

RUNNYMEDE GAZETTE

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EDITORIAL

ORWELL'S CAPSTONE

This journal has long prophesied the both the return of the ID card, and that this would be achieved by increments. After all, if the Great Unwashed will not eat the whole meal at one sitting, then it must be cut into small slices and fed a gradual spoonful at a time. The oft-quoted analogy of the stewing frog also comes to mind.

That all that an ID card can do, and a great deal more besides, can be achieved without the messy and highly visible business of actually having a plastic card, has also been entirely predictable.

The articles from Nathon Allonby and Julies Beal reveal just how alarming the

situation has become ... we are fast going far beyond any of Orwell's wildest imaginings.

As the lead-in to Julie Beal's article, there are some prefatory notes from Nathan Allonby in which he opens the question as to what we can do to resist, especially as (and worryingly) campaigns such as NO2ID and Big Brother Watch seem to have thrown in the towel.

One idea might be for the self employed to refuse tax payments rather than enter the system, since it would appear that this provision is to be rolled out soon. Another might be refusal of registration for the new individual registration system for the new style of electoral register ... basically this has become a principal foundation stone of a cardless national ID system ... on the thinnest pretext of 'combating electoral fraud'. You can count the number of convictions for electoral fraud in the past half century on your fingers!

Yet there seems to be a good argument for as many as possible of us to fabricate avatars ... a 'second self' with life details somewhat different from the reality and behind which we might retain our privacy and anonymity. Some practical advice on how to do that would be welcome. Any other ideas?

CHALLENGE FOR A COWARD

Two articles serve as a reprise on the item on free speech in the last edition. Again we have an arrest of a pastor for preaching. Of perhaps even more sinister interest is the arrest of a Brighton Man for calling his local MP a 'coward'.

Yet again, the charge is that of 'using threatening/abusive/insulting words/behaviour to cause harassment/alarm/distress'.

During my time at school ... a long time ago ... the playground rhyme was that 'stick and stones might hurt my bones, but words will never hurt me'. Now it seems we are all under an obligation to collapse into some cringing, whingeing, mewling heap and go running off to lawyers and policemen every time we get on the receiving end of a bit of name calling. We thin skinned modern creatures need to keep smelling salts in our bathroom cabinets.

Now I get 'alarmed and distressed', often bloody angry, many times a week. The management of blood pressure in these vexed times is no easy matter. So I have an idea. Every time we feel 'alarmed or distressed' we ring the police. I suggest that the consequent inundation of the men in blue might bring this garbage to an end pretty quickly.

Now for an MP to hide behind such hypersensitivity confirms his status as a coward. So I have another idea. I will also call him a coward for so acting and invite any number of readers to join me. Then we can all get arrested in a good cause. Pass the message on ...

TRADE LIBERALISATION ... MANNA FROM HEAVEN?

Since the (then, now supplanted by the WTO) GATT rounds started four decades ago, we have been promised boundless wealth if only we can increase global trade. Most of us are still awaiting, hands outstretched, this miracle of so-called economic liberty.

Any experience of this Manna from Heaven have been slight. Instead our job security has gone down the plughole, along with ever increasing chunks of our pensions. Wages for ordinary folk have been stagnant or declining in real terms for a couple of decades or more. Our manufacturing base has been decimated and manual work traduced as worthless. Whatever democratic control there ever was is fast becoming a phantom. We find ourselves, both individually and collectively, drowning in debt. Life becomes an ever more complicated mountain of hassle, cost and general aggravation, stoked by enough

regulations to cram the Library of Babel. Our privacy is being shredded. Prices rise relentlessly. The prospect for many folk ever owning a roof over their heads vanishes into the mists. And all this against a background of remorseless upheaval ... political, economic, technical, demographic, institutional, cultural ... one future shock after the other running nose to tail. What wealth neoliberal globalisation has brought us all!

In her excellent article, Linda Kaucher gives lie to the myth of 'trade liberalisation'. It never is and never was about making the little people prosperous or happy. It is about corporate domination.

The great achievement for neoliberal globalisation is the ease with which this, and many other of the Great Lies it propagates have passed into received wisdom with barely a question asked or a murmur heard.

Trade deals always hold out the mouth watering prospect of increasing exports, but without ever dwelling on the quid pro quo of increased imports. In I sell you a hundred mauve jellybeans and you sell me a hundred purple jellybeans that is somehow supposed to make us both richer. If we can then increase that to a thousand jellybeans each then we will all join Croesus in his palace.

The trouble is that it won't. In both cases the sum is zero. For sure, if you are good and growing plums and making crockery, and I am good at growing pears and making cutlery, then let's trade. But trade on the basis of absolute advantage, instead of such relative advantage, can only ever be at the very best a zero sum game. For many it means penury.

In truth, the idea that nations become rich by increasing their imports has always been risible. It is another coach in a long train crash.

Frank Taylor

HOW TO COMMUNICATE IF THE GOVT SHUTS DOWN THE INTERNET

Liberty News; via Pragmatic Witness and John Newell

(Some of the services and systems described below may not be available in the UK. Perhaps some technically minded readers might be able to tell us what is available and how that can be accessed. It might be added that there is always the option of physically carrying messages from one place to the other ... a not uncommon feature of resistance activity in the past– Ed)

A list of ways to stay connected to the outside world, which could become a life and death issue, in the event access to the internet is shut down.

Editor's Note: Beyond the government shutting down the Internet, many more events can cut off internet access to millions such as natural disasters and cyber attacks. In such situations, being able to communicate with the outside world could become a matter of life and death. For that reason, be sure to print this out and save a hard copy because if your Internet does go down you are not going to be able to access this story. Liberty News

Scenario

Your government is displeased with the communication going on in your location and pulls the plug on your internet access, most likely by telling the major ISPs to turn off service.

This is what happened in Egypt Jan. 25 prompted by citizen protests, with sources estimating that the Egyptian government cut off approximately 88 percent of the country's internet access. What do you do without internet? Step 1: Stop crying in the corner. Then start taking steps to reconnect with your network. Here's a list of things you can do to keep the communication flowing.

PREVENTIVE MEASURES:

Make Your Network Tangible

Print out your contact list, so your phone numbers aren't stuck in the cloud. Some mail services like Gmail allow you to export your online contact list in formats that are more conducive to paper, such as CSV or Vcard, and offer step-by-step guides on how to do this.

Broadcast on the Radio

CB Radio: Short for "Citizens Band" radio, these two-way radios allow communication over short distances on 40 channels. You can pick one up for about \$20 to \$50 at Radio Shack, and no license is required to operate it.

Ham radio: To converse over these radios, also known as "amateur radios," you have to obtain an operator's license from the FCC. Luckily, other Wired How-To contributors have already explained exactly what you need to do to get one and use it like a pro. However, if the President declares a State of Emergency, use of the radio could be extremely restricted or prohibited.

GMRS: The General Mobile Radio Service (GMRS) is a licensed land-mobile FM UHF radio service in the United States available for short-distance two-way communication. It is intended for use by an adult individual who possesses a valid GMRS license, as well as his or her immediate family members... They are more expensive than the walkie talkies typically found in discount electronics stores, but are higher quality.

