Maastricht Treaty in 1992.

It remains to be seen whether he u-turns on this position if the wider left wing movement turn against an EU they increasingly see as working in cahoots with big business, against the wishes of the people.

“At some point in the next two years, the people of Britain will be asked whether they wish to leave or remain in the EU,” Mr Hilary said. “I am proud to be a European, and have no truck with the xenophobic scaremongering of those little Englanders who would close our borders. Yet the question we will be asked in the referendum is not whether we wish to remain Europeans, as if such a question could have any meaning. Rather, we will be asked whether we wish to remain subject to the institutions of the European Union, including the unelected Commission. As the people of Greece have learned through bitter experience, those institutions will not tolerate any reform or deviation from their blueprint of permanent austerity and corporate rule.”

Follow Donna Rachel Edmunds on Twitter: or e-mail to: dedmunds@breitbart.com

BRITAIN TIGHTENS GRIP IN SUFFOCATION OF FREE SPEECH

Graham Vanbergen; Activist Post

‘Freedom of Press’ is published by the US-based Freedom House, an NGO established in 1941 that has been ranking countries worldwide since 1980 in relation to democracy, human rights and press freedom. In May 2014 it reported that Britain has slipped down the global rankings for freedom of the press to 36th place. The organisation said press freedom and therefore free speech, had fallen to its lowest level for over a decade. It partly blames regressive steps in countries such as Libya, Turkey and Ukraine, as well as the actions taken against journalists reporting on national security issues in both the US and UK.

Karin Karlekar, the report’s project director, said: “We see declines in media freedom on a global level, driven by governments’ efforts to control the message and punish the messenger.” Clearly she could have been talking specifically about Britain in the light of the arrest of David Miranda and the enforced destruction of source material at The Guardian newspaper HQ by government security officials.

Of the 197 countries and territories assessed during 2013, 63 were rated free, 68 partly free and 66 not free. Britain dropped from 31st place last year to 36th, ranking it alongside Malta and Slovakia.

“Significant decline took place in Turkey (which fell into the ‘not free’ category) as well as in Greece, Montenegro and the United Kingdom,” Freedom House said.

One year later, the 2015 report states that Britain’s freedom of the press has declined yet further,

straddled by now by Uruguay and Slovakia and now just 6 points from being classed as 'partly free' alongside Kazakhstan.

The very first sentence from the 2015 reports concludes; "This year's edition of Freedom of the Press documents a surge in threats to independent journalism, from governments that use legal means to control information" and ends its conclusion with – "The wide and growing range of threats to media freedom around the globe presents a stark challenge to democratic values". Central to its findings was – "Censorship is ineffective and often counterproductive as an antidote to extremism, and its limited utility cannot justify the infringement of a fundamental democratic value like freedom of expression."

At this point, it would be an opportune time to remind the British public, whilst criticising lower ranked countries in the report such as the United States and France, it made no mention of the draconian measures implemented by the British government more recently.

On the 15th October, Gordon Raynor, Chief Reporter at The Telegraph – "Investigative journalism will be "stopped dead in its tracks" and local newspapers may be "driven out of business" when new laws restricting Britain's free press come into force next month. He continues – Media organisations face "the most substantial threat to press freedom in the modern era" as a result of the "menacing" laws passed in the wake of the Leveson Inquiry.

An independent report into the implications of the Crime and Courts Act, which comes into force on November 3, says that The Telegraph's landmark investigation into MPs' expenses would have been all but impossible under the new regime. Campaigners for free speech are demanding the repeal of the "pernicious" new law.

On the 22nd September, TruePublica published an article "How Britain's Propaganda Machine Controls What You Think" – one excerpt read;

However, behind the principle that the media in Britain has been hijacked by the vested interests of corporations such as Murdoch's News Corporation, a company that now ranks as the world's fourth largest media company, there is a much more sinister side to how media and their messages are disseminated in Britain.

Essentially, to be a news or current affairs publisher you must be registered as such with a government regulatory body. That this is a despicable idea goes without saying: it's a reversal of the past three hundred years of liberty where we've been allowed to say or print whatever we want to subject only to the laws of libel, incitement to violence and pressing concerns of national security.

If a news or current affairs publisher is taken to court, by anyone, including the state, and not registered with the government then no matter the outcome, in all circumstances, win or lose, the publisher effectively loses and can't claim costs.

This new law effectively means that any news outlet, irrespective of size – from corporation to a one-man band is now open to being unable to financially defend itself in court if it does not register with the government.

Not one news organisation or outlet has signed the government register.

In another angle the government has taken, The Freedom of Information Act is now 'under review' by officials. This is yet another dangerous deed designed to cover up the wrongdoing of government and their allies such as government agencies, supportive press organisations and corporations that fund their very existence.

David Banisar of Article 19, a human rights organisation that champions freedom of information, criticised the move by government.

The Government's proposals will lead to more secrecy, less accountability, and a more insular and unresponsive Government. It is moving the law from the right to know to the right to no information.

In addition, in February of this year it was reported that charities now say controversial new lobbying legislation prevents them from campaigning on crucial general election issues, and is a "chilling" assault on free speech. In a sharply worded letter to government ministers, Britain's largest charities jointly demanded the UK's recently introduced "gagging law" be repealed. Over 160 signatories, including representatives from the Salvation Army, Save the Children, Greenpeace, Oxfam, Age UK and Amnesty International, called

for the Transparency of Lobbying Act to be scrapped. They said the legislation interferes with charities' work and is ensnaring them in costly and counterproductive bureaucracy.

So politically charged is the gagging law that Labour's website now states:

The health of our democracy depends on people's right to campaign on the issues they care about. That's why a Labour government will repeal David Cameron's gagging law.

UN rapporteur on rights to freedom of peaceful assembly and association, Maina Kiai, joined in the foray and stated:

Although sold as a way to level the electoral playing field, the bill actually does little more than shrink the space for citizens – particularly those engaged in civil society groups – to express their collective will. In doing so, it threatens to tarnish the United Kingdom's democracy.

In the press freedom report was another damning statement under 'freedom of the net'. Britain was placed only slightly better than freedom of the press but dramatically fell due to "violations of users rights" which highlighted government filters, mass data retention by ISP's, violations of privacy, abuse of data protection and "growing fears of abuse by police and intelligence agents."

That report also stated that government outsourcing and privatizing of blocking and filtering services raised questions about transparency and overblocking, "which may have significant effects on users' online freedoms".

In a separate approach of infringement of free speech laws, we can see the governments use of terrorism being as reported today – "David Cameron and Theresa May's crackdown on extremism risks undermining the British values ministers want to protect, according to the most senior police chief in charge of anti-radicalisation."

The proposals were also condemned by the Muslim Council of Britain. Dr Shuja Shafi, its secretary general, said of the plans: "We cannot help detecting the McCarthyist undertones in the proposal to create blacklists and exclude and ban people deemed to be extremist. If we are to have such lists at all, they should be determined through a transparent process and subject to judicial oversight." Which, they are not.

Finally – from the civil rights movement home page – "Freedom of speech and expression are recognised under the European Convention of Human Rights as fundamental human rights. In Britain these rights can be found as early as 1215 in the Magna Carter [sic]."

Just one problem – the Human Rights Act as recognised by the ECHR of which Britain is a signatory is about to be abolished in Britain. The expectation, after combining all of these different approaches to laws being imposed upon British society is that the 2016 Freedom of Press and Freedom of Net reports should show significant declines straight into a category that does not include the term "FREE".

You can read more from Graham Vanbergen at his site <http://truepublica.org.uk>

FROM CONCEPTION TO GRAVE

British Constitution Group

At the state opening of Parliament in May, the Queen (who is not having her tax credits cut, I understand), laid out David Cameron's "One Nation" political agenda.

It may come as some surprise to all who believe the lie that Britain has no constitution, that constitutional reform was front and centre of that speech.

Right at the heart of the constitutional reform agenda is the Cabinet Office. Its Constitutional Reform Committee is chaired by Cabinet Office Minister Oliver Letwin. Others on the committee include George Osborne, Theresa May, Ian Duncan Smith and Chris Grayling. So it should come as no surprise that it is the Cabinet Office which is calling for reform of the relationship between the individual and the state, a key aspect of any national constitution.

Last week, at the Future of Public Services Conference, Cabinet Office minister and Paymaster General Matthew Hancock MP gave a speech "all about public services". His case, he said, was

based on the need for continuous improvement in public services. A laudable goal, perhaps. For that, he said, “we must reform the relationship between citizen and state. In short, we must build a truly 21st century state: smarter, nimbler, more responsive and more accessible. The technology exists to do it, and the public expect it. It is our duty.”

While the main focus of his speech was on the continued drive for the privatisation of everything and the use of “technology” to “unlock” the transformation of public services, one aspect of the speech gave the greatest cause for concern. Hancock said: “And this brings me onto my second area of reform: experimentation. Because in seeking to improve our services, we need to know what actually works. We’ve always had policy pilots, but we’re now putting on our lab coats, testing out variations of a policy against a hypothesis. Test, try small, fail fast and learn: it’s part of the secret of continuous improvement.”

“Famously, the Behavioural Insights Team – itself a Cabinet Office spin-out – are doing this with behavioural science ... We set up the Policy Lab to help departments prototype new tools and techniques, then iteratively to improve them in an agile way. The team are currently working with the Department for Work and Pensions and the Department of Health to trial ideas aimed at preventing people from falling out of the jobs market and going onto Employment and Support Allowance (ESA). These include GPs prescribing a work coach, and a health and work passport to collate employment and health information. These emerged from research with people on ESA, and are now being tested with local teams of Jobcentres, GPs and employers.”

“Doing this in just a few places is low cost and means we can discard the policies that don’t work and improve the ones that do. Iterate, iterate then iterate again.”

“Behavioural” insights, work “coaches”, “health and work passports” focussing, of course, on mental health.

This is a fundamental redefinition of the relationship between the individual and the state. Nowhere in our current constitution is the use of citizens as lab rats permitted.

It is perhaps appropriate to quote Bertrand Russell here, and ask, where did Matt Hancock get his big idea from? In *The Impact of Science on Society*, written in 1952, Russell had this to say:

“I think the subject which will be of most importance politically is mass psychology ... Its importance has been enormously increased by the growth of modern methods of propaganda. Of these the most influential is what is called 'education.' Religion plays a part, though a diminishing one; the press, the cinema, and the radio play an increasing part ... It may be hoped that in time anybody will be able to persuade anybody of anything if he can catch the patient young and is provided by the State with money and equipment.

