

RUNNYMEDE GAZETTE

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EDITORIAL

TWO LESSONS IN HOW NOT TO DO THINGS;-

1. OCCUPY

As a postscript to recent editorial on Occupy, some comments is needed on the procedures and methods of at least its London arm. This might even throw up a contributory reason for the apparent demise of the movement in this country. Unlike the US there seems to be no sign of any revival on the horizon.

Occupy used a system of 'consensual decision making'. Basically it means that a single dissenting voice can scupper any proposition, regardless of any majority opinion. If thirty vote in favour and one against, the motion still falls. I have come across 'consensual decision making' before, and it does not and cannot work. A single person can walk in off the street and reduce everything to utter paralysis.

It stems from a perhaps well-meaning intention to maintain unity by avoiding any possibility of internal conflict. But that is and can only ever be an ersatz unity. Differences of view are the stuff of politics..

But there has to be give and take. We all come across those who will throw their toys out of the pram every time they cannot get it all their own way. At the end of the day there is only one message to such people ... if you are of such a solitary and insistent disposition, then take up a solitary pastime ... philately, collecting antiques, painting or growing prize dahlias ... but please stay out of politics. You will be nothing but a nuisance. 'Consensual decision making' can only be a short-term fudge. Otherwise it is the short road to paralysis.

2. NATCAN

I had a brief and recent involvement with NatCAN, otherwise known as the National Community Activists Network. At first this looked an attractive medium, presenting itself merely as a contact network.

But I have to announce the expulsion of the Runnymede Project. This is a unique experience, because I have never been previously expelled from anything! This was apparently ... although I don't think I have had anything like the full story ... because one of the sites which re-distributes the Runnymede Gazette contained items critical of Zionism. Closer examination revealed that there was nothing in the supposedly offending items which has not appeared, and often in fair quantity, in other media which might include Activists' Post, Global Research, Russia Today, and more occasionally in the mainstream media.

More to the point was the manner in which this expulsion was carried out. There is no constitutional provision in NatCAN for it to act in such a manner. This was seemingly done by some form of self-constituted kangaroo court, without prior notification and without right of a reply, the alleged 'offence' having been committed by a third party over whom I have (nor would want) any control. Although pretty well

every ground rule of natural justice was confounded, attempts to discover the full story have yielded little; attempts to argue have met with a derisory and ill-mannered silence.

It seems that this network has been hijacked. Although Militant Tendency is long dead, it seems that its unpleasant, arrogant, divisive, cliquish and vituperative methods live on. Anyone wishing to sup with NatCan way regard this as fair warning!

Frank Taylor

IDENTITY PROFILING: COVERT BIOMETRICS

Julie Beal; Activist Post

Anonymous recently put out a video below advising people how to avoid being scanned by facial recognition technology; the advice boils down to 'tilt your head at an angle' or 'wear a specially made cap'. They did not go so far as to tell people how to actually make such a cap, nor did they point out that the technology has been developed to capture faces even when they are at an angle.

The powers that be are highly aware that not all subjects are compliant, or even aware, that their facial features are being 'captured', so they have developed the capacity to identify people even when their faces are not in the 'perfect' position.

A recent report notes that there have been rapid advances in the accuracy of face trackers, such that they have become highly tolerant to different angles and poses, to the time that has elapsed between photos (e.g. ageing differences), and to lower resolution photos. In other words, the technology has vastly improved, and it just keeps getting better because there are far fewer false alarms. People can even be identified from a 4 x 4 pixel array of their face, although the analysis of just one iris in the eye has been shown to be even more effective than face recognition.

Apparently, the iris has more unique information than any other single organ in the body, providing robust identification potential, second only to DNA. Iris recognition technology can be used to determine ethnicity, is considered to be ideal for situations involving uncooperative individuals, and has been successfully deployed at London's Gatwick Airport.

BIMA (Biometrics Identity Management Agency) is funding research at Carnegie-Mellon University to develop a method of capturing iris biometrics from uncooperative subjects; they can now identify people up to 40 feet away. No special equipment is needed either; the researchers used commercial, off-the-shelf, photographic equipment to capture iris biometrics, which was successful with both stationary and moving subjects. Cameras can then be mounted on roving vehicles, scanning and recording irises for what the military call 'tactical non-cooperative biometrics'.

In addition to this huge increase in capabilities, those in the Identity Management (IdM) industry are advising the implementation of multi-modal biometrics; in other words, to make up for the fact that no method is always 100% accurate, the plan is to capture several types of biometric data for citizen IdM. The type required will depend on the nature of the transaction, and the context in which it is taking place – virtual authentication may require stronger credentials than when a person is physically present, for instance.

Yet while identity management calls for the use of biometrics to protect against identity theft, the trouble is that many biometrical applications can be 'spoofed', meaning that ID theft becomes a whole new problem, left unsolved by the current range of biometrical applications. So fingerprints and voice prints, etc. can all be 'stolen' and used by an impersonator. Just think how you leave your fingerprints all over the place, and the photos of yourself on the Internet. Research shows how easy it is for almost anyone to be identified from a photo, using simple Internet data mining techniques, and easily available facial recognition software;

In other words, our faces have become our identities, and there little hope of remaining anonymous in a world where billions of photographs are taken and posted online every month.

Proving you're not a dog is fast becoming simply not enough. You're going to have to prove you're alive and present at the time of authentication. So you have to prove you're a human being, and that you are who you say you are, and that you are indeed alive and well. There are a number of

applications which are able to do this, and embody the most recent, and still developing, field of cognitive biometrics. This refers to testing and measuring your affective state; i.e. emotions and behaviour, psychological profile, and 'vital signs'. The way you respond to certain stimuli says a lot about who you are. It can be read as a unique biological signature, which is measurable and universal in application, unlike other biometrics which do not account for human differences: not everyone can walk, not everyone has fingers, etc. The most advances in the field of cognitive biometrics have been made in the pursuit of covert biometrics, which are being developed to identify 'uncooperative' individuals. The same information was acquired by DARPA in the Future Attribute Screening Technology (FAST) program which was said to be looking for cues of 'mal-intent', pre-crime detection styley.

These techniques are more insidious when they can be done at a distance, without the need for contact with the individual, so the biometric data can be taken without the subject's knowledge. This also makes them all the more terrifying for the largely compliant and innocent, would-be private, global population.

It also turns out we are scattering our biological signatures all over the place, from finger prints and palm prints, voice recordings, and digital photos, videos showing our ears, irises, tattoos, mannerisms and the way we walk and move about. Even the way we smell can be used to identify us. And of course, there's our DNA.

I don't want someone to have a record of me. (I know they cannot steal my soul but they are trying to steal my sovereignty!) So the ones that bother me most, the ones that Anonymous strangely fail to mention, are the ones that can be done at a distance. Whilst identification from DNA involves contact, and takes around 90 minutes to get results, the following features can be tracked from a distance, covertly:

- Face
- Iris and retina
- Eye movements
- Veins
- Ears
- Outline of hand patterns
- Body odour
- Finger prints
- Finger image
- Keystroke
- Voice
- Sweat pores

Vital signs: heart signature, brain wave patterns – these are unique to each individual because of our DNA (the heart and brain are composed of protein tissues)

Behavioural/cognitive biometrics e.g. gait, breathing, emotional responses to targeted stimuli, galvanic skin response.

Gait

A European Union Working Party on data protection recently released an official Opinion on developments in biometric technologies, in which it was stated,

Biometric technologies that once needed significant financial or computational resources have become dramatically cheaper and faster. The use of fingerprint readers is now commonplace. For example, some laptops include a fingerprint reader for biometric access control. Advances in DNA analysis mean that results are now available within a few minutes. Some of the newly developed technologies such as vein pattern recognition or facial recognition are already developed to maturity. Their use in various places of our everyday life is just around the corner.... Every individual is likely to be enrolled in one or several biometric systems. (my italics)

It turns out that people are even supplying personal information on the way they move via the accelerometer which is now a common feature of many smartphones and games consoles; a profile of your gait can then be used to identify you in video sequences. A recent study monitored subjects with an Android smartphone in their pocket, and found,

With a reasonably sized dataset (36 subjects), we show preliminary results indicating that not only can smartphones be used to identify a person based on their normal gait but also that there is potential to match gait patterns across different speeds.

Freaky huh? Well, that's not all ... your smartphone and games equipment and stuff you put on the Internet can all be used to build profiles which log the metrics for your unique physiological and

emotional characteristics, which can be used to build your identity profile, and serve as 'scientifically acceptable' means of biometric authentication. Just like Pavlov's dogs, we are to be assessed according to the behaviourist's favourite 'stimulus-response paradigm', and virtual reality is the vehicle. Data that was once collected with wired devices in psychologists' offices can now be supplied with games equipment which employ 'haptic' technology; this adds to the sense of reality in the game, as it allows the user to experience the sense of touch, with feedback in the game, such as 'feeling' the recoil of a gun as it is fired.

Biometrics experts are looking for ways to make this data a valid form of identity authentication. A recent study claims,

Haptics can be seen as a mechanism to extract behavioral features that characterize a biometric profile for an identity authentication process. Generally, the haptic data captured during an individual interaction are very large (measured every few milliseconds) and with a high number of attributes (position, velocity, force, angular orientation of the end-effector and torque data, among others). Therefore, the behavioral haptic data that describe users are defined in terms of a large number of features, which adds complexity to the analysis.