Family Radio Service: The Family Radio Service (FRS) is an improved walkie talkie radio system authorized in the United States since 1996. This personal radio service uses channelized frequencies in the ultra high frequency (UHF) band. It does not suffer the interference effects found on citizens' band (CB) at 27 MHz, or the 49 MHz band also used by cordless phones, toys, and baby monitors.

Microbroadcasting: Microbroadcasting is the process of broadcasting a message to a relatively small audience. This is not to be confused with low-power broadcasting. In radio terms, it is the use of low-power transmitters to broadcast a radio signal over the space of a neighborhood or small town. Similarly to pirate radio, microbroadcasters generally operate without a license from the local regulation body, but sacrifice range in favor of using legal power limits.

Packet Radio Back to the '90s: There do exist shortwave packet-radio modems. These are also excruciatingly slow, but may get your e-mail out. Like ham radio above it requires a ham radio license because they operate on ham radio frequencies.

Telephone

Set up a phone tree: According to the American Association of University Women, a phone tree is "a prearranged, pyramid-shaped system for activating a group of people by telephone" that can "spread a brief message quickly and efficiently to a large number of people." Dig out that contact list you printed out to spread the message down your pyramid of contacts.

Enable Twitter via SMS: Though the thought of unleashing the Twitter fire hose in your text message inbox may seem horrifying, it would be better than not being able to connect to the outside world at all. The Twitter website has full instructions on how to redirect tweets to your phone.

Call to Tweet: A small team of engineers from Twitter, Google and SayNow, a company Google acquired recently, made this idea a reality. It's already live and anyone can tweet by simply leaving a voicemail on one of these international phone numbers (+16504194196 or +390662207294 or +97316199855) and the service will instantly tweet the message using the hashtag #egypt. No Internet connection is required. People can listen to the messages by dialling the same phone numbers or going to the Twitter account, speak2tweet.

Fax

If you need to quickly send and receive documents with lengthy or complex instructions, phone conversations may result in misunderstandings, and delivering the doc by foot would take forever. Brush the dust off that bulky old machine, establish a connection by phone first with the recipient to make sure his machine is hooked up, then fax away. You may not need a fax machine to send or receive faxes if your computer has a dial-up fax application.

Non-virtual Bulletin Board

Sometimes we get so wrapped up in the virtual world that we forget about resources available in

the real world. Physical bulletin boards have been used for centuries to disseminate information and don't require electricity to function. If you are fortunate enough to be getting information from some other source why not share it with your friends and neighbors with your own bulletin board? Cork, magnetic and marker bulletin boards are as close as your nearest dime store and can be mounted just about anywhere. And if push comes to shove you can easily make your own with scrap wood lying around the house.

Getting back online: While it might be relatively easy for a government to cut connections by leveraging the major ISPs, there are some places they wouldn't get to so readily, like privately-owned networks and independent ISPs.

Find the Privately Run ISPs

In densely populated areas, especially in central business districts and city suburbs there are multiple home WiFi networks overlapping each other, some secure, some not. If there is no internet, open up your WiFi by removing password protection: If enough people do this it's feasible to create a totally private WiFi service outside government control covering the CBD, and you can use applications that run Bonjour (iChat on Mac for example) to communicate with others on the open network and send and receive documents. **needs more clarification

If you are a private ISP, it's your time to shine. Consider allowing open access to your Wi-Fi routers to facilitate communication of people around you until the grid is back online.

Return to Dial-Up

According to an article in the BBC about old tech's role in the Egyptian protests, "Dial-up modems are one of the most popular routes for Egyptians to get back online. Long lists of international numbers that connect to dial-up modems are circulating in Egypt thanks to net activists We Re-Build, Telecomix and others."

Dial-up can be slow. Often, there is a lightweight mobile version of a site that you can load from your desktop browser quickly despite the limitations of dial-up. Examples: mobile.twitter.com, m.facebook.com, m.gmail.com

Ad-Hoc Networking

Most wireless routers, PCs, laptops, and even some ultramobile devices like cellphones have the ability to become part of an "ad hoc" network, where different "nodes" (all of the devices on the network) share the responsibility of transmitting data with one another. These networks can become quite large, and are often very easy to set up. If used properly by a tech-savvy person, such networks can be used to host temporary websites and chat rooms. There are many internet tutorials on the internet for ad hoc networking, so feel free to google some.

Apple computers tend to have very accessible ad hoc functionality built in, including a pre-installed chat client (iChat) that will automatically set up an ad hoc "Rendezvous" chatroom among anybody on the network, without the need for an external service like AIM or Skype. Ad hoc network-hosting functionality is built in to the Wi-Fi menu.

Windows computers have several third-party ad hoc chat applications available (such as Trillian) and setting up an ad hoc Wi-Fi network is almost as simple as on a Mac.

Linux operating systems, of course, have plenty of third-party apps available, and most distros have ad hoc network-creation support built in.

Build Large Bridged Wireless Network

Using popular wireless access point devices like a Linksys WRT54G, you can create a huge wireless bridged network — effectively creating a Local Area Network (LAN), or a private Internet that can be utilized by all users within range using a Wi-Fi enabled device.

You can also link multiple devices together wirelessly, extending the range of your network. Most access points will cover a 100 meter area and if your wireless device is built to support the 802.11n wireless standard, you will get almost a 500 meter coverage area for each access point.

To build a wireless bridge, check out the dd-wrt wiki, and learn how to configure Linksys WRT54G as a wireless client using this Anandtech thread.

Nintendo DS

A used DS family device can be purchased inexpensively. In addition to wi-fi, the DS supports its

own wireless protocols. Using PictoChat, it is possible to chat with nearby DS users without having any DS games. Unfortunately, the range is quite short.

Some games, such as the fourth generation Pokemon games, support mail items. Thus you can send your message under the guise of just playing a game. Mail items can be sent through the Internet if you can get on the net and you and your partner(s) have each other's friend codes. The original DS and the DS Lite do support the Opera web browser, but finding the game card and memory pack may be very difficult. Starting with the DSi, Opera is downloadable.

Intranet

Your computer has the ability to set up your own INTRANET. This was done BEFORE the internet was popularized in two ways: Your computer dialled up other computers and sent them the contents of a message board, or local people dialled into your computer. A nationwide system can be set up this way with a central location sending to many cities then each city sending out the info locally.

Become Untraceable

If you're going to post government secrets on your work-around site, you may want to set up an untraceable account. Really, you only need a mail drop, an assumed name, a prepaid credit card you can get at many stores to set up service.

Get Satellite Access

You can have very, very slow internet if you have something similar to an Iridium phone, which would allow you to do dial up at 2400 baud, which at least gives you e-mail. This will also work when your government has shut down GSM and telephone access, and will work pretty much anywhere on the planet. If you're in the right place, get yourself KA-SAT access which is satellite broadband and will not be routed through any internet exchange that certain local governments may monitor or block (unless that government is part of EU or er ... Uncle Sam.

Back to Basics

Make some noise: Have an air horn or other loud instrument handy. It may just come down to being able to alert people in your local geographic area, who would otherwise be unaware of an emergency. You may also want to learn a bit about Morse code and have a cheat sheet available.