“The subject will make great strides when it is taken up by scientists under a scientific dictatorship ... The social psychologists of the future will have a number of classes of school children on whom they will try different methods of producing an unshakable conviction that snow is black. Various results will soon be arrived at. First, that the influence of home is obstructive. Second, that not much can be done unless indoctrination begins before the age of ten. Third, that verses set to music and repeatedly intoned are very effective. Fourth, that the opinion that snow is white must be held to show a morbid taste for eccentricity. But I anticipate. It is for future scientists to make these maxims precise and discover exactly how much it costs per head to make children believe that snow is black, and how much less it would cost to make them believe it is dark gray. Although this science will be diligently studied, it will be rigidly confined to the governing class. The populace will not be allowed to know how its convictions were generated. When the technique has been perfected, every government that has been in charge of education for a generation will be able to control its subjects securely without the need of armies or policemen.”

If we draw the results of Matt Hancock’s lab coat activity together what kind of future do we see: exactly that envisaged by Russell. Assigned a Named Person at conception, given a “health and work passport” at the age of 16 and all the while a constant barrage of behavioural “nudging” as you go.

State surveillance, state assessment, state interference: from conception to grave.

NAMED PERSON: POLICE STATE SCOTLAND

Nick Cowan; Libertarian Alliance Blog

The Scottish Government: plans to interfere in all aspects of every child's life.

(Mass government surveillance need not only be electronic! - Ed)

I have emailed this letter to our local paper:

I want to make the readers aware of one of the most pernicious pieces of legislation I can remember in my lifetime and there is little time left to act. Every child in Scotland will be affected.

We have until 30th to email the Scottish Government with our objections to the 'Named Person' legislation.

To believe that this idea is being implemented to safeguard Scotland's children is naive in the extreme. This is not just about abuse, which of course is repugnant, it concerns every aspect of a child's life from their birth to 18th birthday (or even after that if still at school).

There follows some examples of what your child's Named Person (i.e. State guardian) is to be involved with and how parents, other family members and school friends could be dragged into conflict with the State.

Children's 'wellbeing' will be monitored. An 'Easy to Read Guide' to the plans describes wellbeing as "another word for how happy you are" and says that a Named Person will check that a child is respected, which includes being given a say in what they watch on TV and how their room is decorated.

Can you see already how this is not about wellbeing, but about control? Control is at the centre of this scheme. If your child wants to plaster his bedroom walls with death metal posters and you disapprove, he can have a word with his Named Person (probably a teacher or health worker).

In other words, your children, your home and your beliefs will become the property of the State. The State will be using children to modify (read: coerce; bully; threaten) how parents act and undermine their beliefs and diminish parental responsibility and authority, weakening the family.

Many professionals have spoken out about the scheme's potential dangers.

Carole Ford, former President of 'School Leaders Scotland', wrote to The Scotsman criticising the scheme. She wrote that whilst a single point of contact is welcome, appointing a named person for every child is a "completely unnecessary interference with parental rights" which actually "diminishes parental responsibility". She said that this is "a direction of travel no sensible society would follow". She also stressed that implementing the scheme for all children, rather than those who are specifically identified as vulnerable, would make its impact "so thin as to be negligible".

The full statutory scheme is scheduled for next August, but pilot schemes are already operating in many areas.

A senior teacher in a Moray secondary school has been convicted of sending grossly offensive or indecent images of children; she had been the 'Named Person' for 200 pupils!

Simon Calvert, NO2NP spokesman, said: "It has to be hoped that the local authority has begun an internal inquiry into how such a person could ever have been given such a powerful role in the lives of children. "The Scottish Government must tell parents what additional steps it is taking to vet Named Persons. Given their greatly increased involvement in the personal lives of children, there clearly ought to be greatly increased background checks to make sure they cannot abuse that position of trust."

I contacted our new MP, Richard Arkless, about a separate matter. He was very helpful, so I told him of my concerns about the 'Named Persons' scheme. He supports the plans and replied that, "I think we have to agree to disagree on this". I reminded him that he is entitled to his opinion, but that he is employed to represent us, regardless of his own views, unless these conflict with his conscience. I await his reply to my last email with interest, especially his views on this question:

"Some people say they will refuse to accept a Named Person for their children. What will happen to them? Will their children be removed in dawn raids by social workers accompanied by police?"

That might sound like fantasy, but in the past, families in Glasgow whose asylum applications were

rejected have been subjected to dawn raids and sent back to the likes of Kosovo and Albania with nothing more than the clothes they were wearing. Where was the concern for children's "wellbeing" then?

The 'Named Person' scheme is part of GIRFEC (Getting It Right For Every Child). According to the Scottish Government's website, "The Wellbeing Indicators are used to record observations, events and concerns and as an aid in putting together a child's plan – if one is needed. The My World Triangle and the Resilience Matrix are used to gather, structure and help with assessing and analysing information."

This sounds like '1984' meets 'Brave New World' to me; as I wrote earlier, I believe this is all about control.

I have read that some pupils have been grilled by their Named Persons into divulging information about their classmates, such as whether they smoke or drink. No doubt, their political and religious views will also be of interest, like how non-PC they are so that they can be enrolled in re-education classes.

Whatever happened to privacy and trust? These cannot be permitted when a government is so out of control. Information gathered from children will be shared, i.e. made available, for many people to access. The dangers are obvious.

The Scottish Government tries to insist that parental rights will not be undermined in any way, but children are already encouraged to seek confidential NHS treatment with neither the knowledge nor the consent of their parents.

Some parents say they are not prepared to cooperate, but as Aidan O'Neill QC says, "Not only can you not opt out of the scheme you have to positively co-operate with the Named Person otherwise you could be characterised as 'hostile' or 'non-engaging' which leads to further state involvement."

I encourage everyone to contact our South of Scotland MSPs of all parties urgently. You might also like to tell our MP, Richard Arkless, how you feel. His party is imposing this gross infringement on freedom and privacy. What they are saying is that no parent in Scotland can be trusted to raise their own children.

The unfortunate fact is that politicians will mostly toe the party line and will refuse to acknowledge reason or try to constructively deal with concerns. They must be made to – they work for us!

The independence of the family is at stake as is the safety of children, both at the hands of possible unscrupulous 'Named Persons' and by creating so much 'noise' in the system that genuine cases of abuse and neglect could fail to be noticed because the attention has been diverted towards little Johnny or Jenny's bedrooms not being decorated quite as they would have liked.

Spiked has tried to understand why the Scottish Government and Welsh and London assemblies are more authoritarian than Westminster:

"The trouble here, though, is that ministers in the Welsh Assembly or the Scottish Parliament instinctively understand that the devolved assemblies aren't powerhouses of decision-making. Local assemblies may be able to make decisions on collecting the bins, sorting out street lighting or tinkering with transport, but they're not in a position to make a substantial difference to a region's economy. They're not in a position to implement changes that can improve infrastructure or affect the lives of people in any meaningful way. Instead, they have the power to meddle, interfere and restrict ordinary people's day-to-day behaviour. They're meaningless institutions desperately in search of meaning. So, in order to create a sense of purpose, to show they're more than just talking shops, the devolved assemblies introduce fresh bans, new laws and more red tape. Yes, banning e-cigarettes in public places or placing all children under state surveillance doesn't make much rational sense. But for a minister seeking to justify their existence, such policies make perfect sense."

"...activists are more likely to defend all sorts of authoritarian measures that they would object to if Westminster had introduced them. The SNP congratulates itself for demolishing the Labour Party's support in Scotland, only to introduce controls and bans that make New Labour appear like a collection of commune-dwelling anarchists. As anyone who has argued with SNP members will know, they're bizarrely incapable of making any critical judgements about their party's poisonous authoritarianism. The centrality of Scottish identity is a way through which politics is now suspended north of the border."

'They (land laws) are founded upon the most absurd of all suppositions, the supposition that every successive generation of men have not an equal right to the earth, and to all that it possesses, but that the property of the present

generation should be restrained and regulated according to the fancy of those who died perhaps five hundred years ago'

Adam Smith; thanks to Dave Dewhurst

ANARCHO-CAPITALISM VS. MARKET ANARCHISM

Kelly Vee; Libertairan Alliance Blog

What's the difference between "market anarchism" and "anarcho-capitalism"?

The difference between market anarchism and anarcho-capitalism is contentious, and somewhat semantic. Anarcho-capitalists choose to use the word "capitalism" because they believe it denotes a laissez-faire system of economics, free from government control. Market anarchists are far more critical of capitalism, as they believe the term "capitalism" does not denote a truly freed economic system. Market anarchists avoid using the word "capitalism" because it often refers to our current, unfree economic system, dominated by corporations and vast income inequality. Market anarchists say that "capitalism" places too much emphasis on capital, implying rule by the owners of the means of production, a form of oppression which market anarchists oppose. Many market anarchists believe that in a freed society, the world would look very different from how it looks now under state capitalism. They believe that freed markets would not result in corporate domination and hierarchical firm structure. If such firms did exist, they would be few and far between. As Gary Chartier and Charles Johnson write in *Markets Not Capitalism*, "Market anarchists believe in market exchange, not in economic privilege. They believe in free markets, not in capitalism."

Adherents of anarcho-capitalism believe a capitalist, laissez-faire economic system is desirable for maximum freedom and human flourishing. Market anarchism does not seek to prescribe a desirable economic system. Instead, market anarchists recognize that not everyone in a free society will desire to engage in a profit-oriented market, and alternative voluntary economic systems, such as cooperatives, gift economies, and communes, may flourish. While market anarchists may prefer a system of voluntary exchange, pluralism and decentralization are far more important. As long as these different voluntary economic systems can peacefully coexist, market anarchists take no issue with such alternatives.

DR CHRIS FURSDON-DAVIS

Peter Coville; Coordinator; ACCESS

With sadness I have to report the death of Dr Chris Fursdon-Davis. Unfortunately I was only able to get to meet him face-to-face in the last months of his life, when his illness was already well advanced. Despite that his intellect continued to shine until the very last. I gained the impression of a wonderfully civil and civilised man. Although he supported and ... through his bequest ... will continue to support the notion of a more caring world, his sceptical caste of mind instilled a knowledge of the limitations of politics and a deep distrust of political cliquishness, zealotry and sectarianism - Ed.

This from Peter Coville, ACCESS co-ordinator;-

Our founder, benefactor and friend Dr Chris Fursdon-Davis, sadly died this morning (19th November) in Sobell House hospice in Oxford, after a two-and-a-half year struggle with cancer.

Chris was a retired NHS neurologist who became convinced over recent decades that we were living in a society that had become "careless of care" as he liked to put it. Almost by accident he

went to the Occupy protests at St Paul's in 2011 and there discovered...a lot of people who cared. This led to a deep engagement with the Occupy movement, where Chris worked on questions of the economy and housing, and initiated and funded the 2012 New Putney Debates (available on You Tube), among other things.

Once he had been diagnosed with cancer, Chris formulated the project of setting up a centre for discussion of what a more caring society would look like, at his house in Drayton, which became ACCESS as you know it. He wanted it to be a vibrant hub of discussion about the challenges facing society and responses to them.