'Affective' haptic technology can also be used to feedback information regarding the player's emotional reactions. This enriches the identity profile considerably, as well as providing statistical data on the user's unique characteristics which can also be used for authentication in IdM. As more and more games incorporate 'readings' from the player, the more private data (about our physical and mental health) we give away, thus contributing to a future where IdM could become a whole new ballgame:

... the wealth of stimuli suitable for cognitive biometrics provides a wealth of authentication schemes – game playing, listening to music, short video clips, as well as more traditional behavioural biometric approaches provide virtually an infinite amount of input stimuli for use as an authentication scheme. This holds for both static and continuous authentication modes – though the later provides many more opportunities to validate the user under a wide variety of stimulus challenges. This is one of the major advantages of the cognitive approach compared to anatomical biometrics such as finger prints and retinal scans. Further, this approach may suit more closely future person–computer interaction schema that may attempt to minimise traditional input devices such as keyboards and mice. As Julia Thorpe and colleagues proposed in 2005 – authenticating with our minds might be a reality in the near future – and certainly emotion based interactive gaming is already here (Thorpe et al., 2005).

In light of these capabilities, the readings which could be acquired from Guardian Angels take on a whole new meaning. In fact, they would embody the ideal version of what is being dubbed 'continuous and unobtrusive authentication' – by remotely monitoring brain and heart signatures from electroencephalogram (EEG) and electrocardiogram (ECG) readings, taken, for instance, from sensors in a cap, and a shirt. The European Council have helped fund research in this area, with the result that a company called Starlab has developed a product called ENOBIO which takes recordings of EEG and ECG from an individual wearing one sensor on the wrist, and one on the earlobe. This means the individual is constantly sending out a signal of who they are, something said to be important in high security areas, which are "safety critical", such as transportation, laboratories, airports, etc.

DARPA has begun a four year research program called 'Active Authentication', which will focus on methods to validate identity online using cognitive biometrics, such as computers which 'recognise' the operator by assessing their habitual movements, and comparing it to their stored profile to validate identity in real time.

Late last year, DARPA announced another research project called 'Human Identification at a Distance', which includes developing techniques which can covertly collect reliable heart biometrics to verify identify without any contact with the person being tracked. Wired.com announced, "In 2006, Darpa developed Radar Scope, which used radar waves to sense through walls and detect the movements associated with respiration. A year later, the Army invested in LifeReader, a system using Doppler radar to find heartbeats. More recently, the military's been using devices like the AN/PPS-26 STTW ("Sense Through the Wall") and TiaLinx's Eagle scanner, which can sense the presence of humans and animals through walls.

Handy though these gadgets may be, Darpa wants to one-up them with some new and better capabilities.

First off, Darpa wants its biometric device to be able to work from farther away. Right now, it says the accuracy of most systems taps out at around eight yards. And while some see-through devices can see through up to eight inches of concrete, they don't do as well in locations with more or thicker walls. So Darpa's looking for the next system to push that range past 10 yards, particularly in cluttered urban areas."

However, whilst the technology exists to detect the heartbeat, the ability to take reliable biometric

readings without contact is still being worked on. Although readings taken from sensors placed on the body are successful at proving identity, no research has fully overcome the problems brought about by distance. What's really getting in the way is environmental 'noise' creating interference with the signal being received, meaning that detection of heartbeat biometrics is highly context-dependent.

The best results are achieved by using sensors in contact with the body, with willing subjects. These include ECG, pulseoximetry, and blood pressure. The pursuit of non-contact biometric acquisition continues, however, since it represents the ultimate aim of criminal detection. Heart sounds can be acquired acoustically with success, but methods utilising radar and laser dopler vibrometry are less efficient if the subject is moving. Motion imagery, looking at skin colour fluctuations, is an experimental technology. A recent study revealed just how long-range the technology is for reading vital signs:

Researchers at Georgia Technology Research Institute (GTRI) used an active radar to note the changes (in)heart volume over time. The physical deformation provides extensive information about the individual and the relative health of the heart itself along with respiration and other body movements and muscle flexor noises. This work for human identification is impressive because the potential standoff ranges are in excess of 1 km. The GTRI work formed the basis for Mazlouman et al. (2009) to characterise cardiac performance using microwave Doppler radar. Instead of attempting to provide surrogate ECG information, these researchers looked in the infrasonic range, i.e. < 20 Hz through ultra-wide band radar > 2 MHz. The researchers continually were able to collect reliable data between 2 and 10 yards Another measure of standoff cardiac measure was provided by. Interferometric data were collected from the pulsing of the carotid artery over time. The measurements were collected with an eye-safe laser...

With AISight's ability to monitor your gait and habitual movements, all of which can be used to identify you, combined with an abundance of other data collected without your consent, the gaze of big brother, imbued with 'intelligence', seems inescapable. The very idea that this could be happening is often enough to cause changes in people's behaviour; when they know they're being watched, people adapt to fit in and have an easy life. This is known as 'anticipatory conformity', and is effectively self-surveillance leading to self-censorship. It means learning to think before you speak, trying to control the look on your face, being careful to always do 'the right thing'.

The telescreen received and transmitted simultaneously. Any sound that Winston made, above the level of a very low whisper, would be picked up by it; moreover, so long as he remained within the field of vision which the metal plate commanded, he could be seen as well as heard. There was of course no way of knowing whether you were being watched at any given moment. How often, or on what system, the Thought Police plugged in on any individual wire was guesswork. It was even conceivable that they watched everybody all the time. but at any rate they could plug in your wire whenever they wanted to. You have to live - did live, from habit that became instinct - in the assumption that every sound you made was overheard, and, except in darkness, every movement scrutinized.

Guardian Angels hover over us ominously – threatening to tangle us tightly in the hugely complex global web. A sea of contextual data in a world full of sensors, each of us mirrored in the virtual world as the controllers feast on their wireless feedback, the increasingly intimate personal data they are stealing from us. Every piece of data they have from us becomes a valuable asset. Even without an implant, we can be identified and tracked from RFID tags in the things we buy, together with the biometric scanners and device detectors.

A robotic future looks set to challenge our notions of identity even further, as life-size avatars begin to take their place in society, and augmented reality destroys anonymity altogether.

The confluence of IdM, surveillance, and complexity modelling are what Big Brother is made of. You will only be understood and acknowledged by the system based on your recorded metrics.

The technology has been developed to achieve all of these things, but as yet they are patchwork projects just getting the feel of things. What we must fear is 'global interoperability' – all systems interacting together: Watson with AISight and smart dust omniscience, able to learn and remember, analyse, predict and decide, the Grand Master of Complexity.

So, yes, watch out for Anonymous, indeed. Just as their iconic facemasks symbolise anonymity, the very thing business and governments are seeking to end, in this era of accountability, so too are their numerous claims to successful hacks of top-level domains. Anonymous are helping to bring in the new era of identity control; their appearance heralds the end of privacy and anonymity. Nowhere left to hide; the last of the days of the drifter.

This article first appeared at Get Mind Smart Julie Beal is a UK-based independent researcher who has been studying the globalist agenda for more than 20 years. Please visit her website, Get Mind Smart, for a wide range of information about Agenda 21, Communitarianism, Ethics, Bioscience, and much more.

SMILE, THE GOVERNMENT IS WATCHING: NEXT GENERATION IDENTIFICATION

John W. Whitehead; Lew Rockwell; via Activist Post

“You had to live – did live, from habit that became instinct – in the assumption that every sound you made was overheard, and, except in darkness, every movement was scrutinized.”

~ George Orwell, 1984

Brace yourselves for the next wave in the surveillance state’s steady incursions into our lives. It’s coming at us with a lethal one-two punch.

To start with, there’s the government’s integration of facial recognition software and other biometric markers into its identification data programs. The FBI’s Next Generation Identification (NGI) system is a \$1 billion boondoggle that is aimed at dramatically expanding the government’s current ID database from a fingerprint system to a facial recognition system. NGI will use a variety of biometric data, cross-referenced against the nation’s growing network of surveillance cameras to not only track your every move but create a permanent “recognition” file on you within the government’s massive databases.

By the time it’s fully operational in 2014, NGI will serve as a vast data storehouse of “iris scans, photos searchable with face recognition technology, palm prints, and measures of gait and voice recordings alongside records of fingerprints, scars, and tattoos.” One component of NGI, the Universal Face Workstation, already contains some 13 million facial images, gleaned from “criminal mug shot photos” taken during the booking process. However, with major search engines having “accumulated face image databases that in their size dwarf the earth’s population,” it’s only a matter of time before the government taps into the trove of images stored on social media and photo sharing websites such as Facebook.

Also aiding and abetting police in their efforts to track our every movement in real time is Trapwire, which allows for quick analysis of live feeds from CCTV surveillance cameras. Some of Trapwire’s confirmed users are the DC police, and police and casinos in Las Vegas. Police in New York, Los Angeles, Canada, and London are also thought to be using Trapwire.

Using Trapwire in conjunction with NGI, police and other government agents will be able to pinpoint anyone by checking the personal characteristics stored in the database against images on social media websites, feeds from the thousands of CCTV surveillance cameras installed throughout American cities (there are 3,700 CCTV cameras tracking the public in the New York subway system alone), as well as data being beamed down from the more than 30,000 surveillance drones taking to the skies within the next eight years. Given that the drones’ powerful facial recognition cameras will be capable of capturing minute details, including every mundane action performed by every person in an entire city simultaneously, soon there really will be nowhere to run and nowhere to hide, short of living in a cave, far removed from technology.

NGI will not only increase sharing between federal agencies, opening up the floodgates between the Department of Homeland Security, the State Department, the Department of Justice, and the Department of Defense, but states can also get in on the action. The system was rolled out in Michigan in February 2012, with Hawaii, Maryland, South Carolina, Ohio, New Mexico, Kansas, Arizona, Tennessee, Nebraska, and Missouri on the shortlist for implementation, followed by Washington, North Carolina, and Florida in the near future.