Stay up to date with the latest news: Twitter: <https://twitter.com/#!/kr3at> Facebook: <http://facebook.com/alexhiggins732> Website: *The Alexander Higgins Blog*

NSA SURVEILLANCE GOES BEYOND ORWELL'S IMAGINATION

Alan Rusbridger, The Guardian

'All sorts of people around the world are questioning what America is doing. The potential of the surveillance state goes way beyond anything in George Orwell's 1984, Alan Rusbridger, the Guardian's editor-in-chief, told an audience in New York.

Speaking in the wake of a series of revelations in the Guardian about the extent of the National Security Agency's surveillance operations, Rusbridger said: "Orwell could never have imagined anything as complete as this, this concept of scooping up everything all the time.

"This is something potentially astonishing about how life could be lived and the limitations on human freedom," he said.

Rusbridger said the NSA stories were "clearly" not a story about totalitarianism, but that an infrastructure had been created that could be dangerous if it fell into the wrong hands.

"Obama is a nice guy. David Cameron is a nice social Democrat. About three hours from London in Greece there are some very nasty political parties. What there is is the infrastructure for total surveillance. In history, all the precedents are unhappy," said Rusbridger, speaking at the Advertising Week conference. He said that whistleblower Edward Snowden, who leaked the documents, had been saying: "Look, wake up. You are building something that is potentially quite alarming."

Rusbridger said that people bring their own perspectives to the NSA revelations. People who have read Kafka or Orwell found the level of surveillance scary, he said, and that those who had lived or worked in the communist eastern bloc were also concerned.

"If you are Mark Zuckerberg and you are trying to build an international business, this is dismaying to you," Rusbridger said.

Zuckerberg recently criticised the Obama administration's surveillance apparatus. "Frankly I think the government blew it," he told TechCrunch Disrupt conference in San Francisco. The Facebook founder was particularly damning of government claims that they were only spying on "foreigners". "Oh, wonderful: that's really helpful to companies trying to serve people around the world, and that's really going to inspire confidence in American internet companies," said Zuckerberg.

"All sorts of people around the world are questioning what America is doing," said Rusbridger. "The president keeps saying: well we don't spy on our people. [But] that's not much comfort if you are German."

Rusbridger said the world of spying had changed incomparably in the last 15 years. "The ability of these big agencies, on an international basis, to keep entire populations under some form of surveillance, and their ability to use engineering and algorithms to erect a system of monitoring and surveillance, is astonishing," he said.

He said that as the NSA revelations had gone on, the "integrity of the internet" had been questioned. "These are big, big issues about balancing various rights in society. About how business is done. And about how safe individuals are, living their digital lives."

The Guardian editor rebuffed criticism from the Obama administration that the newspaper was drip-feeding the stories in order to get the most from them. "Well, the president has never worked in a newsroom, if there are people out there who think we have digested all this material, and [that] we have all these stories that we are going to feed out in dribs and drabs, then I think that misunderstands the nature of news. What is happening is there is a lot of material. It's very complex material. These are not stories that sit up and beg to be told."

Rusbridger said the Guardian and its partners at the New York Times and ProPublica were working through the material. "It's a slow and patient business. If I were the president, I would welcome that."

BIOMETRICS: TAKING A BITE OUT OF APPLE

Andrew Pontbriand; Resistance Journals via Activist Post

The wireless age has grown leaps and bounds since the turn of the new millennium. From big square cellphones, to flip phones, to the new touch screen phones that can access the Internet wherever service is available. However, communications just went 'Back to the Future'; 1984 to be exact, and was secretly given over to Big Brother.

Apple's new iPhone 5s will come in many colors, and with a brand new feature; Touch ID. Touch ID uses biometrics technology so users can scan their fingerprints to better lock their phones, and make purchases in Apple stores. For most, this seemingly harmless feature is just that; harmless. But for privacy advocates, and those who understand the direction we are heading in, our biggest fears were realized.

In the digital age, wireless technology, and biometrics are increasingly becoming one. It should be no surprise that Apple was the first to get their hands on the biometrics technology and incorporate it into its new phone.

Your phone is now a wireless world in and of itself, where Big Brother has his hands on the pulse. Cell phones can scan Q codes, swipe credit cards, and now read your own, unique, god given fingerprints. This is building to the new age: the age of a cashless society.

When everything from books, to bank transactions are carried out over the Internet, this enables governments to censor, delete, manage, and monitor an individual's trends. Take for instance e-books. If we one day end up in a world where all books are only available on the Internet, they can at the push of a button be deleted from the Web. People should wake up to the fact that although the technology has a potential for being great, the current political and

governmental system, mixed with the path we are on, is a powder keg of nefarious snooping, spying, information databasing, and outright theft.

How does biometrics play into all this? Well, it's really a nightmare scenario. With the recent revelations of NSA spying, you would think Apple would wait on the Touch ID. You would think people would not want to be using a technology that only makes you think of George Orwell every time you use it. But this is what is so sad about our society.

License plate readers, face, thumb & palm scanners, smart meters, and Intellistreets smart light poles. We are quickly heading into a total surveillance state, with Big Brother at the helm of it. Biometrics in your iPhone is only a Beta test in the public arena, and if users allow this technology to grow in the age of government lies, corruption, and information stealing; we are in trouble. After all, to those who are awake; we understand the implementation of such a device is the precursor to a cashless society. Think before you buy the iPhone; you may be purchasing your own enslavement.

Andrew Pontbriand writes for The Resistance Journals where this first appeared.

BRIGHTON MAN FACES JAIL FOR CALLING HOVE MP MIKE WEATHERLEY 'COWARD'

Watt Tyler; Enemies of the People; via John Newell

A university lecturer could be sent to prison for calling a city MP a "coward". Alex Cline faces a two-day trial after a court heard Hove MP Mike Weatherley complained to police about the name-calling in November.

The incident took place during a protest at the University of Sussex. At the time, Mr Weatherley complained he and his staff had been pelted with rocks by "anarchists" before a planned debate on anti-squatting laws.

But during yesterday's hearing, Brighton Magistrates Court heard the only person charged with any offence was Mr Cline, for calling the MP a "coward". The 25-year-old faces one count of 'using threatening/abusive/insulting words/behaviour to cause harassment/alarm/distress'.

He could be handed a maximum penalty of six months imprisonment, a fine of £5,000 or both. Mr Cline denies harassing the MP or causing him alarm and distress.

Free speech

Speaking after the hearing, Mr Cline's solicitor Lydia Dagostino said: "Mr Weatherley has probably been called worse in the Houses of Parliament, "We'll be vigorously defending this case and the defendant's right to free speech."

Cases heard in magistrates' court cost the taxpayer around £900 a day.

Mr Cline of Wenlock House, North Street, Brighton, is a former University of Sussex postgraduate student who graduated from the university in September. He now lectures at the Anglia Ruskin University, teaching "Video Game Contextual Studies" and "Architectural Gaming".

Mr Weatherley and his colleagues previously told how the crowd turned on them at the university. He was due to give a talk to the university's Young Conservative group when he was allegedly chased out of the lecture theatre and across the campus.