I hope that, with your active support, we will be able to realise Chris's dream. I think that we are halfway there. I will, as usual, be in touch about forthcoming events and other ways of participating in ACCESS.

BASIC INCOME UPDATE

Nathan Allonby

KELA TO PREPARE BASIC INCOME PROPOSAL

Yle Uutiset; Finland

The Finnish Social Insurance Institution is to begin drawing up plans for a citizens' basic income model. The preparation's director Olli Kangas says that full-fledged basic income would net Finns some 800 euros a month.

Basic income could amount to about 800 euros a month for all citizens, proposal chief says.

The Finnish Social Insurance Institution (Kela) will soon begin work on a presentation for basic income, regional news group Lännen Media reports. Once implemented, the model could revolutionise the Finnish social welfare system.

If implemented, the so-called basic income would replace other benefits people currently receive, and would therefore be rather high, Kela's Research Department Manager Olli Kangas told Lännen Media.

Under basic income all Finnish citizens would be paid an untaxed benefit sum free of charge by the government. Kangas says the model would see Finns being paid some 800 euros a month in its full form, 550 euros monthly in the model's pilot phase. The basic income model's full-fledged form would make some earnings-based benefits obsolete, but in the partial pilot format benefits would not be affected. The partial model would also retain housing benefits and income support packages.

Kela says it will prepare the basic income proposal by November, 2016. The government's nationwide basic income trial will be based on the finished proposal.

A DUTCH CITY IS GIVING RESIDENTS FREE MONEY, NO STRINGS ATTACHED — HERE'S WHY IT COULD WORK

Chris Weller, Business Insider

Starting this fall, the Dutch city of Utrecht will begin an ambitious yearlong experiment: giving monthly checks to numerous people already on welfare, no strings attached.

The concept is known as a basic income. It affords citizens a standard amount of money to cover expenses, ranging from major health costs to quick trips to the grocery store, on top of their other sources of revenue.

Richard Nixon gave a similar idea a try in the 1960s. A decade later, Canada conducted its own experiment. And in 2016, Switzerland is slated to hold a referendum on implementing basic income.

Basic income has yet to emerge in full force partly because of logistics and partly because of fear of abuse. But that fear may be misguided, at least in the Netherlands, according to those conducting the experiment. "The current rules in welfare are bureaucratic and, in a way, based on mistrust," says

Jacqueline Hartogs, spokeswoman for Victor Everhardt, Utrecht alderman for work and income.

Welfare recipients in Utrecht lose their benefits if they can't find a job, signaling that mistrust, Hartogs tells Business Insider. "In our scientific experiment," she says, "we will approach people with less or no rules, to see whether they still make an effort."

Researchers from the city council and University of Utrecht will separate at least 250 welfare recipients into five groups: a control group operating under the current laws, three groups with fewer rules, and an unconditional income group that receives money no matter what. If the system pans out favorably, it could be the first concrete example that basic income works.

Whether it expands outside Europe, however, is another matter, says Almaz Zelleke, a New York University political scientist and basic income expert.

The small size of cities like Utrecht could underpin the success of basic income (the city's population: 311,367).

The Netherlands is also somewhat anomalous among European countries, as it boasts the highest percentage of part-time workers. "So perhaps there is a greater openness to the idea of providing a floor of income security on which citizens can build higher incomes with part-time work," Zelleke says.

At least going by the statistics, Utrecht's model of trust doesn't seem to translate across the pond. A 2012 poll showed 83% of Americans believe people should be required to work to receive welfare. Otherwise, we're apt to use the dreaded H-word: handout.

SWISS TO VOTE ON 2,500 FRANC BASIC INCOME FOR EVERY ADULT

Reuters; Denis Balibouse; Alice Baghdjian; Gareth Jones; Berne

Switzerland will hold a vote on whether to introduce a basic income for all adults, in a further sign of growing public activism over pay inequality since the financial crisis. A grassroots committee is calling for all adults in Switzerland to receive an unconditional income of 2,500 Swiss francs (\$2,800) per month from the state, with the aim of providing a financial safety net for the population.

Organizers submitted more than the 100,000 signatures needed to call a referendum on Friday and tipped a truckload of 8 million five-rappen coins outside the parliament building in Berne, one for each person living in Switzerland.

Under Swiss law, citizens can organize popular initiatives that allow the channeling of public anger into direct political action. The country usually holds several referenda a year.

In March, Swiss voters backed some of the world's strictest controls on executive pay, forcing public companies to give shareholders a binding vote on compensation.

A separate proposal to limit monthly executive pay to no more than what the company's lowest-paid staff earn in a year, the so-called 1:12 initiative, faces a popular vote on November 24.

The initiative's organizing committee said the basic income could partly be financed through money from social insurance systems in Switzerland. The timing of the vote has yet to be announced, pending official guidance from the government.

THE UN PLANS TO IMPLEMENT UNIVERSAL BIOMETRIC IDENTIFICATION FOR ALL OF HUMANITY BY 2030

Michael Snyder; Activist Post

Did you know that the United Nations intends to have biometric identification cards in the hands of every single man, woman and child on the planet by the year 2030? And did you know that a central database in Geneva, Switzerland will be collecting data from many of these cards?

Previously, I have written about the 17 new “Global Goals” that the UN launched at the end of September. Even after writing several articles about these new Global Goals, I still don’t think that most of my readers really grasp how insidious they actually are. This new agenda truly is a template for a “New World Order”, and if you dig into the sub-points for these new Global Goals you find some very alarming things. For example, Goal 16.9 sets the following target...

By 2030, provide legal identity for all, including birth registration.

The United Nations is already working hard toward the implementation of this goal – particularly among refugee populations. The UN has partnered with Accenture to implement a biometric identification system that reports information “back to a central database in Geneva.” The following is an excerpt from an article that was posted on findbiometrics.com...

The United Nations High Commissioner for Refugees (UNHCR) is moving forward with its plans to use biometric technology to identify and track refugees, and has selected a vendor for the project. Accenture, an international technology services provider, has won out in the competitive tendering process and will oversee the implementation of the technology in a three-year contract. The UNHCR will use Accenture’s Biometric Identity Management System (BIMS) for the endeavor. BIMS can be used to collect facial, iris, and fingerprint biometric data, and will also be used to provide many refugees with their only form of official documentation. The system will work in conjunction with Accenture’s Unique Identity Service Platform (UISP) to send this information back to a central database in Geneva, allowing UNHCR offices all over the world to effectively coordinate with the central UNHCR authority in tracking refugees.

I don’t know about you, but that sure does sound creepy to me. And these new biometric identification cards will not just be for refugees. According to a different FindBiometrics report, authorities hope this technology will enable them to achieve the UN’s goal of having this kind of identification in the hands of every man, woman and child on the planet by the year 2030...

A report synopsis notes that about 1.8 billion adults around the world currently lack any kind of official documentation. That can exclude those individuals from access to essential services, and can also cause serious difficulties when it comes to trans-border identification. That problem is one that Accenture has been tackling in collaboration with the United Nations High Commissioner for Refugees, which has been issuing Accenture-developed biometric identity cards to populations of displaced persons in refugee camps in Thailand, South Sudan, and elsewhere. The ID cards are important for helping to ensure that refugees can have access to services, and for keeping track of refugee populations. Moreover, the nature of the deployments has required an economically feasible solution, and has demonstrated that reliable, biometric ID cards can affordably be used on a large scale. It offers hope for the UN’s Sustainable Development Goal of getting legal ID into the hands of everyone in the world by the year 2030 with its Identification for Development (ID4D) initiative.

The Identification for Development (ID4D) initiative was originally launched by the World Bank, and they are proud to be working side by side with the UN to get “legal identity” into the hands of all. The following comes from the official website of the World Bank...

Providing legal identity for all (including birth registration) by 2030 is a target shared by the international community as part of the Sustainable Development Goals (target 16.9). The World Bank Group (WBG) has launched the Identification for Development (ID4D) cross-practice initiative, with the participation of seven GP/CSAs sharing the same vision and strategic objectives, to help our client countries achieve this goal and with the vision of making everyone count: ensure a unique legal identity and enable digital ID-based services to all.

Of course all of this is being framed as a “humanitarian” venture right now, but will it always stay that way? At some point will a universal biometric ID be required for everyone, including you

and your family? And what would happen if you refused to take it?

I could definitely foresee a day when not having “legal identification” would disqualify you from holding a job, getting a new bank account, applying for a credit card, qualifying for a mortgage, receiving any form of government payments, etc. etc. At that point, anyone that refused to take a “universal ID” would become an outcast from society.

What the elite want to do is to make sure that everyone is “in the system.” And it is a system that they control and that they manipulate for their own purposes. That is one of the reasons why they are slowly but surely discouraging the use of cash all over the world.

In Sweden, this movement has already become so advanced that they are now pulling ATMs out of even the most rural locations...

The Swedish government abetted by its fractional-reserve banking system is moving relentlessly toward a completely cashless economy. Swedish banks have begun removing ATMs even in remote rural areas, and according to Credit Suisse the rule of thumb in Scandinavia is “If you have to pay in cash, something is wrong.” Since 2009 the average annual value of notes and coins in circulation in Sweden has fallen more than 20 percent from over 100 billion to 80 billion kronor. What is driving this movement to destroy cash is the desire to unleash the Swedish central bank to drive the interest rate down even further into negative territory. Currently, it stands at -0.35 percent, but the banks have not passed this along to their depositors, because depositors would simply withdraw their cash rather than leave it in banks and watch its amount shrink inexorably toward zero. However, if cash were abolished and bank deposits were the only form of money, well then there would be no limit on negative interest rate policy as banks would be able to pass these negative interest rates onto their depositors without adverse consequences. With everyone’s wages, salaries, dividends etc, paid by direct deposit into his bank account, the only way to escape negative interest rates would be to spend, spend, spend. This, of course, is precisely what the Keynesian economists advising governments and running central banks are aiming at....a pro-cash resistance movement is beginning to coalesce and the head of a security industry lobbying group relates, “I’ve heard of people keeping cash in their microwaves because banks won’t accept it.”

If you aren’t using cash, that means that all of your economic activity is going through the banks where it can be watched, tracked, monitored and regulated.

Every time the elite propose something for our “good,” it somehow always results in them having more power and more control. I hope that people will wake up and see what is happening. Major moves toward a one world system are taking place right in front of our eyes, and yet I hear very, very few people talking about any of this.

Michael Snyder is a writer, speaker and activist who writes and edits his own blogs [The American Dream](#) and [Economic Collapse Blog](#). Follow him on [Twitter](#)

HANG ONTO YOUR WALLETS: NEGATIVE INTEREST, THE WAR ON CASH, AND THE \$10 TRILLION BAIL-IN

Ellen Brown; OpEdNews

In uncertain times, "cash is king," but central bankers are systematically moving to eliminate that option. Is it really about stimulating the economy? Or is there some deeper, darker threat afoot?