Going far beyond the scope of those with criminal backgrounds, the NGI data includes criminals and non-criminals alike – in other words, innocent American citizens. The information is being amassed through a variety of routine procedures, with the police leading the way as prime collectors of biometrics for something as non-threatening as a simple moving violation. For example, the New York Police Department began photographing irises of suspects and arrestees in 2010, routinely telling suspects that the scans were mandatory, despite there being no law requiring defendants to have their irises scanned. Police departments across the country are now being equipped with the Mobile Offender Recognition and Information System, or MORIS, a physical iPhone add-on that allows officers patrolling the streets to scan the irises and faces of individuals and match them against government databases.

The nation’s courts are also doing their part to “build” the database, requiring biometric information as a precursor to more lenient sentences. In March 2012, New York Governor Andrew Cuomo signed a law

allowing DNA evidence to be collected from anyone convicted of a crime, even if it's a non-violent misdemeanor. New York judges have also begun demanding mandatory iris scans before putting defendants on trial. Some Occupy Wall Street protesters who were arrested for trespassing and disorderly conduct were actually assigned bail based upon whether or not they consented to an iris scan during their booking. In one case, a judge demanded that an Occupy protestor, who was an unlikely flight risk, pay \$1,000 bail because she refused to have her iris scanned.

Then there are the nation's public schools, where young people are being conditioned to mindlessly march in lockstep to the pervasive authoritarian dictates of the surveillance state. It was here that surveillance cameras and metal detectors became the norm. It was here, too, that schools began reviewing social media websites in order to police student activity. With the advent of biometrics, school officials have gone to ever more creative lengths to monitor and track students' activities and whereabouts, even for the most mundane things. For example, students in Pinellas County, Fla., are actually subjected to vein recognition scans when purchasing lunch at school.

Of course, the government is not the only looming threat to our privacy and bodily integrity. As with most invasive technologies, the groundwork to accustom the American people to the so-called benefits or conveniences of facial recognition is being laid quite effectively by corporations. For example, a new Facebook application, Facedeals, is being tested in Nashville, Tenn., which enables businesses to target potential customers with specialized offers. Yet another page borrowed from Stephen Spielberg's 2002 *Minority Report*, the app works like this: businesses install cameras at their front doors which, using facial recognition technology, identify the faces of Facebook users and then send coupons to their smartphones based upon things they've "liked" in the past.

Making this noxious mix even more troubling is the significant margin for error and abuse that goes hand in hand with just about every government-instigated program, only more so when it comes to biometrics and identification databases. Take, for example, the Secure Communities initiative. Touted by the Department of Homeland Security as a way to crack down on illegal immigration, the program attempted to match the inmates in local jails against the federal immigration database. Unfortunately, it resulted in Americans being arrested for reporting domestic abuse and occasionally flagged US citizens for deportation. More recently, in July 2012, security researcher Javier Galbally demonstrated that iris scans can be spoofed, allowing a hacker to use synthetic images of an iris to trick an iris-scanning device into thinking it had received a positive match for a real iris over 50 percent of the time.

The writing is on the wall. With technology moving so fast and assaults on our freedoms, privacy and otherwise, occurring with increasing frequency, there is little hope of turning back this technological, corporate and governmental juggernaut. Even trying to avoid inclusion in the government's massive identification database will be difficult. The hacktivist group Anonymous suggests wearing a transparent plastic mask, tilting one's head at a 15 degree angle, wearing obscuring makeup, and wearing a hat outfitted with Infra-red LED lights as methods for confounding the cameras' facial recognition technology.

Consider this, however: while the general public, largely law-abiding, continues to be pried on, spied on and treated like suspects by a government that spends an exorbitant amount of money on the security-intelligence complex (which takes in a sizeable chunk of the \$80 billion yearly intelligence budget), the government's attention and resources are effectively being diverted from the true threats that remain at large – namely, those terrorists abroad who seek, through overt action and implied threat, to continue the reign of terror in America begun in the wake of the 9/11 attacks.

Constitutional attorney and author John W. Whitehead [send him mail] is founder and president of The Rutherford Institute. He is the author of The Change Manifesto (Sourcebooks).

ACCOUNTABLE DEMOCRACY; MISSION STATEMENT

Ian Henshall; Re-investigate 9/11

The Problem The current system of governance in the UK and other NATO countries is ever more at odds with basic democratic principles, individual rights and the rule of law. Among the many symptoms of this malaise are the seizure of economic assets by the elite one percent, the unending wars and militarism of NATO, the erosion of privacy, massive environmental degradation and the co-opting of the mainstream media by the elite. We see the causes of the current predicament as the power of money to influence

politicians and the media, the exaggeration of the threat from terrorism, and the globalisation of power into undemocratic supranational institutions like NATO, the IMF and the international corporations.

We see the key obstacles to radical change as fear that change might make things worse, the power of the media to distract and misinform both the public and activists, and the ingrained tendency of the middle classes to identify with the elite.

We see the two drivers of change as firstly the unsustainable vicious circle of war and bankruptcy which is driving the NATO countries towards ever more ambitious military confrontations abroad and ever greater inequality at home, and secondly the internet revolution which has broken the monopoly of the corporate media.

Strategies for Reform We recognise that there are several strategies for meaningful change. These include mass protest and people power as practised by the Occupy movement, and gradualist reform as advocated by traditional lobby groups.

While supporting any credible strategy for change we think two key factors have often been unaddressed: the need to articulate the dire nature of the crisis to a wider section of the public and to offer a credible blueprint for dismantling the current power structures.

We see two corresponding strategies which we see as complementing not as alternatives to the many existing campaigns.

First, we wish to promote awareness that many of the activities of the elite are illegal under current treaties and statutes, for instance the invasion of Iraq, the use of torture, or the bribing and blackmailing of politicians and editors. A rigorous application of existing laws and relatively minor changes to international treaties would create a revolution of itself without any spectre of guillotines, revolutionary disorder or civil war.

Second, along with this cleanout of provably corrupt individuals and networks, we advocate the reform of current power structures by a series of measures that have been well articulated by various campaigns. This would include the democratisation of the media and the political parties, much greater transparency for all sections of state and corporate power, reform of the way money is created, changes in the structure of company boards, a shift in taxation from income to wealth.

Our Activities We wish to use independent media initiatives and conferences to help spread awareness of the extraordinary extent of state and corporate crimes against democracy (SCADS) carried out by criminal networks within the one percent. At the same time we will air positive solutions for reform of the power structures, giving a platform for the many existing campaigns we support.

To this end we are holding SCADS conferences on a six monthly basis and are setting up a media outlet, ADTV. Currently we are producing pilot clips, and soon expect to be producing a series of half hour news programmes by arrangement with a satellite channel. Eventually we expect to be a fully independent content supplier to broadcasters in many countries who want English language material.

THE GENTLEPERSON'S GUIDE TO FORUM SPIES

Cryptome; via Nathan Allonby

COINTELPRO Techniques for dilution, misdirection and control of a internet forum..

There are several techniques for the control and manipulation of a internet forum no matter what, or who is on it. We will go over each technique and demonstrate that only a minimal number of operatives can be used to eventually and effectively gain a control of a 'uncontrolled forum.'

1 - 'FORUM SLIDING'

If a very sensitive posting of a critical nature has been posted on a forum - it can be quickly removed from public view by 'forum sliding.' In this technique a number of unrelated posts are quietly repositioned on the forum and allowed to 'age.' Each of these misdirectional forum postings can then be called upon at will to trigger a 'forum slide.' The second requirement is that several fake accounts exist, which can be called upon, to ensure that this technique is not exposed to the public. To trigger a

'forum slide' and 'flush' the critical post out of public view it is simply a matter of logging into each account both real and fake and then 'replying' to prepositioned postings with a simple 1 or 2 line comment. This brings the unrelated postings to the top of the forum list, and the critical posting 'slides' down the front page, and quickly out of public view. Although it is difficult or impossible to censor the posting it is now lost in a sea of unrelated and un-useful postings. By this means it becomes effective to keep the readers of the forum reading unrelated and non-issue items.

2 - 'CONSENSUS CRACKING'

A second highly effective technique (which you can see in operation all the time at www.abovetopsecret.com) is 'consensus cracking.' To develop a consensus crack, the following technique is used. Under the guise of a fake account a posting is made which looks legitimate and is towards the truth is made - but the critical point is that it has a VERY WEAK PREMISE without substantive proof to back the posting. Once this is done then under alternative fake accounts a very strong position in your favour is slowly introduced over the life of the posting. It is IMPERATIVE that both sides are initially presented, so the uninformed reader cannot determine which side is the truth. As postings and replies are made the stronger 'evidence' or disinformation in your favour is slowly 'seeded in.' Thus the uninformed reader will most likely develop the same position as you, and if their position is against you their opposition to your posting will be most likely dropped. However in some cases where the forum members are highly educated and can counter your disinformation with real facts and linked postings, you can then 'abort' the consensus cracking by initiating a 'forum slide.'

3 - 'TOPIC DILUTION'

Topic dilution is not only effective in forum sliding it is also very useful in keeping the forum readers on unrelated and non-productive issues. This is a critical and useful technique to cause a 'RESOURCE BURN.' By implementing continual and non-related postings that distract and disrupt (trolling) the forum readers they are more effectively stopped from anything of any real productivity. If the intensity of gradual dilution is intense enough, the readers will effectively stop researching and simply slip into a 'gossip mode.' In this state they can be more easily misdirected away from facts towards uninformed conjecture and opinion. The less informed they are the more effective and easy it becomes to control the entire group in the direction that you would desire the group to go in. It must be stressed that a proper assessment of the psychological capabilities and levels of education is first determined of the group to determine at what level to 'drive in the wedge.' By being too far off topic too quickly it may trigger censorship by a forum moderator.