Read on:

http://www.theargus.co.uk/news/10572994.Brighton_man_faces_jail_for_calling_Hove_MP_Mike_Weatherley_coward/?ref=twtrrec

ANOTHER STREET PREACHER ARRESTED

Rev Josh Williamson; Christian Concern; via Mike Clayton

A Christian street preacher was arrested in Scotland yesterday (18 SEP) whilst addressing a crowd on a high street in Perth. This is now the third arrest of a Christian street preacher since July. Tony Miano was arrested in London in July and Robbie Hughes was arrested in Basildon earlier this month.

“Breach of the peace”

Rev Josh Williamson, the pastor of Craigie Reformed Baptist Church in Perth, regularly takes to the streets to hand out leaflets, talk to passers-by and do open-air preaching. But yesterday a police officer told him to stop preaching because he was breaking the law.

The officer insisted that he was not allowed to preach and told Josh that he would be arrested if he continued. When Josh said that he would not comply because he was not breaking the law, the officer placed him under arrest for breach of the peace.

Josh was taken to Perth police station, interviewed and released with a caution.

A second man, who spoke up in defence of Rev Williamson’s right to preach, was also arrested at the scene.

Injustice

Andrea Minichiello Williams, CEO of Christian Legal Centre, said:

“This is the third arrest in as many months. These street preachers are not breaking any laws and are perfectly within their rights. The police are overreaching their authority and misapplying the law. Their actions show an increasing hostility towards Christianity. Freedom of speech is a precious freedom that we must uphold. This injustice must be tackled to halt the chilling effect already felt by many Christians. The threat to freedom of speech is a concern for wider society, not just for Christians.”

“It’s evident that police all over the UK need clear guidance on this matter. Three wrong arrests in three months just shows the level of ignorance that currently exists. It’s up to police chiefs to take a lead and issue guidelines so that this stops happening.”

BIOMETRIC ID BECOMES COMPULSORY IN UK

Nathan Allonby

Global Smart ID For All UK Citizens; UK IDAP and Step Up Authentication

(This chilling Utube clip at <http://www.activistpost.com/2013/09/global-smart-id-for-all-uk-citizens.html> is of Stephen Ufford founder of Trulioo and Larry Drebes founder of Janrain discussing the UK's IDAP and Step Up Authentication. It needs to be seen - Ed)

This article deserves your attention - please circulate.

Identity Assurance (IdA) is to become compulsory for services we can't opt-out of, such as tax and benefits, and most government services. The system will require identity registration,

Apparently biometric registration is included within the scope of the project, but apparently not for all services (initially), hence it isn't clear how many people will be affected

IdA collects information on the format of the international ID card system - ICAO 9303

This is also about connecting and collecting all other data, such as data from utilities and services, and web-use as part of on-line registration. This is a pilot for similar EU and US identity projects.

Leading opposition groups such as No2ID and Big Brother Watch have been "consulted" and appear not to be opposing the scheme.

Does anyone have any thoughts about how to respond to Identity Assurance (IdA), in terms of organising public opposition?

Many of us were members of No2ID, yet this issue seems to have sneaked up on us (although we shouldn't have been surprised).

This is 8 years after the ID Cards Act 2005 - what happened to our strategies for resistance?

What do we tell the public to do? The public are going to be dragooned in, via tax and benefits -

Do we tell them not to apply for benefits? Do we tell them to incur fines on their tax?

What do we do about IdA collecting data from other sources, e.g. utilities and government services - how do we organise protest or non-compliance?

How do we organise mass-resistance? It seems that the major campaign organisations have been silenced on this issue.

Is there any scope for individual protest or is this ineffective? Is there any way to refuse to register or confuse the system? Any ideas about how to gum-up the machinery?

GLOBAL SMART ID FOR ALL UK CITIZENS

Julie Beal; Activist Post

I hope by now I'm starting to get through to people about online identity management, because here in the UK a whole lotta folk are about to be forced to sign their life over to an Identity Provider. The UK government has decided to host all of its public services online, to fulfill the 'Digital by Default' strategy. The Government Digital Strategy is now expected to be up and running by April 2014. Five companies have been chosen to provide identity management for UK citizens, one of which, the Post Office, will serve as registration centers for biometric smart ID enrollment.

When I try to tell people about this, and how it's a global scheme, they just don't seem to hear me. I can only think that the power of the media is responsible – they simply aren't informing the public properly about this matter, so because you're only hearing it from me, it perhaps doesn't seem as real?

Well, it is. Horribly so.

There aren't any glossy adverts for it yet, but if you wade through the documents, and listen to lectures and webinars aimed at industry professionals, it's all there on the Web.

Educating the public seems to have been ruled out, and instead, people are being drawn in by only being able to access certain services by using an Identity Provider (IdP) - this rules out debate, and the right to be informed. In the US, Obamacare and access to personal electronic health records will kick off national IdM take-up, while in the UK, it's beginning with access to government services. No matter how private you're told IdM makes you, there will always be an audit trail, and a host of exemptions from peeking.

Maybe you're already one of the many victims of the transition to AI government – those wishing to claim Jobseeker's Allowance must already make their claim online. It is not possible to do this by interacting with a human in any way.[1]

The thing is, the next stage is forcing people to sign up with an Identity Provider (IdP) to prove they are who they say they are, when they use government services which are only available online. It was supposed to start next month, i.e. the transition to Universal Credit (the new benefit which will replace most of the current ones) was meant to introduce identity management to the UK, by requiring all claimants to authenticate themselves online by using an IdP.

However, the plan has now changed, and the latest news is that instead of starting with Universal Credit, there will be 25 government departments moving their services online, and to access these, citizens will need to sign up with an Identity Provider. The services include online driving licences, and other DVLA documents; State benefits, redundancy payments, and tax matters; civil claims; visa applications; electoral registration; and booking prison visits.

In June, the government announced,

HM Revenue & Customs (HMRC) will become the first central government department to use Identity Assurance (IDA), one set of secure login details to access all online public services, and will be a key component of Pay As You Earn Online (PAYE Online) which is to move to pre-launch mode in October 2013 with 'wider IDA capabilities becoming available from October 2014'.

The Government Digital Service (GDS), which is developing IDA, has described it such: "Identity assurance is about providing users with a simple, trusted and secure means of accessing public services, so we are working hard to ensure that privacy is at the heart of the service we will provide to users."

According to governmentcomputing.com, "IDA is set to become the default service for all government departments providing public digital services which require the citizen to confirm their identity."

The move comes as part of the Cabinet Office's strategy to move all government services online in order to save between £1.7bn and £1.8bn a year."

They don't want to provide staff to man phonelines, or offices –everything will be digitised, and for that you need smart ID.

The UK government (Government Digital Services, or GDS) announced this month they have contracted the services of five companies, and we get to choose which one to sign up with! Gosh, thanks! The five IdPs chosen by GDS for the UK are Experian, Verizon, the Post Office, Mydex, and DigIdentity; the first/beta phase is just about to start. There were supposed to be eight IdPs, but PayPal and Cassidian have deferred their involvement for the time being.

It was reported last week that a government spokesperson has stated, "Universal Credit remains part of the future delivery plans for the cross-government IDa Service in development at the Cabinet Office."