Remember those old ads showing a senior couple lounging on a warm beach, captioned "Let your money work for you"? Or the scene in *Mary Poppins* where young Michael is being advised to put his tuppence in the bank, so that it can compound into "all manner of private enterprise," including "bonds,

chattels, dividends, shares, shipyards, amalgamations . . . That may still work if you're a Wall Street banker, but if you're an ordinary saver with your money in the bank, you may soon be paying the bank to hold your funds rather than the reverse.

Four European central banks -- the European Central Bank, the Swiss National Bank, Sweden's Riksbank, and Denmark's Nationalbank -- have now imposed negative interest rates on the reserves they hold for commercial banks; and discussion has turned to whether it's time to pass those costs on to consumers. The Bank of Japan and the Federal Reserve are still at ZIRP (Zero Interest Rate Policy), but several Fed officials have also begun calling for NIRP (negative rates).

The stated justification for this move is to stimulate "demand" by forcing consumers to withdraw their money and go shopping with it. When an economy is struggling, it is standard practice for a central bank to cut interest rates, making saving less attractive. This is supposed to boost spending and kick-start an economic recovery.

That is the theory, but central banks have already pushed the prime rate to zero, and still their economies are languishing. To the uninitiated observer, that means the theory is wrong and needs to be scrapped. But not to our intrepid central bankers, who are now experimenting with pushing rates below zero.

Locking the Door to Bank Runs: The Cashless Society

The problem with imposing negative interest on savers, as explained in the UK Telegraph, is that "there's a limit, what economists called the 'zero lower bound'. Cut rates too deeply, and savers would end up facing negative returns. In that case, this could encourage people to take their savings out of the bank and hoard them in cash. This could slow, rather than boost, the economy."

Again, to the ordinary observer, this would seem to signal that negative interest rates won't work and the approach needs to be abandoned. But not to our undaunted central bankers, who have chosen instead to plug this hole in their leaky theory by moving to eliminate cash as an option. If your only choice is to keep your money in a digital account in a bank and spend it with a bank card or credit card or checks, negative interest can be imposed with impunity. This is already happening in Sweden, and other countries are close behind. As reported on Wolfstreet.com:

The War on Cash is advancing on all fronts. One region that has hogged the headlines with its war against physical currency is Scandinavia. Sweden became the first country to enlist its own citizens as largely willing guinea pigs in a dystopian economic experiment: negative interest rates in a cashless society. As Credit Suisse reports, no matter where you go or what you want to purchase, you will find a small ubiquitous sign saying "Vi hanterar ej kontanter" ("We don't accept cash") . . .

The Lesson of Gesell's Decaying Currency

Whether negative interests will actually stimulate an economic recovery, however, remains in doubt. Proponents of the theory cite Silvio Gesell and the Worgl experiment of the 1930s. As explained by Charles Eisenstein in Sacred Economics:

The pioneering theoretician of negative-interest money was the German-Argentinean businessman Silvio Gesell, who called it "free-money" (Freigeld) . . . The system he proposed in his 1906 masterwork, The Natural Economic Order, was to use paper currency to which a stamp costing a small fraction of the note's value had to be affixed periodically. This effectively attached a maintenance cost to monetary wealth. . .

[In 1932], the depressed town of Worgl, Austria, issued its own stamp scrip inspired by Gesell . . . The Worgl currency was by all accounts a huge success. Roads were paved, bridges built, and back taxes were paid. The unemployment rate plummeted and the economy thrived, attracting the attention of nearby towns. Mayors and officials from all over the world began to visit Worgl until, as in Germany, the central government abolished the Worgl currency and the town slipped back into depression. . .

[T]he Worgl currency bore a demurrage rate [a maintenance charge for carrying money] of 1 percent per month. Contemporary accounts attributed to this the very rapid velocity of the currencies' circulation. Instead of generating interest and growing, accumulation of wealth became a burden, much like

possessions are a burden to the nomadic hunter-gatherer. As theorized by Gesell, money afflicted with loss-inducing properties ceased to be preferred over any other commodity as a store of value.

There is a critical difference, however, between the Worgl currency and the modern-day central bankers' negative interest scheme. The Worgl government first issued its new "free money," getting it into the local economy and increasing purchasing power, before taxing a portion of it back. And the proceeds of the stamp tax went to the city, to be used for the benefit of the taxpayers. As Eisenstein observes:

It is impossible to prove . . . that the rejuvenating effects of these currencies came from demurrage and not from the increase in the money supply

Today's central bankers are proposing to tax existing money, diminishing spending power without first building it up. And the interest will go to private bankers, not to the local government.

Consumers today already have very little discretionary money. Imposing negative interest without first adding new money into the economy means they will have even less money to spend. This would be more likely to prompt them to save their scarce funds than to go on a shopping spree.

People are not keeping their money in the bank today for the interest (which is already nearly non-existent). It is for the convenience of writing checks, issuing bank cards, and storing their money in a "safe" place. They would no doubt be willing to pay a modest negative interest for that convenience; but if the fee got too high, they might pull their money out and save it elsewhere. The fee itself, however, would not drive them to buy things they did not otherwise need.

Is There a Bigger Threat than a Sluggish Economy?

The scheme to impose negative interest and eliminate cash seems so unlikely to stimulate the economy that one wonders if that is the real motive. Stopping tax evaders and terrorists (real or presumed) are other proposed justifications for going cashless. Economist Martin Armstrong goes further and suggests that the goal is to gain totalitarian control over our money. In a cashless society, our savings can be taxed away by the banks; the threat of bank runs by worried savers can be eliminated; and the too-big-to-fail banks can be assured that ample deposits will be there when they need to confiscate them through bail-ins to stay afloat.

And that may be the real threat on the horizon: a major derivatives default that hits the largest banks, those that do the vast majority of derivatives trading. On November 10, 2015, the Wall Street Journal reported the results of a study requested by Senator Elizabeth Warren and Rep. Elijah Cummings, involving the cost to taxpayers of the rollback of the Dodd-Frank Act in the "cromnibus" spending bill last December. As Jessica Desvarieux put it on the Real News Network, "the rule reversal allows banks to keep \$10 trillion in swaps trades on their books, which taxpayers could be on the hook for if the banks need another bailout."

The promise of Dodd-Frank, however, was that there would be "no more taxpayer bailouts." Instead, insolvent systemically-risky banks were supposed to "bail in" (confiscate) the money of their creditors, including their depositors (the largest class of creditor of any bank). That could explain the push to go cashless. By quietly eliminating the possibility of cash withdrawals, the central bank can make sure the deposits are there to be grabbed when disaster strikes.

If central bankers are seriously trying to stimulate the economy with negative interest rates, they need to repeat the Worgl experiment in full. They need to first get some new money into the economy, money that goes directly to the consumers and local businessmen who will spend it. This could be achieved in a number of ways: with a national dividend; or by using quantitative easing for infrastructure or low-interest loans to states; or by funding free tuition for higher education. Consumers will hit the malls when they have some new discretionary income to spend.

"The shortest and surest way to live with honour in the world, is to be in reality what we would appear to be; and if we observe, we shall find, that all human virtues increase and strengthen themselves by the practice of them."

~ Socrates; thanks to the Libertarian Alliance Blog

CASHLESS WORLD UPDATE

Nathan Allonby

EU'S PARIS TERROR RESPONSE INCLUDES 'VIRTUAL CURRENCIES' CRIMP

Simon Sharwood; The Register

Ministerial meeting calls for accelerated data-sharing among Europe's governments

The European Commission's Justice and Home Affairs Council met last Friday to consider responses to the terrorist attack on Paris and among the actions the meeting decided are now necessary is a look at how to crimp virtual currencies.

The Council's decided on 13 responses to the Paris attacks, including a call for member nations to “speed up full implementation and effective use of the Prüm acquis (interconnection and consultation of national databases on DNA, fingerprints and vehicle registration)”. There's also a call for database interoperability and information sharing between member states and Europol, to facilitate better cross-checking of information in ways that make it easier to detect suspects.

“Member States will ... improve the overall level of information exchange between [counter-terrorism] CT authorities in the EU. Member States will ensure that the relevant national authorities significantly increase their contributions to Focal Point Traveller at Europol to reflect the threat and connect to relevant Europol information exchange systems,” the post-meeting announcement says.

The Council also hopes to constrict the financing of terrorism by asking the EU commission to improve data-sharing among Financial Intelligence Units “in order to enhance the effectiveness and efficiency of the fight against money laundering and terrorist financing in conformity with Financial Action Task Force (FATF) recommendations.”..

Those actions will include and effort to “... strengthen controls of non-banking payment methods such as electronic/anonymous payments, money remittances, cash-carriers, virtual currencies, transfers of gold or precious metals and pre-paid cards in line with the risk they present and to curb more effectively the illicit trade in cultural goods”.

There's no word yet on just what those new controls might be, when they will emerge and therefore what they might mean for Reg readers within or without the European Union. Given the speed with which the EU often moves, rapid change seems unlikely. And if the changes are rapid, expect the “legislate in haste, repeal at leisure” practice to apply once its realised that some of the response is ineffective or has unpleasant unintended consequences.

FORMER SENIOR AIDE TO FOUR PRESIDENTS OUTLINES HOW AND WHY THE ELITES WANT TO END PHYSICAL CASH

Phoenix Capital Research; ZeroHedge; Global Research

As we've noted previously, the War on Cash is accelerating. In recent months:

- 1) The SEC and other regulators have implemented legislation allowing Money Market Funds to lock in your cash for up to 10 days during the next financial crisis (meaning you cannot get your money out).
- 2) The FDIC has implemented legislation permitting it to seize “systemically important” banks and convert their deposits into equity (the dreaded “bail in” used in Cyprus in 2013).
- 3) JP Morgan and other large banks have begun rejecting large deposits.
- 4) France has banned any transaction over €1,000 Euros from using physical cash. Spain has already banned transactions over €2,500. Uruguay has banned transactions over \$5,000. And on and

on.

There is a widespread global campaign to eradicate physical cash. And we've now got a connected insider confirming it.

Dr. Harald Malmgren is about as connected as you can get into the Washington DC political elite. He served as a Senior Aide to FOUR separate Presidents as well the Senate Committee on Finance. This is someone who KNOWS what global elites are thinking about the financial system and US economy. Dr. Malmgren recently gave an interview to Sinclair and Co that is absolutely shocking.

The very first sentence:

Banks in the US and Europe are trying to develop a cashless transactions system... The concept is to establish a comprehensive ledger for a business or a person that records everything received and spent, and all of the assets held – mortgages, investment portfolios, debts, contractual financial obligations, and anything else of market value including pleasure boats, automobiles, and other machinery.

He continues...