4 - 'INFORMATION COLLECTION'

Information collection is also a very effective method to determine the psychological level of the forum members, and to gather intelligence that can be used against them. In this technique in a light and positive environment a 'show you mine so me yours' posting is initiated. From the number of replies and the answers that are provided much statistical information can be gathered. An example is to post your 'favourite weapon' and then encourage other members of the forum to showcase what they have. In this matter it can be determined by reverse proration what percentage of the forum community owns a firearm, and or a illegal weapon. This same method can be used by posing as one of the form members and posting your favourite 'technique of operation.' From the replies various methods that the group utilizes can be studied and effective methods developed to stop them from their activities.

5 - 'ANGER TROLLING'

Statistically, there is always a percentage of the forum posters who are more inclined to violence. In order to determine who these individuals are, it is a requirement to present a image to the forum to deliberately incite a strong psychological reaction. From this the most violent in the group can be effectively singled out for reverse IP location and possibly local enforcement tracking. To accomplish this only requires posting a link to a video depicting a local police officer massively abusing his power against a very innocent individual. Statistically of the million or so police officers in America there is always one or two being caught abusing there powers and the taping of the activity can be then used for intelligence gathering purposes - without the requirement to 'stage' a fake abuse video. This method is extremely effective, and the more so the more abusive the video can be made to look. Sometimes it is useful to 'lead' the forum by replying to your own posting with your own statement of violent intent, and that you 'do not care what the authorities think!!' inflammation. By doing this and showing no fear it

may be more effective in getting the more silent and self-disciplined violent intent members of the forum to slip and post their real intentions. This can be used later in a court of law during prosecution.

6 - 'GAINING FULL CONTROL'

It is important to also be harvesting and continually maneuvering for a forum moderator position. Once this position is obtained, the forum can then be effectively and quietly controlled by deleting unfavourable postings - and one can eventually steer the forum into complete failure and lack of interest by the general public. This is the 'ultimate victory' as the forum is no longer participated with by the general public and no longer useful in maintaining their freedoms. Depending on the level of control you can obtain, you can deliberately steer a forum into defeat by censoring postings, deleting memberships, flooding, and or accidentally taking the forum offline. By this method the forum can be quickly killed. However it is not always in the interest to kill a forum as it can be converted into a 'honey pot' gathering center to collect and misdirect newcomers and from this point be completely used for your control for your agenda purposes.

CONCLUSION

Remember these techniques are only effective if the forum participants DO NOT KNOW ABOUT THEM. Once they are aware of these techniques the operation can completely fail, and the forum can become uncontrolled. At this point other avenues must be considered such as initiating a false legal precedence to simply have the forum shut down and taken offline. This is not desirable as it then leaves the enforcement agencies unable to track the percentage of those in the population who always resist attempts for control against them. Many other techniques can be utilized and developed by the individual and as you develop further techniques of infiltration and control it is imperative to share them with HQ.

TWENTY-FIVE RULES OF DISINFORMATION

Note: The first rule and last five (or six, depending on situation) rules are generally not directly within the ability of the traditional disinfo artist to apply. These rules are generally used more directly by those at the leadership, key players, or planning level of the criminal conspiracy or conspiracy to cover up.

1. Hear no evil, see no evil, speak no evil. Regardless of what you know, don't discuss it -- especially if you are a public figure, news anchor, etc. If it's not reported, it didn't happen, and you never have to deal with the issues.
2. Become incredulous and indignant. Avoid discussing key issues and instead focus on side issues which can be used show the topic as being critical of some otherwise sacrosanct group or theme. This is also known as the 'How dare you!' gambit.
3. Create rumor mongers. Avoid discussing issues by describing all charges, regardless of venue or evidence, as mere rumors and wild accusations. Other derogatory terms mutually exclusive of truth may work as well. This method which works especially well with a silent press, because the only way the public can learn of the facts are through such 'arguable rumors'. If you can associate the material with the Internet, use this fact to certify it a 'wild rumor' from a 'bunch of kids on the Internet' which can have no basis in fact.
4. Use a straw man. Find or create a seeming element of your opponent's argument which you can easily knock down to make yourself look good and the opponent to look bad. Either make up an issue you may safely imply exists based on your interpretation of the opponent/opponent arguments/situation, or select the weakest aspect of the weakest charges. Amplify their significance and destroy them in a way which appears to debunk all the charges, real and fabricated alike, while actually avoiding discussion of the real issues.
5. Sidetrack opponents with name calling and ridicule. This is also known as the primary 'attack the messenger' ploy, though other methods qualify as variants of that approach. Associate opponents with unpopular titles such as 'kooks', 'right-wing', 'liberal', 'left-wing', 'terrorists', 'conspiracy buffs', 'radicals', 'militia', 'racists', 'religious fanatics', 'sexual deviates', and so forth. This makes others shrink from support out of fear of gaining the same label, and you avoid dealing with issues.
6. Hit and Run. In any public forum, make a brief attack of your opponent or the opponent position and then scamper off before an answer can be fielded, or simply ignore any answer. This works extremely well in Internet and letters-to-the-editor environments where a steady stream of new identities can be called upon without having to explain criticism, reasoning -- simply make an accusation or other attack, never discussing issues, and never answering any subsequent response, for that would dignify the

opponent's viewpoint.

7. Question motives. Twist or amplify any fact which could be taken to imply that the opponent operates out of a hidden personal agenda or other bias. This avoids discussing issues and forces the accuser on the defensive.

8. Invoke authority. Claim for yourself or associate yourself with authority and present your argument with enough 'jargon' and 'minutia' to illustrate you are 'one who knows', and simply say it isn't so without discussing issues or demonstrating concretely why or citing sources.

9. Play Dumb. No matter what evidence or logical argument is offered, avoid discussing issues except with denials they have any credibility, make any sense, provide any proof, contain or make a point, have logic, or support a conclusion. Mix well for maximum effect.

10. Associate opponent charges with old news. A derivative of the straw man -- usually, in any large-scale matter of high visibility, someone will make charges early on which can be or were already easily dealt with - a kind of investment for the future should the matter not be so easily contained.) Where it can be foreseen, have your own side raise a straw man issue and have it dealt with early on as part of the initial contingency plans. Subsequent charges, regardless of validity or new ground uncovered, can usually then be associated with the original charge and dismissed as simply being a rehash without need to address current issues -- so much the better where the opponent is or was involved with the original source.

11. Establish and rely upon fall-back positions. Using a minor matter or element of the facts, take the 'high road' and 'confess' with candor that some innocent mistake, in hindsight, was made -- but that opponents have seized on the opportunity to blow it all out of proportion and imply greater criminalities which, 'just isn't so.' Others can reinforce this on your behalf, later, and even publicly 'call for an end to the nonsense' because you have already 'done the right thing.' Done properly, this can gather sympathy and respect for 'coming clean' and 'owning up' to your mistakes without addressing more serious issues.

12. Enigmas have no solution. Drawing upon the overall umbrella of events surrounding the crime and the multitude of players and events, paint the entire affair as too complex to solve. This causes those otherwise following the matter to begin to lose interest more quickly without having to address the actual issues.

13. Alice in Wonderland Logic. Avoid discussion of the issues by reasoning backwards or with an apparent deductive logic which forbears any actual material fact.

14. Demand complete solutions. Avoid the issues by requiring opponents to solve the crime at hand completely, a ploy which works best with issues qualifying for rule 10.

15. Fit the facts to alternate conclusions. This requires creative thinking unless the crime was planned with contingency conclusions in place.

16. Vanish evidence and witnesses. If it does not exist, it is not fact, and you won't have to address the issue.

17. Change the subject. Usually in connection with one of the other ploys listed here, find a way to sidetrack the discussion with abrasive or controversial comments in hopes of turning attention to a new, more manageable topic. This works especially well with companions who can 'argue' with you over the new topic and polarize the discussion arena in order to avoid discussing more key issues.

18. Emotionalize, Antagonize, and Goad Opponents. If you can't do anything else, chide and taunt your opponents and draw them into emotional responses which will tend to make them look foolish and overly motivated, and generally render their material somewhat less coherent. Not only will you avoid discussing the issues in the first instance, but even if their emotional response addresses the issue, you can further avoid the issues by then focusing on how 'sensitive they are to criticism.'

19. Ignore proof presented, demand impossible proofs. This is perhaps a variant of the 'play dumb' rule. Regardless of what material may be presented by an opponent in public forums, claim the material irrelevant and demand proof that is impossible for the opponent to come by (it may exist, but not be at his disposal, or it may be something which is known to be safely destroyed or withheld, such as a murder weapon.) In order to completely avoid discussing issues, it may be required that you to categorically deny and be critical of media or books as valid sources, deny that witnesses are acceptable, or even deny that statements made by government or other authorities have any meaning or relevance.

20. False evidence. Whenever possible, introduce new facts or clues designed and manufactured to conflict with opponent presentations -- as useful tools to neutralize sensitive issues or impede resolution. This works best when the crime was designed with contingencies for the purpose, and the facts cannot be easily separated from the fabrications.

21. Call a Grand Jury, Special Prosecutor, or other empowered investigative body. Subvert the (process) to your benefit and effectively neutralize all sensitive issues without open discussion. Once

convened, the evidence and testimony are required to be secret when properly handled. For instance, if you own the prosecuting attorney, it can insure a Grand Jury hears no useful evidence and that the evidence is sealed and unavailable to subsequent investigators. Once a favorable verdict is achieved, the matter can be considered officially closed. Usually, this technique is applied to find the guilty innocent, but it can also be used to obtain charges when seeking to frame a victim.

22. Manufacture a new truth. Create your own expert(s), group(s), author(s), leader(s) or influence existing ones willing to forge new ground via scientific, investigative, or social research or testimony which concludes favorably. In this way, if you must actually address issues, you can do so authoritatively.