Last year, (September, 2012), the UK Cabinet Office published the Local Authority Review of "Citizen Online Identity Assurance" which acknowledged one of the issues in enforcing the system is that "citizen trust may be difficult to achieve". Too right!!! It'll be even harder once people realize how easily they can be spied on, the fact that biometrics aren't reliable enough, and that many things can go wrong when allowing a third party to handle your ability to live a life. If your global ID doesn't work, you can't do a thing.

In June the Government and the UK's National Technical Authority on Information Assurance (CESG) also published new guidance on 'identity proofing' and verification. The guide sets out how businesses tasked with verifying the identity of individuals using Government services can achieve various levels of assurance about the identity of such users.

The 'Privacy and Consumer Advisory Group Draft Identity Assurance Principles' were also published in June, and were actually endorsed by Big Brother Watch and No2ID, but all pretence of privacy is washed away by the exemptions (the "Exceptional Circumstances Principle"), which mean privacy can be violated for the following reasons:

- in the interests of national security;
- public safety or the economic well-being of the country;
- for the prevention of disorder or crime;
- for the protection of health or morals,
- for the protection of the rights and freedoms of others.

This list kinda covers every excuse under the sun don't ya think? Besides, there's always the audit trail, and a whole variety of types of data about you that will be looked at. According to Mike Bracken, director of the Government Digital Service unit (GDS) in the Cabinet Office,

"IA data includes "Personal data", "Audit data", "Attribute data", "Identity data", "Relationship data", "Transactional data" and other "General data"....

"Processing" in the context of IA data means "collecting, using, disclosing, retaining, transmitting, copying, comparing, corroborating, aggregating"... etc

... Subject to any audit or legal requirement, the Minimisation Principle requires any aggregation, correlation or corroboration to be of a transient nature. Any decision that requires a risk assessment of the Service-User will need the correlation of data from possibly a number of sources."

The UK has contracted its e-Gov services to one company, owned by only one man, who will host the services in the cloud, using software it has contracted from EMC Global Services, an American corporation. Does this mean the UK government is granting control of all her citizens to a private US company?

Identity management enables full personality profiles for each of us, with a unique ID number, which works worldwide, using, for instance, the standards of the Open Identity Exchange (OIX) and ISO certification.

Chris Ferguson, the man in charge of 'Identity Assurance' here in the UK, is on the board of directors of the OIX.

In a workshop called 'Comparing and Contrasting NSTIC with EU Approaches' at this year's World eID Congress, Chris Ferguson is due to give a presentation with the provisional title of "UK, a Laboratory for NSTIC in Europe". This aligns with Ferguson's commitment to working with his counterparts on his trip to the White House Colloquium on the NSTIC in May of last year, when the Cabinet Office noted,

The internet doesn't stop at national borders and nor will the identity ecosystem. Identity services and the technical and legal environments in which they work will need to align internationally over time even if there are differences from one country or business context to another. A step closer, perhaps, to an International Strategy for Trusted Identities in Cyberspace?

In March, the Open Identity Exchange held a summit at the Microsoft headquarters in London, where Stephen Ufford, the founder of Trulioo (partnered with Verizon to deliver IdM in the UK, the US, and elsewhere) discussed the "problem" in the UK of the five million "unbanked" people – mainly the young and the old – who are classed as being "thin-file" people. Ufford also stated that instead of trying to "educate the public", citizens could be "eased in" by getting them to use government services online. Trulioo specialises in social ID verification, and Ufford insists the government intends for us to use "social sign-ins" to begin with, such as through Google or Facebook, which would allow them to, "leverage existing consumer behaviour to make the verification process more simple". The social (identity) file, he says, can include an email address, phone number, and even the device ID, and is, "created and aggregated just like a credit file. It's reported from different identity providers, different instances of your social behaviour....".

Speaking at the Japan Identity and Cloud Summit, Ufford said that only 5% of e-commerce websites use social log-ins at present, but experts expect that over the next three years, this number will rise to over fifty per cent. He also assured the corporate attendees that they needn't worry about using Trulioo's product (called 'Profile Plus') because, he said, "... this process (the data we're using to verify the identities) is completely unregulated so you don't have to worry about the various types of privacy legislation around the world." Trulioo gathers all of the bits and pieces of your digital footprint and assembles them as an ID, to provide "internet life verification", i.e. to 'prove' the person is still alive.

Don Thibeau, Founder of the Open Identity Exchange, and involved in setting up the NSTIC, believes the global identity ecosystem could use social and transactional information from the web and "repurpose it for other applications". Perhaps he's thinking of how much identity profiles are worth to marketers, financiers, researchers, and politicians.

A webinar by a company (Janrain) partnered with Trulioo (see above), called 'Leveraging Rich Social Profile Data for Advanced Segmentation', stated Janrain could get rich profile data, e.g. photo, address, and psychographics, as well as relationship status, declared interests, movies, sports, and even "explicit access to their friends graphs"- this would give marketing companies "close to a 360 degree view" of customers and "could enable one to one marketing" using "centrally stored personality data".

The UK government guide for businesses, 'Identity Proofing and Verification of an Individual', describes the four levels of identity verification; a social log-in is the lowest level of authentication, as it is only 'level 1' and no evidence is obtained to verify the claimed identity; a level 2 identity has "sufficient evidence for it to be offered in support of civil proceedings"; a level 3 identity has been physically identified, meaning the owner of that identity has provided "sufficient confidence for it to be offered in support of criminal proceedings"; whilst the highest level of identity verification adds biometrics, "to further protect the identity from impersonation or fabrication." A level 4 identity biometric is "a measure of a human body characteristic that is captured, recorded and/or reproduced in compliance with ICAO 9303".

The guide also notes that the following documents may be used, alongside other evidence, to authenticate a level 4 identity:

Biometric passports that comply with ICAO 9303 (e-passports) and implement basic or enhanced access control (e.g. UK/EEA/EU/US/AU/NZ/CN)

NHS staff card containing a Biometric

UK biometric residence permit (BRP)

UK asylum seekers Application Registration Card (ARC)
EEA/EU Government issued identity cards that comply with Council Regulation (EC) No 2252/2004 that contain a Biometric

The government's Midata initiative, which requires businesses to compile "consumers' consumption and transaction data in a portable, machine readable format" is very close to being made compulsory for all businesses.

Midata was developed by the Department for Business, Innovation & Skills (BIS), "using insights and evidence from the Government's Behaviour Insights Team in the Cabinet Office".

The scheme is already compulsory for the energy, credit card, current account and mobile telephony sectors, but if secondary legislation is passed, all companies would have to comply. It is said to benefit consumers, but it will also facilitate ID authentication for thin-file people, since it is transactional data, and will make all audit investigations of ID far simpler.

Our health records will be regularly scrutinised by algorithms trying to understand such things as the spread of disease – for this a full ID profile helps 'make sense' of each record. Our profiles will also be collated and spread around by marketers, looking for the golden all-round view of who we are, to create a personalised consumer bubble for each of us.