Governments would very much like such ledgers to exist because they could view everything that is taking place financially in real time, including ability to evaluate net worth, patterns of spending and of earned and unearned income, and of course, an instant assessment of all taxable activities.

We've been warning of this for months. However, Dr. Malmgren is the one to "connect the dots" of the key players in this global plan to erase physical cash and financial privacy.

This is not a dreamy idea. Blythe Masters, the JP Morgan architect of organized market trading of modern asset backed securities like mortgage backed securities and collateralized debt obligations... is leading a new business effort to develop a universal cashless system. Not only is she gathering significant investor interest, but the Federal Reserve and various US Government agencies have become keenly interested in the potential usefulness and efficiencies of a universal cashless system.

<https://www.linkedin.com/pulse/cash-policy-tool-interview-hon-dr-harald-malmgren-tavares>

The above description gets pretty technical, so let's lay it out in clear, simple language. This is the woman who helped promote and institutionalize the securities that blew up the entire financial system in 2008.

Having left JP Morgan (after a lawsuit in which Masters was accused of lying under oath), Masters is now driving a push to allow Governments to monitor everything you do with your money in real-time. This is not conspiracy, this is fact. Masters is already meeting with top financial executives to promote the idea. And Central Banks LOVE the idea.

That's a bold statement, but Masters isn't the only voice heralding the coming of the blockchain. The Bank of England, in a report earlier this year, calls it the "first attempt at an Internet of finance," while the Federal Reserve Bank of St. Louis hails it as a "stroke of genius." In a June white paper, the World Economic Forum says, "The blockchain protocol threatens to disintermediate almost every process in financial services."

<http://www.bloomberg.com/news/features/2015-09-01/blythe-masters-tells-banks-the-blockchain-changes-everything>

Anytime the Fed calls something "a stroke of genius" you can guarantee it's going to be a complete disaster for Main Street. Especially given who's involved in this mess.

This is just the start of a much larger strategy of declaring War on Cash.

BANK OF IRELAND BANS "SMALL" CASH WITHDRAWALS AT BRANCHES

Tyler Durden; Mirae Asset

As central planners the world over grapple with the effective “lower bound” that’s imposed by the existence of physical banknotes, there’s been no shortage of calls for a ban on cash.

Put simply, if you eliminate physical currency, you also eliminate the idea of a floor for deposit rates.

After all, if people can’t withdraw paper money and stash it under the mattress, then interest rates can be as negative as the government wants them to be in order to “encourage” consumption. If, for instance, you’re being charged 10% for saving your money, then by God you will probably spend that money rather than see the bank collect a double-digit fee just for holding on to your paycheck.

In the absence of physical cash, there’s no way for depositors to avoid that rather unpalatable outcome unless the public starts buying hard assets like commodities with their debit cards. If you think that sounds far-fetched, just consider the fact that everyone from Citi’s Willem Buiters to economist Ken Rogoff to the German Council Of Economic Experts’ Peter Bofinger have now floated the idea. “With today’s technical possibilities, coins and notes are in fact an anachronism,” Bofinger told Spiegel back in May.

Now, in what should be a wake up call to the world, Bank of Ireland has banned branch withdrawals of less than €700.

Seriously.

Here’s The Irish Times explaining that tellers will still assist the “elderly” if they have trouble using automated methods of obtaining cash:

Under new rules, designed to streamline in-branch services, Bank of Ireland said withdrawals of less than €700 will no longer be facilitated with the assistance of tellers. From mid-November, customers will have to use ATMs or mobile devices for small and modest-sized withdrawals. Lodgements of up to €3,000 and those involving less than 15 cheques will also have to use the bank’s dedicated lodgement ATMs.

“Bank of Ireland understands these changes may be a new way of banking for some of our customers, and the branch teams will be available to help and guide them through this change,” the bank said in a statement.

So, if you are, i) wanting less than €700, ii) have less than 15 checks to deposit, or iii) aren’t looking to put at least €3,000 into your account, you are no longer welcome inside Bank of Ireland branches.

For his part, Irish Finance Minister Michael Noonan seems to think that this is, for lack of a better description, absolutely nuts:

Minister for Finance Michael Noonan has described restrictions to be imposed by Bank of Ireland on over-the-counter lodgements and withdrawals as both “surprising and unnecessary”. “I expect the bank to fully honour this commitment and ensure that customers will be facilitated through the existing arrangements where required. I would welcome a clarification from Bank of Ireland on the issue,” he said in a statement.

Yes, Noonan is demanding some “clarification,” and you should too, before you discover that the world’s central bankers planners have absconded with your physical cash on the way to instituting a regime that will allow for the micromanagement of your purchasing decisions.

GOOGLE DEGENERATES INTO MINISTRY OF TRUTH; ALL KNOWLEDGE MUST NOW BE PRE-APPROVED BY SEARCH ALGORITHM

Jonathan Benson; Global Research

Gone are the days when you could search Google and pull up neutral, relevant content appropriate to your search query. The search engine giant is reportedly pioneering a new search algorithm that will tailor search results not based on popularity or accuracy, but rather on what Google itself deems to be truthful or untruthful.

The world's new "Ministry of Truth", Google believes that screening and censoring information requested by its users will help avoid "websites full of misinformation" from showing up at the top of the search list. Known as the "Knowledge Vault," the novel algorithm is described by The New American as "an automated and super-charged version of Google's manually compiled fact database called Knowledge Graph." Google's Knowledge Graph, in case you didn't know, was the search engine's first attempt at becoming a purveyor of knowledge rather than just information – a "smart" search tool, if you will, designed to enhance the relevancy of search results by analyzing various facts, figures, and other data appropriate to a user's intended query.

The Knowledge Vault builds upon this concept, but takes it another step further. By sorting through the actual content of websites to determine whether or not they fit the official narrative for the particular idea or concept presented, the Knowledge Vault will act as a type of knowledge gatekeeper in censoring out information and content deemed to be "false."

"[The Knowledge Vault] promises to let Google answer questions like an oracle rather than a search engine, and even to turn a new lens on human history," wrote Hal Hodson for NewScientist about the project.

What you're actually searching for is irrelevant: Google will tell you what it wants you to know

It is this latter statement that's deeply concerning, as Google now has the power to literally rewrite history by snubbing search content of which the powers that be disapprove, while approving only propaganda and other misinformation dubbed "accurate." This evolution from information provider to knowledge developer changes the entire nature of Google's purpose as a company.

Concerning natural health and alternative medicine, Google has already written code into its search algorithm that censors out "anti-vaccine" websites, for instance, as well as other resources categorized as purveying "misinformation. Using the new Knowledge Vault protocol, Google is likely to begin censoring other topics as well."

"That eerily disconcerting statement becomes ominous when you consider that Google has already implemented its new truth algorithm for medical searches, with disturbing consequences," writes Rebecca Terrell for The New American, "Truth-according-to-Google means that anti-vaccination websites no longer make the cut, despite the fact that recently released federal statistics reveal the risk to children's health posed by vaccines is overwhelmingly greater than that posed by the diseases these medications are formulated to combat."

Censorship brings scientific progress to a grinding halt

What this all means for sites like NaturalNews, InfoWars, and the many other independent news outlets that regularly challenge the status quo is that our content may soon be declared "inaccurate" by Google and forced down to a lower ranking as a result. Even though our collective readership is exploding because people are tired of the lies from the mainstream media, Google's new algorithm threatens to stifle this growth by hiding the truth from search results.

"It could make it more difficult for bright young people to bring about the next revolution in science," says University of Maryland professor Jim Purtillo about the plan. "After all, most of today's established science came about because someone challenged the herd mentality of yesterday."

CAMERON ESTABLISHES “TOTAL CONTROL” OVER UK CITIZENS

Martin Berger; New Eastern Outlook; via Critical Thinking

In the 21st century the political scene of most Western countries has been heavily dominated by oligarchs and their obedient puppets who are desperate to corrode the rule of law and radically restrict the personal freedoms of local residents. This process has been significantly aggravated by the tragic events of 9/11 and the severe financial crisis that followed the collapse of Lehmann Brothers in 2008. According to one of the leading advisers to President Obama – Rahm Emanuel “it would be a shame not to take advantage of such a situation.”

The notorious Patriot Act has given the US government the right to spy on its citizens, along with extending the privileges that the FBI and other national intelligence services enjoy. It has been widely regarded as a straight-out transformation of so-called “American democracy” into a sort of authoritarian regime in blunt violation of the rights that the Fourth Amendment of the US Constitution granted American citizens. Even though the Patriot Act has recently been replaced by the so-called Freedom Act, the outrageous violations of US citizens’ human rights continues.

This US example has produced an indelible impression on the politicians of nearly every other Western country that now are beginning to tighten control over their own citizens in turn.

For instance, France’s Prime Minister Manuel Valls has recently presented the Council of Ministers with a draft of the French Patriotic Act. In fact he proposed to provide security services with access to previously forbidden methods – the right to spy on one’s citizens on the Internet. To pass this law that has been labeled as a “direct interference in private life” by certain political forces, the ruling party has been actively exploiting the Charlie Hebdo attack along with the recent terrorist attacks in Tunisia.

British Conservatives have approached this issue more thoroughly. In recent years they have rallied for a major push against civil right under the guise of “the growing terrorist and extremist threat.” Essentially, this may result in the UK becoming an authoritarian country. In particular, the bill that has been brought forward by the British Interior Minister Theresa May on the fight against terrorism, according to the joint human rights committee, may seriously limit the rights of citizens along with the academic freedom of speech in the UK. Theresa May announced that a new anti-terrorism law will require the introduction of certain steps that are aimed at preventing the spread of radicalism in state institutions, such as universities, schools, public institutions, all while forcing Internet companies to get involved in monitoring the communication of the population on the Internet.

British authorities have been persistently tightening their control over the net. Back in 2012 they put forward a new law on personal data, according to which local Internet providers would have been forced to store the history of all Internet activities for 12 months, including messages sent via SMS, Facebook and Twitter. This data would be provided to local authorities at any given moment at their request. As it was stated in an interview with the Sunday Telegraph by the former head of MI5 Lord Jonathan Evans, these measures should allow the intelligence services of the Kingdom to monitor such services of Facebook, WhatsApp and Snapchat, while forcing local providers to store IP addresses of the users.

In addition, as noted by The Guardian, the Government Communications Headquarters (GCHQ) has been capturing emails of journalists working for top international media companies based in Great Britain, by using numerous taps on fibre-optic cables. On top of all this, “investigative journalists” were labeled as a threat to national security, alongside terrorists or hackers. Earlier, more than 100 chief editors of the British media have signed a letter to Prime Minister David Cameron, which voiced their protest against the continuous spying on journalists. In addition, the Secretary General of the National Union of Journalists Michelle Stanistreet voiced his concern about British law enforcement agencies bypassing the need for judicial review of a request to access journalistic sources, abusing the Regulation of Investigatory Powers Act (Ripa).