23. Create bigger distractions. If the above does not seem to be working to distract from sensitive issues, or to prevent unwanted media coverage of unstoppable events such as trials, create bigger news stories (or treat them as such) to distract the multitudes.

24. Silence critics. If the above methods do not prevail, consider removing opponents from circulation by some definitive solution so that the need to address issues is removed entirely. This can be by their death, arrest and detention, blackmail or destruction of their character by release of blackmail information, or merely by destroying them financially, emotionally, or severely damaging their health.

25. Vanish. If you are a key holder of secrets or otherwise overly illuminated and you think the heat is getting too hot, to avoid the issues, vacate the kitchen.

EIGHT TRAITS OF THE DISINFORMATIONALIST

1) Avoidance. They never actually discuss issues head-on or provide constructive input, generally avoiding citation of references or credentials. Rather, they merely imply this, that, and the other. Virtually everything about their presentation implies their authority and expert knowledge in the matter without any further justification for credibility.

2) Selectivity. They tend to pick and choose opponents carefully, either applying the hit-and-run approach against mere commentators supportive of opponents, or focusing heavier attacks on key opponents who are known to directly address issues. Should a commentator become argumentative with any success, the focus will shift to include the commentator as well.

3) Coincidental. They tend to surface suddenly and somewhat coincidentally with a new controversial topic with no clear prior record of participation in general discussions in the particular public arena involved. They likewise tend to vanish once the topic is no longer of general concern. They were likely directed or elected to be there for a reason, and vanish with the reason.

4) Teamwork. They tend to operate in self-congratulatory and complementary packs or teams. Of course, this can happen naturally in any public forum, but there will likely be an ongoing pattern of frequent exchanges of this sort where professionals are involved. Sometimes one of the players will infiltrate the opponent camp to become a source for straw man or other tactics designed to dilute opponent presentation strength.

5) Anti-conspiratorial. They almost always have disdain for 'conspiracy theorists' and, usually, for those who in any way believe JFK was not killed by LHO. Ask yourself why, if they hold such disdain for conspiracy theorists, do they focus on defending a single topic discussed in a NG focusing on conspiracies? One might think they would either be trying to make fools of everyone on every topic, or simply ignore the group they hold in such disdain. Or, one might more rightly conclude they have an ulterior motive for their actions in going out of their way to focus as they do.

6) Artificial Emotions. An odd kind of 'artificial' emotionalism and an unusually thick skin -- an ability to persevere and persist even in the face of overwhelming criticism and unacceptance. This likely stems from intelligence community training that, no matter how condemning the evidence, deny everything, and never become emotionally involved or reactive. The net result for a disinfo artist is that emotions can seem artificial.

Most people, if responding in anger, for instance, will express their animosity throughout their rebuttal. But disinfo types usually have trouble maintaining the 'image' and are hot and cold with respect to pretended emotions and their usually more calm or unemotional communications style. It's just a job, and they often seem unable to 'act their role in character' as well in a communications medium as they might be able in a real face-to-face conversation/confrontation. You might have outright rage and indignation one moment, ho-hum the next, and more anger later -- an emotional yo-yo.

With respect to being thick-skinned, no amount of criticism will deter them from doing their job, and they will generally continue their old disinfo patterns without any adjustments to criticisms of how obvious it is that they play that game -- where a more rational individual who truly cares what others think might seek to improve their communications style, substance, and so forth, or simply give up.

7) Inconsistent. There is also a tendency to make mistakes which betray their true self/motives. This

may stem from not really knowing their topic, or it may be somewhat 'freudian', so to speak, in that perhaps they really root for the side of truth deep within.

I have noted that often, they will simply cite contradictory information which neutralizes itself and the author. For instance, one such player claimed to be a Navy pilot, but blamed his poor communicating skills (spelling, grammar, incoherent style) on having only a grade-school education. I'm not aware of too many Navy pilots who don't have a college degree. Another claimed no knowledge of a particular topic/situation but later claimed first-hand knowledge of it.

8) Time Constant. Recently discovered, with respect to News Groups, is the response time factor. There are three ways this can be seen to work, especially when the government or other empowered player is involved in a cover up operation:

- a) ANY NG posting by a targeted proponent for truth can result in an IMMEDIATE response. The government and other empowered players can afford to pay people to sit there and watch for an opportunity to do some damage. SINCE DISINFO IN A NG ONLY WORKS IF THE READER SEES IT - FAST RESPONSE IS CALLED FOR, or the visitor may be swayed towards truth.
- b) When dealing in more direct ways with a disinformationalist, such as email, DELAY IS CALLED FOR - there will usually be a minimum of a 48-72 hour delay. This allows a sit-down team discussion on response strategy for best effect, and even enough time to 'get permission' or instruction from a formal chain of command.
- c) In the NG example 1) above, it will often ALSO be seen that bigger guns are drawn and fired after the same 48-72 hours delay - the team approach in play. This is especially true when the targeted truth seeker or their comments are considered more important with respect to potential to reveal truth. Thus, a serious truth sayer will be attacked twice for the same sin.

HOW TO SPOT A SPY (COINTELPRO AGENT)

One way to neutralize a potential activist is to get them to be in a group that does all the wrong things. Why?

- 1) The message doesn't get out.
- 2) A lot of time is wasted
- 3) The activist is frustrated and discouraged
- 4) Nothing good is accomplished.

FBI and Police Informers and Infiltrators will infest any group and they have phoney activist organizations established. Their purpose is to prevent any real movement for justice or eco-peace from developing in this country.

Agents come in small, medium or large. They can be of any ethnic background. They can be male or female.

The actual size of the group or movement being infiltrated is irrelevant. It is the potential the movement has for becoming large which brings on the spies and saboteurs.

This booklet lists tactics agents use to slow things down, foul things up, destroy the movement and keep tabs on activists.

It is the agent's job to keep the activist from quitting such a group, thus keeping him/her under control.

In some situations, to get control, the agent will tell the activist: "You're dividing the movement." [Here, I have added the psychological reasons as to WHY this maneuver works to control people]

This invites guilty feelings. Many people can be controlled by guilt. The agents begin relationships with activists behind a well-developed mask of "dedication to the cause." Because of their often declared dedication, (and actions designed to prove this), when they criticize the activist, he or she - being truly dedicated to the movement - becomes convinced that somehow, any issues are THEIR fault. This is because a truly dedicated person tends to believe that everyone has a conscience and that nobody would dissimulate and lie like that "on purpose." It's amazing how far agents can go in manipulating an activist because the activist will constantly make excuses for the agent who regularly declares their dedication to the cause. Even if they do, occasionally, suspect the agent, they will pull the wool over their own eyes by rationalizing: "they did that unconsciously... they didn't really mean it... I can help them by being forgiving and accepting " and so on and so forth.

The agent will tell the activist: "You're a leader!"

This is designed to enhance the activist's self-esteem. His or her narcissistic admiration of his/her own activist/altruistic intentions increase as he or she identifies with and consciously admires the altruistic declarations of the agent which are deliberately set up to mirror those of the activist.

This is "malignant pseudoidentification." It is the process by which the agent consciously imitates

or simulates a certain behavior to foster the activist's identification with him/her, thus increasing the activist's vulnerability to exploitation. The agent will simulate the more subtle self-concepts of the activist.

Activists and those who have altruistic self-concepts are most vulnerable to malignant pseudoidentification especially during work with the agent when the interaction includes matter relating to their competency, autonomy, or knowledge.

The goal of the agent is to increase the activist's general empathy for the agent through pseudo-identification with the activist's self-concepts.

The most common example of this is the agent who will compliment the activist for his competency or knowledge or value to the movement. On a more subtle level, the agent will simulate affects and mannerisms of the activist which promotes identification via mirroring and feelings of "twinsip". It is not unheard of for activists, enamoured by the perceived helpfulness and competence of a good agent, to find themselves considering ethical violations and perhaps, even illegal behavior, in the service of their agent/handler.

The activist's "felt quality of perfection" [self-concept] is enhanced, and a strong empathic bond is developed with the agent through his/her imitation and simulation of the victim's own narcissistic investments. [self-concepts] That is, if the activist knows, deep inside, their own dedication to the cause, they will project that onto the agent who is "mirroring" them.

The activist will be deluded into thinking that the agent shares this feeling of identification and bonding. In an activist/social movement setting, the adversarial roles that activists naturally play vis a vis the establishment/government, fosters ongoing processes of intrapsychic splitting so that "twinsip alliances" between activist and agent may render whole sectors or reality testing unavailable to the activist. They literally "lose touch with reality."

Activists who deny their own narcissistic investments [do not have a good idea of their own self-concepts and that they ARE concepts] and consciously perceive themselves (accurately, as it were) to be "helpers" endowed with a special amount of altruism are exceedingly vulnerable to the affective (emotional) simulation of the accomplished agent.

Empathy is fostered in the activist through the expression of quite visible affects. The presentation of tearfulness, sadness, longing, fear, remorse, and guilt, may induce in the helper-oriented activist a strong sense of compassion, while unconsciously enhancing the activist's narcissistic investment in self as the embodiment of goodness.

The agent's expression of such simulated affects may be quite compelling to the observer and difficult to distinguish from deep emotion.

It can usually be identified by two events, however:

First, the activist who has analyzed his/her own narcissistic roots and is aware of his/her own potential for being "emotionally hooked," will be able to remain cool and unaffected by such emotional outpourings by the agent.

As a result of this unaffected, cool, attitude, the Second event will occur: The agent will recompensate much too quickly following such an affective expression leaving the activist with the impression that "the play has ended, the curtain has fallen," and the imposture, for the moment, has finished. The agent will then move quickly to another activist/victim.