We're told the UK government won't have a database of our IDs, but centralisation is no longer the issue – it is the ability to access and aggregate information from across the World Wide Web in real-time that counts, and 'Identity Assurance' does precisely this. Worse still, it moves our IDs to the cloud, where we are even less protected by law, leaving us vulnerable to companies from the US, a country which believes it has the right to snoop on us for the sake of 'national security'. IDA just makes it easier for them.

The 'Privacy Principles' make it clear our IDs can be checked to 'prevent crime', which is effectively giving full clearance for all citizens to be surveilled, just in case.

Spread the word and don't give in – right?

Notes:

[1] They then get you into the Job Centre and inform you that you MUST upload your CV (your identity profile) to a 'government portal' (called 'Universal Jobmatch') so prospective employers may browse them; so you can be monitored to ensure you really are trying to find work; and so the AI system can 'match' you with a job. Not having access to the internet is no excuse, and those who do sign up to Universal Jobmatch at home, are probably unaware that one particular cookie will be placed on their device for a full 1000 days. All this is managed by the Monster Corporation. Nice.

Jobseekers are also told "you must tell us if you leave your home, even if only for a day".

This article first appeared at Get Mind Smart

THE UNNATURAL DEATH OF DR. DAVID KELLY: TEMPLATE FOR "LEGALISED COVER-UP" OF POLITICAL ASSASSINATIONS

Dr. Miriam Stevenson; Global Research

Url of this article: <http://www.globalresearch.ca/the-unnatural-death-of-dr-david-kelly-template-for-legalised-cover-up-of-political-assassinations/5347655>

At the time of writing it is September 2013. What would happen if Dr Kelly's body were to be found today? Or, what if the campaign to re-open his inquest were successful? Could citizens feel confident that an inquest would be opened, chaired by an appropriately skilled (medically qualified) Coroner who can call a jury, subpoena witnesses, place witnesses under oath and deliver an independent, evidence-based verdict? Most would agree that all these criteria would need to be met as minimal conditions for justice to be done and seen to be done after years of obfuscation by the

executive. What the citizenry want for Dr Kelly is due process in a proper courtroom.

Dream on. Since the death of Dr Kelly and the atrocity of the Iraq War, the British government have been stealthily chipping away the fundamental tenets of the Coronial and Inquiries systems to ensure absolute political control and all necessary secrecy with respect to the death of any individual. The 2005 Inquiries Act and the 2009 Coroners and Justice Act can, if deemed politically necessary, be used in conjunction to ensure that any investigation into a death can be held in secret and citizens (including family members) can be refused access to parts of proceedings, evidence and even the final report.

This article sets out the story.

UK Inquiries- the replacement of judicial control of Inquiries with ministerial control

Since 2000 and up until recently it has been possible to halt a Coroner's Inquest and commence a public inquiry using an amendment to the Coroners Act 1988 (section 17A) (1). There was no automatic requirement in law to hold such an inquiry under statutory conditions. This arrangement raised concerns, not least those expressed by Norman Baker MP (Lib-Dem, Lewes) senior medical experts, academics and numerous other citizens in relation to the hastily convened ad hoc inquiry into the death of Dr Kelly.

Prior to the implementation of the Inquiries Act 2005, a joint public statement was issued by Amnesty International, British Irish Rights Watch, The Committee on the Administration of Justice, Human Rights First, The Human Rights Institute of the International Bar Association, INQUEST, JUSTICE, Lawyers' Rights Watch Canada, The Law Society of England and Wales, Pat Finucane Centre and the Scottish Human Rights Centre (2). The statement raised a number of concerns:

“The Bill, being discussed this week by a Standing Committee of the House of Commons, would, if enacted, alter fundamentally the system for establishing and running inquiries into issues of great public importance in the UK, including allegations of serious human rights violations. Should it be passed into law, the effect of the Bill on individuals and cases that merit a public inquiry would be highly detrimental. In particular, in those cases where one or more person has died or been killed, the right of their surviving family members to know the truth about what happened and to an effective investigation could be violated by the operation of the Bill.”

Despite authoritative protest and with its serious implications reported only in fragments by the media, the Inquiries Act 2005 (3) was implemented. The government repealed the Tribunals of Inquiry (Evidence) Act 1921 which had served UK citizens for almost a century and replaced judicial control of Inquiries with ministerial control. What this means is that the executive now:

- set the terms of reference for an inquiry
- can change these at any stage in proceedings; no independent parliamentary scrutiny of these terms is allowed
- appoint the chair who need not be legally qualified
- have discretion to dismiss any member of the inquiry
- can place restrictions on funding an inquiry;
- can suspend an inquiry;
- can terminate an inquiry at any stage;
- can restrict public access to inquiry proceedings;
- can restrict public access to any evidence submitted to an inquiry; and
- can place restrictions on public access to the final report of an inquiry “in the public interest”

Whereas previously a public inquiry would have reported to Parliament, under the 2005 Act the Chair reports to a Minister who may place restrictions on the report or parts of the report as they see fit. For example, Justice Leveson submitted his final report to the Home Secretary, The Rt Hon Theresa May MP, and the Secretary of State for Culture, Olympics, Media and Sport, The Rt Hon Jeremy Hunt MP who had control of the inquiry (4). Sir John Chilcot who, along with the rest of his

panel is NOT legally qualified (5), will provide his long awaited report on Iraq to the Cabinet Office as the “coordinating body” of the Inquiry, rather than Parliament.

The 2005 Act does not grant the independence to inquiry chairs and panels that has made their role so critical in the investigation of issues of national importance, particularly where public confidence has been damaged. Indeed many (if not most) UK public inquiries have been held for exactly this reason. The thorough investigation of even singular events can expose systemic problems; from inefficiency and incompetence to fraud and corruption. On numerous occasions it has been government ministers themselves whose decisions and activities have been subject of public inquiry as in the case of the Iraq War. Currently there is nothing in law to prevent a government Minister being in control of an inquiry into events which have occurred in their own office. How does this situation impact on inquests?

Section 1(1), of the Inquiries Act 2005 sets the scene for its use:

A Minister may cause an inquiry to be held under this Act in relation to a case where it appears to him that-

- (a) particular events have caused, or are capable of causing, public concern, or
- (b) there is public concern that particular events may have occurred.(6)

As the reader will observe, the language is exceptionally vague and as such provides for cover up of any event or train of events via a shroud of secrecy if politically convenient. Amnesty International has asked members of the British judiciary not to serve on any inquiry held under the Act, as they contend that “any inquiry would be controlled by the executive which is empowered to block public scrutiny of state actions.” Sadly, Amnesty International’s advice has been severally ignored.

The Coroners and Justice Bill 2009

The 2005 Act and the 2009 Act can be used to block public inquests. In July this year, Part 1 of the 2009 Coroners and Justice Act was implemented after only a few weeks consultation period with professionals in the legal and medical fields. It sets out, on the surface, to achieve a laudable agenda:

- to put the needs of bereaved people at the heart of the coroner system
- for coroner services to continue to be locally delivered but within a new national framework, with national leadership, and
- to enable a more efficient system of investigations and inquests.