According to the former Secretary of State for Culture, Media and Sport Sajid Javid, Theresa May’s strategy to combat extremism – is a “fundamental shift” in the ongoing struggle to monitor the activities of TV channels, which may result in all media getting heavily censored in the UK.

The laws that have already been adopted in the Kingdom, allows British police to enjoy

unprecedented access to the personal data of British citizens, due to legislative loopholes in the Regulation of Investigatory Powers Act that they've been exploiting. According to recent data, UK police officers file a request for access of personal data every two minutes, while getting permission in 93% of all cases. According to the report published by Big Brother Watch, in the period from 2012 to 2014, a total of 730,000 requests for access to personal data has been submitted in the UK by police officers. With each year the number of such applications is increasing, with last year marking an all time peak – 250,000 requests a year.

Under the guise of fighting “terrorist and extremist threats” British intelligence services try to establish control over human rights organizations and trade union protest groups. Recently the Investigatory Powers Tribunal (IPT), which is the only tribunal in the United Kingdom that is entrusted with the duty to pass rulings on complaints against intelligence services, has recognized spying on the activities of two international human rights organization, that was carried out by GCHQ, illegal. In this regard, Erik King, deputy director of the human rights organization Privacy International, said: “For far too long, intelligence agencies like GCHQ and NSA have acted like they are above the law. Today’s decision confirms to the public what many have said all along — over the past decade, GCHQ and the NSA have been engaged in an illegal mass surveillance sharing program that has affected millions of people around the world. We must not allow agencies to continue justifying mass surveillance programs using secret interpretations of secret laws.”

Recently the newly created extremism analysis unit within the Home Office that has been charged with fighting extremism has been entrusted with blacklisting extremist individuals and organizations. However, the shadow home secretary of the opposition Labor Party, Andy Burnham, said that the strategy proposed by Prime Minister David Cameron can lead to alienation between the Muslim community and the rest of the population, intensifying conflicts in an already riddled with troubles British society.

However, despite the steps already taken by the British special services to establish authoritarian control over the country, the head of MI5, Andrew Parker in an interview with the BBC, while referring to the ever-growing danger of extremist and terrorist attacks, demanded even greater powers to be granted. As a result, a new draft of the Trade Union Bill has become, according to the joint statement of the British branch of Amnesty International and the British Institute of Human Rights, a “major attack” on civil liberties in the UK. According to this bill, those who will want to go on strike in Britain will be obliged to identify themselves to the police, carry a letter of authorization and wear an armband that would indicate the fact that they belong to a certain protest groups. Despite the public outcry, the Cameron government has proposed to extend those conditions on every person who will be present at strikes. Mick Whelan, general secretary of the train drivers’ union stated: “It smacks of Germany in the 1930s when trade union leaders, and activists, were rounded up, and imprisoned, and, in some cases, executed. The Nazis banned unions, and strikes, in 1933, and that is what the Tories are trying to do now. They want to effectively neuter the unions – the only part of civil society now able to fight back – in Britain.”

The news that the head of MI5, Andrew Parker is trying hard to frighten UK citizens with claims that the terrorist threat is as high as it has ever been came as no surprise since the Government of the United Kingdom is planning to present the parliament with a new Investigatory Powers Bill, which grants the intelligence services and the police even greater powers and authority.

In this current situation, one could not stress enough the words of the head of the parliamentary commission on anti-terrorist legislation, David Anderson that has recently said that the proposed measures to combat terrorism involve the legitimization of state scrutiny of the political activities of large numbers of law-abiding people. . Unfortunately, his words remained unheeded both in the UK government and across British society.

Martin Berger is a Czech-based freelance journalist and analyst, exclusively for the online magazine “New Eastern Outlook” See more at: <http://journal-neo.org/2015/11/04/cameron-establishes-total-control-over-uk-citizens/#sthash.nielFtuK.dpuf>

“Contentment is natural wealth, luxury is artificial poverty.”

~ Socrates; with thanks to the Libertarian Alliance Blog

GOVERNMENT TO ALLOW BRITISH SPIES TO “LEGALLY” HACK INTO EVERYONE’S PHONES

Michaela Whitton; Activist Post

As promised earlier in the year, the Conservative government is granting British spy agencies explicit rights to hack into smartphones and computers. Set to be introduced by Parliament next month, the forthcoming Data Retention and Investigatory Powers Act (DRIPA) will provide a legal basis for intelligence agencies to hack into computerised systems throughout the U.K.

Own a smartphone? Ever buy things online? Use social networks? Chances are that your data has passed through U.K. Government Communication Headquarters (GCHQ) surveillance programmes — particularly if you are a foreign national.

According to the Independent, spy agencies will be able to take over a phone remotely and install software that has the ability to examine your data at any time. Rushed through Parliament in July 2014, the new bill enables the Home Secretary to order communication companies to retain emails, calls, texts, and web activity of everyone in the U.K. for 12 months. Similar powers could also be used to target other databases, such as medical, travel, and financial records — including the records of those whose communications are deemed confidential, such as doctors, lawyers, journalists, and MPs.

The forthcoming bill comes as no surprise to activists who have long condemned the British government’s mass surveillance techniques exposed by Edward Snowden.

Privacy International has taken British spy agencies to court over bulk data-harvesting. Earlier this year, Deputy Director Eric King, said: “Secretly ordering companies to hand over their records in bulk, to be data-mined at will, without independent sign off or oversight, is a loophole in the law the size of a double-decker bus.” He added, “Bulk collection of data about millions of people who have no ties to terrorism, nor suspected of any crime is plainly wrong. That our government admits most of those in the databases are ‘unlikely to be of intelligence value’ but that the practice has been allowed to continue, shows just how off course we really are.”

During a recent interview with Amnesty International, whistleblower Edward Snowden was asked what he would say to those who say they have nothing to hide and mass surveillance doesn’t matter. “It’s not about having nothing to hide, it’s about being you. It’s about being friends with who you want to be friends with, without worrying about what it looks like on paper or inside some private record in some dark government vault,” he said.

It’s about realising there’s a reason we close the bathroom door. There’s a reason we don’t want the police to have a video camera where they can watch us while we’re sitting in the bubble bath. There’s a reason everybody gets so concerned about the Samsung TV that’s recording what you say in your living room, and then sending it to third parties. This is what you’re going to get. You’re not going to watch TV any more. TV is going to watch you.

Asked if he had any regrets, he said he had one — that he should have come forward sooner. “Had I done so, I think we would have a much greater degree of liberty in our online lives. Because the biggest challenge we face in reforming these surveillance programs is that, once the money has been spent, and once the practices have been institutionalized in secret, without the public knowing, it’s very difficult to change them,” he said.

This article (UK Government to Allow British Spies to “Legally” Hack into Everyone’s Phones) is free and open source. You have permission to republish this article under a Creative Commons license with attribution to Michaela Whitton and theAntiMedia.org. Anti-Media Radio airs weeknights at 11pm Eastern/8pm Pacific.

“RF CAPTURE” WIFI DEVICE CAN SEE YOU THROUGH WALLS

Mac Slavo; Activist Post

The implications for privacy under a big brother police state are obvious.

Researchers at MIT have come up with a way to use WiFi signals to see behind walls, and map a room in 3-D. By reflecting the signal, it can also locate the movements of people or objects in the room. The Daily Mail reports:

Using a wireless transmitter fitted behind a wall, computer scientists have developed a device that can map a nearby room in 3D while scanning for human bodies.

Using the signals that bounce and reflect off these people, the device creates an accurate silhouette and can even use this silhouette to identify who that person is.

The device is called RF Capture and it was developed by researchers at MIT’s Computer Science and Artificial Intelligence Lab (CSAIL). The RF Capture device transmits wireless signals that travel through a wall and reflect off a person’s body back to the device. [...] Since only a small number of body parts reflect the signal back at any given point in time, the device monitors how these reflections vary as someone moves and walks.

Not even your four walls and a roof are to be private if this technology is used for surveillance purposes. And make no mistake, it will be. There are clearly privacy implications to this, but chances are that objections will be kept to a dull roar, with so many other tracking and surveillance activities descending upon society. There are many other related and overlapping technologies, like the radar sweep devices some police are now using to look through walls and locate suspects before going inside. However, the use of WiFi to achieve this make it even easier.

As SHTF previously reported, a new application of WiFi known as Wi-Vi could take surveillance to the next level:

MIT tech geeks have found a way to pinpoint location and track complex movement patterns with far greater accuracy – and what’s more, it can track people’s steps through walls, and the individuals or groups don’t even need to carry a cell phone! MIT professor Dina Katabi and graduate student Fadel Adib:

“Show that Wi-Fi can also extend our senses, enabling us to see moving objects through walls and behind closed doors. In particular, we can use such signals to identify the number of people in a closed room and their relative locations. We can also identify simple gestures made behind a wall, and combine a sequence of gestures to communicate messages to a wireless receiver without carrying any transmitting device. [...] It shows how one can track a human by treating the motion of a human body as an antenna array and tracking the resulting RF beam.

The system is interested furthering its control, and fishing for pretexts to cite infractions, collect revenue and play nanny over the lives of the population.

Technology is changing the tone of reference to tin foil from one of ridicule to one of acknowledgement that these forms of spying are real science, and applicable to the methods used by various agencies and organizations who are investigating, instigating or intimidating.

Many are taking notice of the extreme intrusion the technology represents. Hanni Fakhoury, an attorney for the Electronic Frontier Foundation said “Your location is something that’s worthy of privacy. We know that, even within your house, where you go can reveal a lot about yourself.”

Is there anywhere left just to be left alone?

Also See:

The History of WiFi Tracking Technology (w/videos)

Can This Material Protect Your Home From The NSA, Electromagnetic Radiation and EMP Attacks?

You can read more from Mac Slavo at his site SHTFplan.com

GOVERNMENTIUM

Ron Rankin

Scientists at CE in Geneva have announced the discovery of the HEAVIEST element yet known to science. The new element is Governmentium (Gv). It has one neutron, 25 assistant neutrons, 88 deputy neutrons and 198 assistant deputy neutrons, giving it an atomic mass of 312.

These 312 particles are held together by forces called morons, which are surrounded by vast quantities of lefton-like particles called peons.

Since Governmentium has no electrons or protons, it is inert. However, it can be detected, because it impedes every reaction with which it comes in contact.

A tiny amount of Governmentium can cause a reaction normally taking less than a second to take from four days to four years to complete.

Governmentium has a normal half-life of 2- 6 years. It does not decay but instead undergoes a reorganisation in which a portion of the assistant neutrons and deputy neutrons exchange places.

In fact, Governmentium's mass will actually increase over time, since each reorganisation will cause more morons to become neutrons, forming isodopes.