The fact is, the movement doesn't need leaders, it needs MOVERS. "Follow the leader" is a waste of time.

A good agent will want to meet as often as possible. He or she will talk a lot and say little. One can expect an onslaught of long, unresolved discussions.

Some agents take on a pushy, arrogant, or defensive manner:

- 1) To disrupt the agenda
- 2) To side-track the discussion
- 3) To interrupt repeatedly
- 4) To feign ignorance
- 5) To make an unfounded accusation against a person.

Calling someone a racist, for example. This tactic is used to discredit a person in the eyes of all other group members.

SABOTEURS

Some saboteurs pretend to be activists. She or he will

- 1) Write encyclopedic flyers (in the present day, websites)
- 2) Print flyers in English only.

- 3) Have demonstrations in places where no one cares.
- 4) Solicit funding from rich people instead of grass roots support
- 5) Display banners with too many words that are confusing.
- 6) Confuse issues.
- 7) Make the wrong demands.
- 8) Cool Compromise the goal.
- 9) Have endless discussions that waste everyone's time. The agent may accompany the endless discussions with drinking, pot smoking or other amusement to slow down the activist's work.

PROVOCATEURS

- 1) Want to establish "leaders" to set them up for a fall in order to stop the movement.
- 2) Suggest doing foolish, illegal things to get the activists in trouble.
- 3) Encourage militancy.
- 4) Want to taunt the authorities.
- 5) Attempt to make the activist compromise their values.
- 6) Attempt to instigate violence. Activism ought to always be non-violent.
- 7) Attempt to provoke revolt among people who are ill-prepared to deal with the reaction of the authorities to such violence.

INFORMANTS

- 1) Want everyone to sign up and sign in and sign everything.
- 2) Ask a lot of questions (gathering data).
- 3) Want to know what events the activist is planning to attend.
- 4) Attempt to make the activist defend him or herself to identify his or her beliefs, goals, and level of commitment.

RECRUITING

Legitimate activists do not subject people to hours of persuasive dialog. Their actions, beliefs, and goals speak for themselves. Groups that DO recruit are missionaries, military, and fake political parties or movements set up by agents.

SURVEILLANCE

ALWAYS assume that you are under surveillance. At this point, if you are NOT under surveillance, you are not a very good activist!

SCARE TACTICS

They use them. Such tactics include slander, defamation, threats, getting close to disaffected or minimally committed fellow activists to persuade them (via psychological tactics described above) to turn against the movement and give false testimony against their former compatriots. They will plant illegal substances on the activist and set up an arrest; they will plant false information and set up "exposure," they will send incriminating letters [emails] in the name of the activist; and more; they will do whatever society will allow.

This booklet in no way covers all the ways agents use to sabotage the lives of sincere and dedicated activists.

If an agent is "exposed," he or she will be transferred or replaced.

COINTELPRO is still in operation today under a different code name. It is no longer placed on paper where it can be discovered through the freedom of information act.

The FBI counterintelligence program's stated purpose: To expose, disrupt, misdirect, discredit, and otherwise neutralize individuals who the FBI categorize as opposed to the National Interests. "National Security" means the FBI's security from the people ever finding out the vicious things it does in violation of people's civil liberties.

SEVENTEEN TECHNIQUES FOR TRUTH SUPPRESSION

Strong, credible allegations of high-level criminal activity can bring down a government. When the government lacks an effective, fact-based defense, other techniques must be employed. The success

of these techniques depends heavily upon a cooperative, compliant press and a mere token opposition party.

1. Dummy up. If it's not reported, if it's not news, it didn't happen.
2. Wax indignant. This is also known as the "How dare you?" gambit.
3. Characterize the charges as "rumors" or, better yet, "wild rumors." If, in spite of the news blackout, the public is still able to learn about the suspicious facts, it can only be through "rumors." (If they tend to believe the "rumors" it must be because they are simply "paranoid" or "hysterical.")
4. Knock down straw men. Deal only with the weakest aspects of the weakest charges. Even better, create your own straw men. Make up wild rumors (or plant false stories) and give them lead play when you appear to debunk all the charges, real and fanciful alike.
5. Call the skeptics names like "conspiracy theorist," "nutcase," "ranter," "kook," "crackpot," and, of course, "rumor monger." Be sure, too, to use heavily loaded verbs and adjectives when characterizing their charges and defending the "more reasonable" government and its defenders. You must then carefully avoid fair and open debate with any of the people you have thus maligned. For insurance, set up your own "skeptics" to shoot down.
6. Impugn motives. Attempt to marginalize the critics by suggesting strongly that they are not really interested in the truth but are simply pursuing a partisan political agenda or are out to make money (compared to over-compensated adherents to the government line who, presumably, are not).
7. Invoke authority. Here the controlled press and the sham opposition can be very useful.
8. Dismiss the charges as "old news."
9. Come half-clean. This is also known as "confession and avoidance" or "taking the limited hangout route." This way, you create the impression of candor and honesty while you admit only to relatively harmless, less-than-criminal "mistakes." This stratagem often requires the embrace of a fall-back position quite different from the one originally taken. With effective damage control, the fall-back position need only be peddled by stooge skeptics to carefully limited markets.
10. Characterize the crimes as impossibly complex and the truth as ultimately unknowable.
11. Reason backward, using the deductive method with a vengeance. With thoroughly rigorous deduction, troublesome evidence is irrelevant. E.g. We have a completely free press. If evidence exists that the Vince Foster "suicide" note was forged, they would have reported it. They haven't reported it so there is no such evidence. Another variation on this theme involves the likelihood of a conspiracy leaker and a press who would report the leak.
12. Require the skeptics to solve the crime completely. E.g. If Foster was murdered, who did it and why?
13. Change the subject. This technique includes creating and/or publicizing distractions.
14. Lightly report incriminating facts, and then make nothing of them. This is sometimes referred to as "bump and run" reporting.
15. Baldly and brazenly lie. A favorite way of doing this is to attribute the "facts" furnished the public to a plausible-sounding, but anonymous, source.
16. Expanding further on numbers 4 and 5, have your own stooges "expose" scandals and champion popular causes. Their job is to pre-empt real opponents and to play 99-yard football. A variation is to pay rich people for the job who will pretend to spend their own money. Flood the Internet with agents.
17. This is the answer to the question, "What could possibly motivate a person to spend hour upon hour on Internet news groups defending the government and/or the press and harassing genuine critics?" Don't the authorities have defenders enough in all the newspapers, magazines, radio, and television? One would think refusing to print critical letters and screening out serious callers or dumping them from radio talk shows would be control enough, but, obviously, it is not.

ACTIVISTS AND "ANARCHISTS" ARE NEW VIDEO GAME VILLAINS

JG Vibes; Activist Post

(Another sinister little corner of the War on Dissent? -Ed)

For years I have been writing about the increased propagandizing of video games, specifically first person shooters. Back in July the popular game Call of Duty announced their most recent villain as "the leader of the 99%". Now it seems that this more overt approach to propaganda in video games is becoming a

trend, as another new game has set up a storyline where the villains are violent terrorists who are labelled as “anarchists”.

On August 21, 2012 Valve Corporation and Hidden Path Entertainment released Counter-Strike: Global Offensive, the most recent game in their “Counter Strike” series. One new addition to the “terrorist team” in this game is a group of machine gun wielding masked men called “the anarchists”. In the past the Counter Strike series has also vilified militias as terrorist groups, using the Midwest militia as their strawman.

According to Counter Strike enthusiasts the “new anarchist” team is most likely based on “punk teenager”, judging by the dialogue that takes place during the game. If that is the case, then this game is basically sending the message that so called “punk teenagers” who consider themselves “anarchists” are the bad guys, and not only are they the bad guys but they are actually terrorists who need to be hunted down and killed by the good guys.

Even if you don’t believe the subliminal and chemical implications of surrounding yourself with this media as I discussed in my article last year, you must at least admit that this storyline is crafted from the perspective of the ruling class, where anyone who rejects the status quo is a terrorist. It is possible that this is the result of the ruling class controlling the media, or maybe it can just be chalked up to the mainstream political narrative being so deeply entrenched in the minds of the programmers, although I highly doubt it’s that simple.

Whether or not the programmers explicitly know what they are doing, they are still effectively participating in the continuation of a propaganda campaign that has been waged for centuries. This is the propaganda campaign that makes people believe that there would be insanity and chaos without a group of all-knowing masters to keep the herds in line.

If you have any questions or disagreements feel free to email me at jgvibes@aotmr.com. J.G. Vibes is the author of an 87 chapter counter culture textbook called *Alchemy of the Modern Renaissance* and host of a show called *Voluntary Hippie Radio*. He is also an artist with an established record label and event promotion company that hosts politically charged electronic dance music events. You can keep up with his work, which includes free podcasts, free e-books & free audiobooks at his website www.aotmr.com

ROBOT WARS: HOW HIGH FREQUENCY TRADING CHANGED GLOBAL MARKETS

Alice K Ross, Nick Mathiason and Will Fitzgibbon ; All Stories, Carousel, Corporate Watch,; via The Bureau of Investigative Journalism

(Much more could be said about HFT, but this is as good an introduction as any. There is no mention of a variety of HFT called 'flash trading' by which dealers can obtain data on incoming orders and manipulate the market accordingly – Ed)

A controversial trading practice may be living on borrowed time. Welcome to the world’s most intense electronic battle. It’s waged on world stock markets and the ammunition is tiny fractions of pennies, fired through super-charged computers. The object is to wipe out the opposition.

The theatre of war is a long way from the raucous bear pit of buying stock traders. Instead, capital is unleashed in a cavernous space, lined with banks of computer servers and chilled by air conditioning. Rather than the shouts of traders, orders to buy and sell come in electronic pulses; processed instantly in near-silence.