These seemingly benign objectives collapse when we discover that Paragraph 3 of Schedule 1 sets out the circumstances in which a senior coroner’s investigation must be suspended where there is an inquiry under the Inquiries Act 2005. It is based on section 17A of the 1988 Act (7). This provision enables the government to suspend an independent inquest into any death in favour of an inquiry, which, under the Inquiries Act 2005 can be held wholly or partly in secret. How come?

Jack Straw has campaigned for years for the right of the executive to hold secret inquests if they so desire. He originally proposed such inquests in a Counter-Terrorism Bill in 2008 and then later the concept appeared in February 2009 in the Coroners and Justice Bill (8). The threat of a healthy Labour back-bench rebellion saw the plan fail at this stage.

Pushing determinedly onwards, Justice Secretary Jack Straw then told the BBC that ‘where it was not possible to proceed with an inquest under existing arrangements, the government would “consider” establishing an inquiry under the Inquiries Act 2005 instead’(9).

Should a re-opened investigation into the death of Dr Kelly be somehow won by the citizenry, two options are possible:

First, Dr Kelly’s death would most likely fit the criteria into S1 (1) of the Inquiries Act 2005 (see above). Subsequently his death would quite likely be re- investigated under the absolute control of a government Minister and any lies and secrets easily kept locked away.

Second, If there was public insistence on a coroner's inquest, and if implemented retrospectively, the Coroners and Justice Act 2009 forbids the Coroner and/or jury to disagree with the findings of any previous inquiry and is articulated thus in the explanatory notes:

“Paragraph 9(11) prevents the resumed senior coroner's investigation from reaching a conclusion which is inconsistent with the outcome of the inquiry which triggered the suspension or any criminal proceedings that had to be concluded before it could be resumed. For example, if the outcome of an inquiry was a finding that a particular individual had committed suicide, a senior coroner's investigation cannot conclude that the particular individual was unlawfully killed” (10).

One could be forgiven for thinking that paragraph 9(11) was written with Dr Kelly and Hutton's conclusion in mind. This is a bizarre inclusion to say the least; if new evidence is presented or witnesses offer different evidence whilst under oath

Which leads the jury or coroner to a different conclusion, how can the inquest credibly deliver the same verdict?

The British government can play a game both ways. A recent example of political interference is the decision to refuse the Coroner's request for the establishment of an inquiry into the murder of Alexander Litvinenko. The government acknowledged that political and diplomatic considerations contributed to its decision (11).

A Restriction Order is already in place in the context of the Azelle Rodney Inquiry limiting publication of “evidence or documents given, produced or provided to this Inquiry” (12, 13). In the non-statutory inquiry into the suspected Iraq genocide, a mass killing including UK servicemen and women who died, the power of the Attorney General has been utilised once again to block publication of communications occurring between Blair and Bush prior to the Iraq war.

Conclusion

The Joint Committee on Human Rights have stated that “the independence of an inquiry is put at risk by ministerial power to issue these restrictions, and ...this lack of independence may fail to satisfy the Article 2 obligation to investigate...” It also was concerned that the ministerial power to withhold publication of all or part of an inquiry report is “wide enough to compromise the independence of an inquiry.” (14).

The current legislative ‘tapestry’ has effectively tightened up control by the executive and slackened off due process expectations exposed by the campaign around Dr Kelly's case. Suppression of evidence or reports on grounds of “public concern”, “public interest” and “national security” (i.e. maintenance of the status quo) will ensure secrecy and important truths will never be brought into the light. In the words of Rights Watch UK:

“When a human rights violation is engaged, either individual or systemic, then a statutory inquiry is required in order to discharge the procedural obligation attaching to duties under Article 2 of the Convention...” (15)

In sum, the Inquiries Act 2005 and the Coroners and Justice Act 2009 each constitute a catastrophic paradigm shift in the law. Amongst other issues, the Acts can be used in tandem as an establishment mechanism to ensure the cover up of political assassinations. The unnatural and/or suspicious deaths of whistleblowers, activists, dissidents, politicians and so-forth have never been so susceptible to whitewash. These “Dangerous Acts” must be urgently reviewed and/or repealed in the public interest.

NOTES

1. <http://www.legislation.gov.uk/ukpga/1988/13/section/17A>
2. <http://www.amnesty.org/en/library/info/EUR45/008/2005>
3. http://en.wikipedia.org/wiki/Inquiries_Act_2005
4. <http://www.levesoninquiry.org.uk/faqs/>

5. <http://www.telegraph.co.uk/news/politics/6637328/Iraq-inquiry-civil-servant-Sir-John-Chilcot-incapable-of-addressing-legal-issues.html>
6. <http://www.legislation.gov.uk/ukpga/2005/12/section/1>
7. http://www.legislation.gov.uk/ukpga/2009/25/pdfs/ukpgaen_20090025_en.pdf Para 105
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14. <http://www.amnesty.org/en/library/info/EUR45/008/2005>
15. <http://www.rwuk.org/new/wp-content/uploads/2013/08/HoL-Evidence-31-07-13.pdf>

*Dr Miriam Stevenson MA(Dist) Socio-Legal Studies, PhD (Social Work), Lecturer in Social Work and MSW(Qualifying) Course Coordinator | School of Social Work | Faculty of Arts and Sciences
Australian Catholic University*

GOVERNMENT ADVANCES IRIS SCANS AS A FORM OF BIOMETRIC IDENTIFICATION

Evelyn Brown; Activist Post

A new report by biometric researchers at the National Institute of Standards and Technology (NIST) uses data from thousands of frequent travelers enrolled in an iris recognition program to determine that no consistent change occurs in the distinguishing texture of their irises for at least a decade. These findings inform identity program administrators on how often iris images need to be recaptured to maintain accuracy.

For decades, researchers seeking biometric identifiers other than fingerprints believed that irises were a strong biometric because their one-of-a-kind texture meets the stability and uniqueness requirements for biometrics. However, recent research has questioned that belief. A study of 217 subjects over a three-year period found that the recognition of the subjects' irises became increasingly difficult, consistent with an aging effect.

To learn more, NIST biometric researchers used several methods to evaluate iris stability.

Researchers first examined anonymous data from millions of transactions from NEXUS, a joint Canadian and American program used by frequent travelers to move quickly across the Canadian border. As part of NEXUS, members' irises are enrolled into the system with an iris camera and their irises are scanned and matched to system files when they travel across the border. NIST researchers also examined a larger, but less well-controlled set of anonymous statistics collected over a six-year period.

In both large-population studies, NIST researchers found no evidence of a widespread aging effect, said Biometric Testing Project Leader Patrick Grother. A NIST computer model estimates that iris recognition of average people will typically be usable for decades after the initial enrollment.

"In our iris aging study we used a mixed effects regression model, for its ability to capture population-wide aging and individual-specific aging, and to estimate the aging rate over decades," said Grother. "We hope these methods will be applicable to other biometric aging studies such as face aging because of their ability to represent variation across individuals who appear in a biometric system irregularly."

NIST researchers then reanalyzed the images from the earlier studies of 217 subjects that evaluated the population-wide aspect. Those studies reported an increase in false rejection rates over time—that is, the original, enrolled images taken in the first year of the study did not match those taken later. While the rejection numbers were high, the results did not necessarily demonstrate that the iris texture itself was changing. In fact, a study by another research team identified pupil dilation as the

primary cause behind the false rejection rates.*** This prompted the NIST team to consider the issue.