This characteristic of moron promotion leads some scientists to believe that Governmentium is formed whenever morons reach a critical concentration. This hypothetical quantity is referred to as critical morass.

When catalysed with money, Governmentium becomes Administratium, an element that radiates just as much energy as Governmentium since it has half as many peons but twice as many morons. All of the money is consumed in the exchange, and no other by-products are produced.

HOW OBAMA COULD BEAT THE DEBT CEILING AND GO OUT A HERO

Ellen Brown; The Web of Debt Blog; Truthout; Op-Ed

(As often, written in the American context, but every word applicable here - Ed)

Until the control of the issue of currency and credit is restored to government and recognized as its most conspicuous and sacred responsibility, all talk of the sovereignty of Parliament and of democracy is idle and futile. - Canadian Prime Minister William Lyon Mackenzie King, 1935

On November 3rd, the US government will again run out of money due to a debt ceiling artificially imposed by Congress. This is the third time in four years that a radical faction has taken the country to the brink of default to extort concessions that are at best only marginally related to the budget.

The debt ceiling is an unconstitutional gimmick that violates the 14th amendment, which says the validity of the government's debt shall not be questioned. The debt was incurred by Congress when it passed the budget, and the money has been borrowed and spent. Congress cannot now refuse to pay.

One good gimmick deserves another. The debt ceiling could be eliminated for good, by restoring to the government its constitutional authority to create money. Article 1, Section 8, provides: "The Congress shall have the power to coin money [and] regulate the value thereof . . ." The president could pay the government's bills by issuing some large denomination coins by executive order.

When the Constitution was ratified, coins were the only officially recognized legal tender. By 1850, coins made up only about half the currency. Today, they make up less than one-half of one percent of the money supply – about 50 billion out of a \$12 trillion circulating money supply (M2). These coins, along with about \$25 billion in US Notes or Greenbacks originally issued during the Civil War, are all that is left of the Treasury's money-creating power. As the Bank of England recently acknowledged, the vast majority of the money supply is now created privately by banks as deposits when they make loans. The power to issue the national money supply needs to be returned to the people from whom it has been deceptively usurped. As

Thomas Edison observed in the 1920s:

It is absurd to say our Country can issue bonds and cannot issue currency. Both are promises to pay, but one fattens the usurer and the other helps the People.

In Lincoln's Footsteps

In the early days of his presidency, Barack Obama claimed Abraham Lincoln as his role model. One of Lincoln's less well known achievements was to avoid a massive debt to private banks at usurious interest rates by restoring an earlier form of government-issued money, the paper scrip of the American colonists. In the 1860s, these US Notes or Greenbacks constituted 40% of the national currency. Today, 40% of the circulating money supply would be \$5 trillion.

This massive money-printing during the Civil War did not lead to hyperinflation. US Notes suffered a drop in value as against gold, but according to Milton Friedman and Anna Schwarz in *A Monetary History of the United States, 1867-1960*, this was not due to "just printing money" but was caused by trade imbalances with foreign trading partners on the gold standard.

The Greenbacks aided the Union not only in winning the war but in funding a period of unprecedented economic expansion. Lincoln's government created the greatest industrial giant the world had yet seen. The steel industry was launched, a continental railroad system was created, a new era of farm machinery and cheap tools was promoted, free higher education was established, government support was provided to all branches of science, the Bureau of Mines was organized, and labor productivity was increased by 50 to 75%.

President Obama could follow the lead of his mentor and beat the debt ceiling by calling for a new issue of debt-free US Notes. The problem with that alternative is that it would require legislation, an impossibility before the looming November 3rd debt ceiling deadline.

Another way to solve the crisis with government-issued money was proposed by Republican presidential candidate Ron Paul and endorsed by Democratic Representative Alan Grayson during the last debt ceiling crisis: the Federal Reserve could be ordered to transfer to the Treasury the federal securities it has purchased with accounting entries through "quantitative easing." The Treasury could then just void out this part of the debt, which currently tallies in at \$2.7 trillion. That alternative too would be legal, but it would require persuading the Federal Reserve to act.

A third alternative, which could be done very quickly by executive order, would be for the federal government to exercise its constitutional power to "coin money and regulate the value thereof" by minting one or more trillion dollar platinum coins.

A Treasury Issue of Special Coins

The idea of minting large denomination coins to solve economic problems was first suggested in the early 1980s by a chairman of the Coinage Subcommittee of the House of Representatives. He observed that the Constitution gives Congress the power to coin money and regulate its value, and that no limit is put on the value of the coins it creates. He said the government could pay off its debt with some billion dollar coins. I wrote about this in *Web of Debt* in 2007 and said it would have to be a trillion dollar coin today.

In 1982, however, Congress chose to choke off this remaining vestige of its money-creating power by imposing limits on the amounts and denominations of most coins. The one exception was the platinum coin, which a special provision allows to be minted in any amount for commemorative purposes.

In 2013, Carlos Mucha, an attorney blogging under the pseudonym Beowulf, proposed issuing a platinum coin to capitalize on this loophole. With the endless gridlock in Congress over the debt ceiling, the proposal got picked up by Paul Krugman and some other economists as a way to move forward.

Philip Diehl, former head of the US Mint and co-author of the platinum coin law, confirmed that the coin would be legal tender. He said:

In minting the \$1 trillion platinum coin, the Treasury Secretary would be exercising authority which Congress has granted routinely for more than 220 years . . . under power expressly granted to Congress in the Constitution (Article 1, Section 8).

Prof. Randall Wray explained that the coin would not circulate but would be deposited in the

government's account at the Fed, so it would not inflate the circulating money supply. The budget would still need Congressional approval. To keep a lid on spending, Congress would just need to abide by some basic rules of economics. It could spend on goods and services up to full employment without creating price inflation (since supply and demand would rise together). After that, it would need to tax - not to fund the budget, but to shrink the circulating money supply and avoid driving up prices with excess demand.

Why Not Pay Off the Whole Federal Debt?

As the chairman of the Coinage Subcommittee observed in the 1980s, the entire federal debt could actually be paid in this way. The Federal Reserve has already established that it can issue \$4.5 trillion in accounting-entry QE without triggering hyperinflation. In fact, it has not succeeded in triggering the modest inflation the exercise was designed for. As with QE, paying the federal debt in this way would just be an asset swap, replacing an interest-bearing obligation with a non-interest-bearing one. The market for goods and services would not be flooded with "new" money that would inflate the prices of consumer goods, because the bond holders would not consider themselves any richer than before. They presumably had their money in bonds in the first place because they wanted to save it rather than spend it. They would no doubt continue to save it, either as cash or by investing it in some other interest-generating securities.

The ease with which the government's debt could be paid in this way was demonstrated in January 2004, when the US Treasury called a 30-year bond issue before its due date. The bonds were redeemed "at par" to avoid a 9-1/8% interest rate, which was then well above market rates. The Treasury's January 15, 2004 announcement said that payment would be made "in book entry form," meaning numbers were simply entered into the Treasury's online money market fund (Treasury Direct). In effect, the money just moved from an online savings account to an online depository account, converting interest-bearing bonds into non-interest-bearing cash.

Where did the Treasury get the money to refinance this \$3 billion bond issue at a lower interest rate? Whether it came from the private banking system or from the Federal Reserve, it was no doubt created out of thin air. As Federal Reserve Board Chairman Marriner Eccles testified before the House Banking and Currency Committee in 1935:

When the banks buy a billion dollars of Government bonds as they are offered . . . they actually create, by a bookkeeping entry, a billion dollars.

the US government can just as easily create this money by a bookkeeping entry itself. It can and it should, to avoid the interest charges that compound the national debt and make it unrepayable. Quoting Thomas Edison again:

If the Nation can issue a dollar bond it can issue a dollar bill. The element that makes the bond good makes the bill good also. The difference between the bond and the bill is that the bond lets the money broker collect twice the amount of the bond and an additional 20%. Whereas the currency, the honest sort provided by the Constitution pays nobody but those who contribute in some useful way.

Ellen Brown is an attorney, president of the Public Banking Institute, 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 websites are Web of Debt, Public Bank Solution, and Public Banking Institute.

ADAIR TURNER'S NEW BOOK: BETWEEN DEBT AND THE DEVIL

Ben Dyson; Positive Money

Adair Turner became the chairman of the UK's Financial Services Authority the day after Lehman Brothers collapsed. He was one of the most senior banking officials from 2008 until 2013, so it's fair to assume that he's seen more chaos behind the scenes of banking than most of us could even imagine. While he's never written an expose or biography detailing his experience of trying to rescue a

fundamentally broken banking system, key insights have informed everything he's said and written since. His latest book, *Between Debt and the Devil*, is no different.

Released on 7th October 2015, the book explains that "our addiction to private debt" is what caused the financial crisis. The blurb shows that Turner's thinking is close to the arguments Positive Money have been making for the last 5 years:

"Between Debt and the Devil challenges the belief that we need credit growth to fuel economic growth, and that rising debt is okay as long as inflation remains low. In fact, most credit is not needed for economic growth – but it drives real estate booms and busts and leads to financial crisis and depression."

Turner also debunks the big myth about fiat money – the erroneous notion that printing money will lead to harmful inflation.

"To escape the mess created by past policy errors, we sometimes need to monetize government debt and finance fiscal deficits with central bank money."

The book is full of detailed analysis of the problems with the current banking system, the tendency for banks to create too much money, credit and debt; and to put most of that money into the property and financial markets rather than financing investment in the real economy. Most followers of Positive Money will be well aware of that analysis (*A new era for monetary policy* (video) and *Overt Monetary Financing*), so I won't repeat it here.

Instead, let's look more closely at what Turner advocates as solutions. He first covers the idea of prohibiting banks from creating money (before concluding, as he has before, that it is too radical). But he then strongly advocates the need for states to create money and distribute it into the real economy, either through government spending or direct payments to citizens.

Would stopping banks from creating money be a step too far?

Between Debt and the Devil discusses the long history of proposals to remove the power to create money from banks. During the Great Depression of the 1930s, a number of well-known American economists advocated this policy, even presenting it to President Roosevelt as a recovery plan (the idea eventually lost out to the New Deal). Since then, the idea has often resurfaced, most recently with the IMF working paper "The Chicago Plan Revisited" by Michael Kumhof (now a senior researcher at the Bank of England) and Jaromir Benes, in which they model the proposal and found it would be highly beneficial for the US economy. Turner also mentions *Modernising Money*, written by Positive Money's research team, which argues for the same proposal.

But Turner lists "three [actually four] reasons for caution" about the idea of stopping banks creating money:

The first is banks can play a useful role in maturity transformation – turning short-term savings into long-term loans, and that it would be a shame to lose that maturity transformation function. This objection makes little sense to us, as the banks advocated in Positive Money's proposals would still be able to 'transform' short-term savings into longer-term loans (in fact, that would be one of the main reasons for using a bank rather than going through, say, a peer to peer lender). It is possible to have maturity transformation without money creation, and so we'd dismiss this reason for concern outright (more here).