‘It’s high tech war,’ explained a City computer expert working for an investment bank. ‘When they’re doing a trade, they can blast it with full volume so you can’t get up.’

It’s become a technological race for traders trying to exploit quirks in human behaviour. So what’s at a premium is the timing and getting hold of the data as quickly as possible.’

Buy low, sell high remains the market’s mantra. But the age of computer-driven trading has ushered in speed and processing power. Trading times have accelerated exponentially. Markets are so fast today, a trade is now measured in microseconds – millionths of a second.

Allied to speed is staggering computer processing power. Now processors can assimilate transactions made on virtually every single exchange and assess who made the trade, all in the blink of an eye. This gives investors more ammunition in their battle to outmanoeuvre and second-guess rivals.

At this level, humans are out of the game. Instead, investment banks, fund managers and traders put all their trust on complex algorithms run by computers to buy and sell shares, with varying degrees of human involvement. And the fastest players of all are a new and evolving breed of market participant: the high frequency traders.

In the past five years, high frequency trading (HFT) has stormed the citadels of finance. Today it accounts for more than a third of activity on European markets and 70% in the US. Its dramatic rise to prominence has polarised opinion. Exponents say it has reduced trading costs and increased activity on markets – but critics point to two devastating US market collapses in which HFT played a central role. And now European policymakers are debating whether to impose severe limits on HFT. Influential figures are even calling for it to be banned.

The cash/time continuum

HFT takes place at speeds more commonly associated with particle physics. In the quarter of a second it takes you to blink, an HFT computer can carry out over 5,000 transactions.

Computers are locked in a permanent race against one another, and against the wider market, to perform millions of tiny, rapid trades, each yielding a tiny profit. There is no interest in actually owning a company's stock. The game is to sell it on at a fraction of a penny's profit very, very quickly. The tiniest delay is the difference between profit and loss.

So HF traders pay to place their servers close to an exchange's, and invest in ultra-high speed feeds of market data. The reason? Whittling microseconds off 'latency' – the time it takes their message to reach the exchange and return.

'It's become a technological race for traders trying to exploit quirks in human behaviour,' says a former banker. 'So what's at a premium is the timing and getting hold of the data as quickly as possible.'

And with billions of microscopic transactions to monitor, detecting market abuse is increasingly becoming impossible for regulators. 'Markets get manipulated. It does happen. And there are accidents sometimes,' a City computer expert said.

Trading tactics

Forget Gordon Gekko: the new generation of financial masters of the universe are quantitative programmers, who write the sophisticated algorithms that HFT relies on. 'Quants' are advanced mathematicians rather than financiers, often educated to PhD level or beyond – although their pay is closer to a banker than an academic. A junior quant can expect to earn £50,000 or more.

The algorithms they design use a variety of tactics to hunt down profits on the stock exchange. Some programmes search out stocks that are rising, to cash in on the momentum. Others look for minuscule price variations between the same stock on different markets and seek to close the price gap.

Perhaps the most innovative, or feared (depending on what position you take), are behavioural algorithms. These hunt for clues an investor wants a specific stock. Gaining this prized intelligence requires gathering and crunching colossal quantities of data to second-guess rivals. HFT's algos then buy the stock and sell it on to the original buyer for a tiny bit more than they paid.

Then there are murkier practices that cross the line into market abuse: tactics such as 'quote stuffing' – firing thousands of trades into the markets and cancelling them within microseconds, with the intention of slowing down the markets and profiting from the price differences. Or 'smoking' or 'layering': entering fake trades at artificially low or high prices, to mislead other market players. American regulators have already sanctioned at least one firm for this HFT strategy.

Prepare for takeoff

It was an arcane European Union directive that effectively launched this new era in financial trading. Called the Markets in Financial Instruments (Mifid) directive, it abolished the monopoly enjoyed by stock exchanges in each EU country in 2007 – although some, like London, had already started introducing competition. New exchanges opened and a wave of merger activity ensued.

Mifid's aim was to force stock exchanges to compete. The theory went this would make transactions cheaper and more transparent. Its introduction incentivised exchanges to increase the amount of trading providing the perfect conditions for HFT to take off. With transactions ostensibly cheaper, HFT could profit on a huge number of transactions that yielded small margins.

The industry argue it's not just HFT which benefits. Investors now enjoy reduced spreads – the gap between bid and offer prices, and trading fees have fallen. Most importantly, they claim, HFT boosts liquidity – the willingness of the market to buy what you're selling and sell what you want to buy.

But storm clouds are gathering for HFT. It is also blamed for making markets more predatory and volatile, causing sudden spikes and dips as black boxes bet against one another at frenetic speeds.

Urging caution: the Bank of England's Andrew Haldane

The critics are becoming more vocal. Last weekend a senior European Central Bank policymaker called for the trade to be banned outright, while Andrew Haldane, the Bank of England's head of financial stability, used a speech last year to call for 'grit in the wheels' to slow trading and 'forestall the next crash'.

The complaints are the sound of vested interests at work, says Remco Lenterman, chairman of HFT industry body the European Principal Traders' Association (Epta). 'Initiatives to try to stop our members [are] because we make the market so efficient that it becomes less profitable for the financial industry,' he said. 'Clearly it's a very disruptive technology.'

The price of progress?

Concern on the potential for market harm that HFT could bring is mounting. HFT's reputation was severely dented by the 'flash crash' of May 6 2010, in which already choppy US stock markets dropped by 600 points inside five minutes – wiping nearly \$1 trillion off share prices at a speed only possible with quantitative trading, before rebounding just as quickly.

Two years on, many in the financial markets are still shaken by the event. 'It was Chernobyl for stock markets,' said one observer. 'It was a near-death experience,' said another: had the fall happened at the end of a trading day, markets would have closed mid-crash, sparking panic on the international markets.

'The Flash Crash was a near miss. It taught us something important, if uncomfortable, about our state of knowledge of modern financial markets,' Haldane said in his speech.

The flash crash could happen here: it wouldn't be as dramatic, but we could still have a 10% drop before the circuit breakers kick in'

A SEC investigation into the events found that the fall was triggered by a mutual fund trying to shift a large amount of stock in edgy markets using an algorithm. But it gathered momentum as HFTs took advantage and drove the prices down.

If this wasn't bad enough, last month a malfunctioning algorithm in the US saw trading firm Knight Capital lose \$440m in half an hour, causing market chaos in the process.

European stock exchanges say such events couldn't happen here: they have safety features such as circuit breakers, which halt trading on a stock when prices move too sharply. On the London Stock Exchange (LSE), they kick in around 35 times a day – although during market stress last August, this rose to 170 times a day.

But such European measures may not, according to some, be enough. Only luck has prevented major crashes in the UK, several market observers have told the Bureau.

'The flash crash could happen here: our system's automatic stops would kick in automatically so it wouldn't be as dramatic, but we could still have a 10% drop before the circuit breakers kick in,' said Kay Swinburne, a former banker and Conservative MEP on the British government's Economic Affairs Committee.

Certainty at a premium

The trouble is that getting clarity as to whether HFT harms Europe's markets is not an easy task. The debate is characterised by apparently contradictory studies, claims and counterclaims.

'A lot of the research is biased,' an informed source said: many studies are commissioned by investment banks, who count HFT firms among their clients and use HFT strategies, and others with vested interests.

The markets haven't got worse since the advent of HFT, but they're not much better either, a government study found

There are huge technical barriers to researching HFT's impact on markets and trades – the raw datasets are massive, complex and scattered across multiple exchanges and trading platforms.

The lack of any conclusive evidence has allowed HFT to thrive with only limited regulatory understanding. There is not even a commonly accepted definition of what HFT actually is. 'With the regulator understanding we are in a similar situation to how they handled off balance sheet and debt markets. The regulators are starting to realise that they know fuck all,' said the City IT manager.

This uncertainty about HFT's benefits or pitfalls has made European politicians nervous. They are now planning tough new measures on HFT in the revised Markets in Financial Instruments Directive

(Mifid 2). The proposals, which include forcing high frequency traders to trade in all market conditions, pose a serious threat to HFT, MEPs told the Bureau.

As Europe debates HFT, the British government has launched the Foresight Review, which has commissioned a series of academic studies on HFT's impact.

The LSE's Professor Oliver Linton examined the overall quality of the UK's markets. Examining daily data, he found no significant rise in volatility over the past 10 years. But nor did he find significantly more liquidity. In other words, the markets haven't got worse since the advent of HFT, but they're not much better either.

Experts at the Financial Crisis Observatory asked whether HFT could lead to crashes, concluding, 'We believe it has in the past, and can be expected to do so more and more in the future.' Though some of HFT's supporters argue this position fails to reflect some markets have better systems to prevent a crash happening than others.

Drying up

Traditional investors, such as pension funds, complain HFT's dominance of equity markets means the dice are loaded against them: a majority told a poll by the Foresight project they were finding it ever harder to access liquidity. Big players have an advantage because they can afford the algorithms, be close to the exchanges and can manipulate the market.'

The liquidity HFT claims to provide can also prove illusory – bids or orders vanish when traders go to use them, market observers told the Bureau. This is because the vast majority of messages signalling willingness to buy or sell are actually HFT's attempts to probe the prices others will accept. These orders are cancelled in the blink of an eye – the ratio of cancelled to traded orders can be as high as 1,000:1. And in depressed markets, liquidity can simply evaporate.

'A lot of the price discovery methods may seem dodgy,' said the head of IT at a City bank. 'HFTs might throw \$5m on five exchanges [and] it looks like \$25m liquidity. Big players have an advantage because they can afford the algorithms, be close to the exchanges and can manipulate the market.'