Secondly, Turner argues that without banks creating money, we would be reliant entirely on states to create money. The danger here is that they may create too much or use the money for the wrong or inefficient uses. As we'll see below, Turner ends up advocating a greater role for the state in money creation, and argues himself that the power to create money can be kept under control so that politicians are not free to abuse it. So again, this seems like a weak reason for caution.

Thirdly, Turner highlights the risk that stopping banks creating money will alone be insufficient to constrain credit booms. Other parts of the financial sector may find ways to create equivalent substitutes for state-issued money, or so-called 'near monies', that can function as money in the economy. This is a risk to be aware of, but not insurmountable (and in any case, creating a substitute for money is much harder in practice than in theory). Logically, the argument that other measures would be needed in addition is not an argument against the proposal itself.

Finally, Turner states that the transition may be difficult, and that we have to consider where we are starting from and be pragmatic. But we would counter this by highlighting that it is possible to implement the proposals gradually, through a number of pragmatic steps, and without making anyone (or any bank) significantly richer or worse off (see page 33). If the destination is worth going to, the fact

that the journey might be tricky is not an argument for staying where we are.

Turner concludes his discussion of these proposals as follows:

“Even if we reject the radicalism of the Chicago Plan [the original proposal to prevent banks from creating money], we should still embrace its key conclusion. We have to constrain and manage the quantity and mix of credit that the banking or shadow banking systems create.”

Central banks must create money for the real economy

Turner describes the current economic situation worldwide, and states that;-

“We will never get out of the current malaise, return inflation to target, or reduce debt levels unless we increase demand in our economy.” (p214)

Thankfully, there’s a clear solution to this problem:

“We can always stimulate nominal demand by printing fiat money: if we print too much, we will generate harmful inflation; but if we print only a small amount, we will produce only small and potentially desirable effects.”

This is completely consistent with Positive Money’s proposals. For too long we’ve relied on banks to fuel economic growth by creating money when they lend. The problem is that this leads to (a) new money being created too quickly when banks get over-confident, fuelling high house prices and financial market bubbles and (b) a huge build-up in private debt (i.e. debt of households, and to a lesser extent, businesses). What is needed now is for the Bank of England (or the European Central Bank or US Fed) to create money and spend it into the economy, without relying on any household or business to take on further debt. Whereas Quantitative Easing involved creating hundreds of billions of pounds (or dollars or euros) and putting that money into the financial markets, this policy would get money directly into the real economy, where it would create jobs and boost GDP.

Such policies are now being discussed by the new Shadow Chancellor John McDonnell, and have been endorsed by a wide range of economists, as well as those from the financial sector who have seen current policies failing.

The money that the Bank of England created could be used either to finance government projects, or to finance a one-off or monthly payment to every citizen in the country. Turner emphasises this second policy, often referred to as ‘helicopter money’ (as if the money dropped out of a helicopter into the hands of citizens). Such a policy, he argues, would be significantly better than what we’ve tried to date:

“[C]ompared with a pure monetary stimulus [such as QE], [helicopter money] works through putting new spending power directly into the hands of a broad swath of households and businesses, rather than working through the indirect transmission mechanism of higher asset prices and induced private credit expansion. It does not rely on regenerating potentially harmful private credit growth nor does it commit us to maintaining ultralow interest rates for a sustained period of time.”

“Ideally, the major advanced economies should have implemented Bernanke-style helicopter money drops in the immediate aftermath of the 2007-2008 crisis. If we had done so, the recession would not have been so deep, and we would now be further advanced in escaping the debt overhang.”

If only... But there may still be time to correct past mistakes, and this policy is still needed.

What about the risks? One is the possibility that putting more money into the system (and boosting spending and the health of the economy) will encourage banks to start another dangerous credit boom. Turner argues that this can easily be avoided, through restrictions on banks creating money, via various regulations (i.e. leverage ratios can be increased in order to offset any money creation by the state). Although he doesn’t say so, this approach might be one feasible transitional path towards stopping banks creating money altogether: as the state creates a greater percentage of the additional money that enters the economy, the restrictions would be increased to limit what banks can create.

A bigger risk of course is that once the creation of money in the public interest becomes popular, people will demand more of it. Politicians with direct control may want to overuse the policy, and those with independent central banks may try to pressure the central bankers into creating more money when it is politically advantageous (i.e. before every election). But again, Turner argues that it is fairly easy to overcome these risks:

“So should we lock up the medicine and throw away the key? I don’t believe so for two reasons. It is in principle possible to design institutional mechanisms to place appropriate constraints on excessive use. Second, because the alternative route to nominal demand growth – private credit creation – is just as dangerous. We face a choice of dangers, not inevitable perdition on the one side and perfection on the other.”

“There is no reason the use of monetary finance [i.e. money creation by states to finance public spending or payments to citizens] cannot be appropriately constrained within precisely the same discipline of central bank independence. Central bank committees that today vote to approve interest rate movements or quantitative easing operations could also be given the power to approve or disapprove either a Bernanke-style helicopter money drop or a one-off government debt write-off.”

Indeed, at Positive Money, we believe that with the relevant institutional mechanisms central banks should always be allowed to create money for spending directly into the real economy whenever aggregate demand is below a certain threshold. In this sense, monetary-financing for the real economy could be an additional instrument added to the central bank’s ‘tool box’. This is not to suggest that monetary-financing would be used for funding government deficits, rather it could be another macro-economic tool at the central bank’s disposal to help manage aggregate demand within the economy.

With interest rates at the zero-bound level for the last six years it is clear that they are not an efficient tool for stimulating aggregate demand in the real economy. If anything, the reduction of interest rates combined with conventional QE has helped to increase asset prices to all-time highs and has led to a number of bubbles in financial markets – increasing financial instability. Thus, injecting central bank money into the veins of the real economy would not only do a better job of stimulating demand, but would also reduce future financial instability.

From an economic standpoint, there are a number of reasons for allowing central banks to create money for the real economy. The Chinese economy has hit a slump and potential global growth rates are consistently being revised downwards. Threats of deflation are looming, and even core inflation (inflation stripped of oil and commodity prices) is at extremely low levels – indicating a slump in aggregate demand. The World’s leading economic institutions (i.e. IMF, BIS, OECD etc.) are all warning that current monetary policy is increasing financial instability. Meanwhile, both public and private debt levels are at all time highs (since 2007 global debt has increased by \$57 trillion).

Allowing central banks to create money for the real economy would trigger a boost in aggregate demand without a corresponding increase in net debt and without promoting further financial instability. The ratio of debt to income could be lowered, as increased spending would take place without governments increasing their budget deficits and without the private sector increasing levels of borrowing. Lower debt to income ratios would make our financial system more resilient to potential shocks. Central banks would also be better equipped to deal with such shocks if they were permitted to create money for the real economy.

Between debt and the devil Ultimately, it is a breath of fresh air to have someone of Lord Turner’s calibre offer an analysis and proposals that are outside of the box and that have genuine potential to achieve what current policy-makers are all trying to do but cannot. Indeed, we thoroughly encourage anyone trying to get a better understanding of money, debt and credit cycles to read *Between Debt and the Devil*. Not only does it provide an accurate understanding of many of the problems emanating from the current monetary system, but it also offers an excellent understanding of the potential solutions and why these solutions are the next logical step in generating growth and increasing financial stability.

THE BANKING SYSTEM HAS GONE ROGUE

Mac Slavo; Activist Post

The next wave of the greatest financial crisis may soon be upon us.

When the music stops, and loans everywhere on cheap and easy credit are called, far too many nations, businesses and individuals will be suddenly and violently unable to repay their debts — particularly in the developing world.

The results are likely to be catastrophic, and the weight of the bad debts may well be enough take down the rest of the world with it. This is no small problem, and it is not clear if there is a solution. London Guardian writer Will Hutton issues a stark warning that “the world economic order is collapsing

and this time there seems no way out.” According to the Guardian:

Europe has seen nothing like this for 70 years – the visible expression of a world where order is collapsing. The millions of refugees fleeing from ceaseless Middle Eastern war [...] Yet there is a parallel collapse in the economic order that is less conspicuous: the hundreds of billions of dollars fleeing emerging economies, from Brazil to China, don't come with images of women and children on capsizing boats. Nor do banks that have lent trillions that will never be repaid post gruesome videos... Capital flight and bank fragility are profound dysfunctions in the way the global economy is now organised that will surface as real-world economic dislocation.[...] The heart of the economic disorder is a world financial system that has gone rogue... banking's power to create money out of nothing has been taken to a whole new level... cash generated out of nothing can be lent in countries where the economic prospects look superficially good. This provokes floods of credit, rather like the movements of refugees.

The false boom that follows seems to justify the lending. Property prices rise. Companies and households grow overconfident about their prospects and borrow freely. Economies surge well above their trend growth rates and all seems well until something – a collapse in property or commodity prices – unravels the whole process. The money floods out as quickly as it flooded in, leaving bust banks and governments desperately picking up the pieces.

It is clear enough that the whole thing is a farce, perhaps meant to collapse. There is not one honest broker, or one responsible guardian in the whole lot of them.

Borrowing countries used cheap credit to offer absurd promises to their people, or cover other losses, while bankers and other vultures have been all too happy to prey upon these vulnerable nation-states on the way up and down of this crisis.

Interestingly, analysts break this financial crisis into three acts, with 2008 just a prelude to the more recent trouble in Europe — with the collapse of third world part of the spectacular and terrible finale:

Andy Haldane, Bank of England chief economist, describes the unfolding pattern of events as a three-part crisis. Act one was in 2007-08 in Britain and the US. Buoyed for the previous decade by absurdly high inflows of globally generated credit that created false booms, they suddenly found their overconfident banks had wildly lent too much...

Act two was in Europe in 2011-12, when it became obvious that the lending had been made on the incorrect assumption that all eurozone countries were equal. Again, money flooded out and Europe only just held the line with extraordinary printing of money by the European Central Bank and tough belt-tightening measures in over-borrowed countries such as Portugal, Greece and Ireland. It might have been unfair, but it worked.

Now act three is beginning, but in countries much less able to devise measures to stop financial contagion and whose banks are more precarious... Turkey, Brazil, Malaysia, China, all riding high on sky-high commodity prices as the China boom, itself fueled by wild lending, seemed never-ending.

It was never meant to last. The collapse is its own bubble, feeding off of the desperate hopes of those who furiously borrowed to bail out their other problems. The big banks today have more wealth and power than they did before the 2008 collapse, and the Federal Reserve has taken extraordinary measures to enable their power grab.

The world is in shackles, just waiting for the hammer to fall...

You can read more from Mac Slavo at his site SHTFplan.com

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