The argument from critics of HFT is that it makes it harder for pension funds and other institutional investors to buy large blocks of shares without being detected by behaviour-seeking algorithms.

'Institutional investors today know the moment they begin to trade a large position at one price, it will likely be detected by software, which may then effectively front-run the order. In the past, it would have been arranged hush-hush over the phone by a block trading desk, and the trade size and price would generally appear only after a large order was placed. You can't hide large position trades anymore,' said Professor Bruce Weber, a markets expert.

Locked out of the markets

This, critics point out, forces fund managers to buy or sell in smaller blocks in an attempt to hide what they are doing, pushing up transaction costs. Research commissioned by the EU has shown that the overall cost of buying shares has risen by 14% in three years, despite individual transaction costs having fallen.

Other costs are also incurred as many traders feel forced to join the technological arms race. 'As HFT becomes more important it's driven more market participants to invest more in trading technology,' said Robert Talbut, chief investment officer of Royal London Asset Management.

A third of traditional investors polled by Foresight said the real cost of trading shares had risen, as the benefits of lower spreads and trading fees were offset by the need to invest in ever-faster equipment and staff costs.

Into the shadows

The rise of HFT has had other repercussions. It appears increasingly to be pushing traditional investors from mainstream exchanges, and onto conducting big transactions in 'dark pools' – off-exchange trading platforms operated by brokers, or even by exchanges, where shares are traded anonymously, without the prices being published in advance.

Market observers and traders alike say fear of having their trades detected and headed off by HFT computers are driving longer-term investors away from the 'lit' open markets. In Foresight's poll, two-thirds of traditional investors said they used dark pools, especially for large orders.

'There's a perceived problem that strategies by HFT firms are picking off long-term only investors. That perception is why people on the buy side have moved significant amounts into dark pools,' said a market observer.

This shift to dark pool trading raises a number of concerns. Trading in the dark is more expensive

– it also affects the markets' transparency, making it harder for other players to gauge prices.

In the UK, dark pools have almost tripled their market share in the last three years, to 3.3% of trading volume, an analysis of data from the Federation of European Securities Exchanges (FESE), by the Bureau shows. Today London's dark pools are handling over €3bn of trades every 24 hours, and those close to the market point the finger at this rise as a response to HFT.

We need to build financial markets that make sense for society and the economy as a whole'

Consultancy Rosenblatt Securities estimates that across Europe, the share of trades changing hands on dark pools may represent up to 6.75% of turnover.

The meaning of markets

The rise in dark pools and the increasing difficulty of dealing in open, regulated markets add to a sense that the markets are no longer working as they should: they are separating from their original purpose.

'I see [the] role of financial markets as matching up providers of capital with users of capital. I see HFT as absolutely nothing to do with investment. It is trading for trading's sake. It has no interest in a company's fundamentals. Therefore I fail to see why it's an activity we should be encouraging to be part of our market,' said Robert Talbut.

'We need to build financial markets that make sense for society and the economy as a whole. This means discouraging practices that only benefit high frequency traders, for example, and encouraging markets to serve end-users. It means helping to feed innovation and productive investment, in short: more investment and less betting,' said Benoît Lallemand, senior research analyst at public interest advocacy group Finance Watch.

Despite the relative paucity of hard evidence to support many of the gut-felt criticisms of HFT, the overall view that HFT does more harm than good is gathering momentum in Europe. It is a view that is likely to influence the debate when MEPs meet later this month to agree the measures for Mifid 2.

The Bureau understands there is broad support for forcing HFT players to keep trading in all conditions – ending the problem of trading opportunities vanishing in stressed markets. But a Foresight analysis of the proposals released just as MEPs returned from their summer break, warned this could 'force high frequency traders out of the business of liquidity provision'.

The next three months represent a watershed for HFT. If the current tough measures stay on the table, the industry will have to change – and may even wither away.

Its fate is bound in with other Mifid market proposals including reining in commodity speculation and protecting investors. HFT may yet emerge unscathed in compromises inevitably struck between the Commission, the European parliament and national treasuries over the nature of the entire Mifid package. Perhaps it is only a souped up algorithm that can at this stage accurately predict HFT's outcome.

POSITIVE MONEY BULLETIN

Positive Money team

Why are house prices so high?

You've probably heard politicians saying that we need to build more houses to bring down house prices. But house prices aren't high because there's "too many people and too few houses". This new 2 minute video explains why house prices are really so high, and how banks have managed to price out an entire generation from being able to afford somewhere to live:

If we want to keep houses affordable for ordinary people, we have to make sure that enough people understand how banks really work and where the money for mortgages actually comes from.

Spreading the word is crucial, so please send this to anyone you know who's been priced out of a home - friends, kids, students etc.

BANKING VS DEMOCRACY: How Power Has Shifted from Parliament to the Banking Sector; A New Report from Positive Money

Whenever major decisions are taken about the future of the UK, news cameras will be aimed at reporters standing in front of Parliament. But is Parliament really where the key decisions are being made today, or has power shifted down the river to London's financial sector, the City?

This new report from Positive Money finds a banking system that has more 'spending power' than

the democratically elected government, no accountability to the people, and a massive concentration of power in the hands of a few individuals.

However, the greatest concern is that government has surrendered one of its most important powers—the power to create money and control the money supply—to the private sector, which has exploited this power to blow up housing bubbles and indirectly transfer wealth upwards and inwards, with disastrous results. There has been no democratic debate about this transfer of power, and no law actively sanctions the current set-up.

As the last few years have shown, the banking sector can have a serious negative impact on our lives. Leaving it with such a huge and unaccountable degree of power is no more likely to work in the best interests of society or democracy in the future than it has in the past.

An Overview: Ceding the Power to Create Money to the Banking Sector

In the current system, banks create the vast majority of money in the UK, in the form of the electronic bank deposits that appear in your bank account. They create this money without regard to how much is needed for the economy and society as a whole to operate effectively, and they put over 90% of this money towards activities that do not contribute to the growth of the real economy.

This power to create money causes inflation that insidiously transfers wealth from savers and those who hold their wealth in cash (i.e. the poor and those on medium incomes) to those who are rich enough to hold their wealth in other assets (such as property). Giving private sector banks a monopoly on the creation of money also means that whenever additional money is needed in the economy, only private banks can provide it. In effect the entire money supply must be rented from the banking sector, at great cost to the economy. The creation of electronic money is a service that could be provided by the government at no cost to anyone.

The business model that permits banks to create money—so far from the popular perception of banks as simple intermediaries between savers and borrowers—is inherently unstable and will systematically require periodic taxpayer-funded bailouts. The cost of these bailouts diverts revenue from the activities that the government was elected to do, compromising its ability to fulfil its democratically mandated objectives.

Leaving this power to create money to the private sector creates a serious democratic deficit: a process that many would consider to be the sole prerogative of the state is in the hands of corporations who have no accountability to the wider public and whose interests are completely at odds with those of society as a whole.

Overstating the True Contribution of the Banking Sector

Politicians and policy makers are misinformed about the true contribution of the banking sector because they are only shown the positive side of the sector's contribution to government finances, i.e. the taxes they pay. The overall contribution of the UK banking sector to the Exchequer is about 6% of overall tax revenues. In the year that the banking sector paid its highest ever tax, the manufacturing sector paid over three times more.

Society is now acutely aware of the direct cost to the taxpayer of bailing out banks but less attention is directed to the hidden subsidies they benefit from, even in the good times. Firstly, because of both implicit and explicit government guarantees, when a bank borrows money it does so at an interest rate lower than it would be able to otherwise. Secondly, by giving up the power to create money the government forgoes an important source of revenue, which results in higher taxes, lower spending or a bigger national debt. Conversely, the banks benefit financially from the power to create money. These hidden subsidies more than outweigh any taxes paid by the banks.

No Accountability to Customers

Unlike pension funds, banks are not required to disclose how they will use their customers' money. As 97% of the UK's money supply is effectively held with banks, this allows them to allocate a larger sum of money than either the entire pension fund industry or the elected government itself. Consequently the UK economy is shaped by the investment priorities of the banking sector, rather than the priorities of society.

Just five banks hold 85% of the UK's money, and these five banks are steered by just 78 board members whose decisions shape the UK economy. This is a huge amount of power concentrated in very few hands, with next to no transparency or accountability to wider society.

The Close Relationship Between Banking & Government

It is impossible to know how much influence the financial sector has over policy but they certainly devote substantial resources to getting it. The financial sector makes large donations to political parties: the Conservative Party is 50% financed by donors associated with the financial industry, and it offers a 'backstage pass' to meet the Prime Minister in exchange for a £50,000 annual donation, raising the question of whether 'cash for access' is subverting the political process.

Lobbying is a fact of political life and only the most naïve politician would fail to take account of their naturally biased agenda. However, the resources of banking sector lobbyists far exceed those from other sectors and therefore the views of the banking industry may be drowning out those of civil society.

The close relationship between the banking sector and its chief regulator, the FSA, should be worrying, especially given the record of the last few years. The revolving door between the banks and their regulators revolves faster in the UK than in any country other than Switzerland and a former Prime Minister now consults for one of the world's largest investment banks, for a salary approximately 12 times more than he earned as Prime Minister.

Policy Implications

A few economically simple changes to the banking system would return power back to the people and restore some level of democratic control over the economy. These changes are:

Make banks ask for permission from their customers before they lend out their money.

Make banks disclose how customers' money will be invested, so that members of the public can refuse to fund activities that they are not ethically comfortable with.

Remove the power to create money from the banks and return it to a democratically accountable body.

Making these changes would help redress the democratic deficit in banking and limit the ability of the banking sector to damage society. After the experience of the last few years, these are changes that urgently need to be made.

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