NIST researchers showed that dilation in the original pool of subjects increased in the second year of the test and decreased the next, but was not able to determine why. When they accounted for the dilation effect, researchers did not observe a change in the texture or aging effect. Some iris cameras normalize dilation by using shielding or by varying the illumination.

NIST established the Iris Exchange (IREX) program in 2008 to give quantitative support to iris recognition standardization, development and deployment. Sponsors for this research include the Criminal Justice Information Systems Division of the Federal Bureau of Investigation, the Office of Biometric Identity Management in the Department of Homeland Security (DHS) and the DHS Science and Technology Directorate.

The NIST results are reported in IREX VI – Temporal Stability of Iris Recognition Accuracy, NIST Interagency Report 7948, at http://www.nist.gov/manuscript-publication-search.cfm?pub_id=913900.

Contact: Evelyn Brown; evelyn.brown@nist.gov; National Institute of Standards and Technology (NIST)

GAGGING LAW UPDATE EXTRACT

Thirty Eight Degrees

Conservative and Liberal Democrat MPs are clearly feeling the heat: a growing number of them have started trying to fob us off. They've started making all sorts of claims about what the law will and won't do. They say we have nothing to worry about.

Ros Baston, an independent political law and election solicitor, has taken a look at some of the most common lines MPs have been using when responding to 38 Degrees members and written a detailed document. Here's 38 Degrees take on that document and why we still think we have something to worry about.

Myth 1: The new law will stop "big money" buying / influencing elections. The government claims that this law is needed to stop US-style "super-PACs", run by millionaires, flooding the airwaves with negative political advertising. But they can't point to any examples of millionaire-backed "super-PACs" in the UK actually existing. Perhaps that's because we already have laws banning big money radio and TV advertising.

The way "big money" actually influences elections in the UK is through massive donations to political parties. That's a huge problem, with wealthy donors basically buying influence and peerages. The gagging law does nothing to stop this - millionaire party donors like Lord Ashcroft or Lord Sainsbury can continue to funnel as much cash into their chosen party as they like.

If the government really wanted to stop "big money" influencing politics, they could introduce a maximum donation limit for both political parties and independent groups. That would tackle the current problem and prevent any future rise in "super-PACs", and it's a measure 38 Degrees members would certainly support. Why are they instead targeting charities, community groups and campaigners?

Myth 2. Civil society will still be allowed to talk about issues - as long as they don't get involved in party politics. Important issues which ordinary people care about, like trying to protect the NHS, will be a key election issue for most of the political parties. The gagging law would apply to campaigning on most issues that are being contested by different political parties - i.e. any big issue of the day! For example, if one political party made privatising NHS services a key part of its manifesto, then a 38 Degrees campaign against privatising the NHS would be considered 'for election purposes' and be subject to the gagging law.

Myth 3. £390,000 is a lot of money. Why should organisations be allowed to spend more? In a free society, charities, local groups and ordinary people should be able to come together and campaign effectively. £390,000 is only 2% of what political parties are allowed to spend. Also, the new law says that charities and campaign groups will have to include core staff costs in this limit - something political parties aren't expected to do.

Groups like 38 Degrees don't need as much money as political parties - we rely on people power rather than expensive advertising agencies. But organising people power does cost some money. 38 Degrees currently costs around £1.1 million per year to run - money spent on maintaining a powerful and secure web site, a small office, a staff team of 15, printing leaflets and posters, hiring church halls for member meetings, and so on. That's all funded by small donations (average donation £10.78) and reported in full in the annual audited accounts.

Banning 38 Degrees from spending more than £390,000 would mean big people powered campaigns like Save our NHS or Save our Forests would be impossible to run.

Myth 4. Charities are happy now that some concessions have been promised, This isn't true. A wide range of organisations including NCVO, Oxfam, Christian Aid, Countryside Alliance and Friends of the Earth are still warning that the gagging law will have a huge impact on what they can campaign on.

MPs have been claiming that NCVO are now happy with the amendments the government has committed to drafting. In fact the NCVO wrote a piece in The Guardian last week highlighting the problems they still think need solving.

"NCVO and the wider voluntary sector have made it clear that the legislation remains ambiguous and potentially damaging in a number of places. In particular:

The proposed list of activities that could count towards controlled expenditure remains neither clear nor workable

The expenditure thresholds proposed in the new bill, both for registration with the Electoral Commission and as a maximum cap allowed, will be damaging

The question of how to sensibly regulate groups working in coalition remains to be addressed."

The government is rushing the gagging law through parliament, but we now have just over two weeks to try to convince MPs to vote the right way. The office team are working hard to pull together some ideas of ways to beat this law and you'll get an email about this soon. But if you want to get back in touch with your MP and ask him or her about some of these myths, please click

<https://secure.38degrees.org.uk/gagging-law-email-mp>

If your MP has replied to your email about the gagging law and sent through a different claim you'd like help answering, or if you have some ideas on what we should do next in the campaign, then please get in touch at emailtheteam@38degrees.org.uk.

BIG BROTHER WATCH

Nick Pickles; some posts via Jimmy Devlin

Councils told no more CCTV parking enforcement

The Government has today announced it will change the rules to stop councils using CCTV cameras for parking enforcement, in another policy victory for Big Brother Watch.

With 10m tickets issued - bringing in more than £300m revenue - in the past five years, this is clearly not an isolated problem and goes to the heart of why we've been campaigning for councils to be transparent about what their cameras are doing.

Using cameras intended to catch criminals to issue parking tickets only undermines public trust in the surveillance they've been told to accept to protect their own safety, not to fill council coffers and justify expensive CCTV systems.

Why are so many UK requests for data refused?

Yahoo! has just added its own statistics to those of Facebook, Microsoft, Google and others regarding requests to access information by law enforcement agencies. It disclosed that it rejected 27% of all the requests received from British authorities.

These transparency reports pose major questions for British authorities. Perhaps the most pertinent of all is this – will the regulator, the Interception of Communications Commissioner – do anything to find out who so many requests are being made by British police and refused by the companies involved.

Calling time on medical privacy?

Should staff working on the NHS 111 medical advice service have routine access to our medical records? The Health Secretary has announced plans to make this a reality in the coming years.

Why should we rely on companies to know how Britain uses data powers?

This week Facebook published its first transparency report, detailing law enforcement and national security requests from countries around the world. Britain requested data on 1,975 occasions, covering 2,337 users. In 32% of cases, Facebook declined to provide any data.

Thanks to the transparency reports of Google, Microsoft, Facebook and Twitter we continue to learn more about the scale of law enforcement being able to access information held by internet companies. Contrary to the claims by various politicians that the internet is a wild west, we know that

Britain receives more data than any other country about Skype users, and Facebook's data shows that the UK is the third highest user of Facebook data in the world, after the US and India.

In his introduction to the data, Colin Stretch, Facebook General Counsel says that "We strongly encourage all governments to provide greater transparency about their efforts aimed at keeping the public safe, and we will continue to be aggressive advocates for greater disclosure."

He is absolutely right. It is absurd that we learn more about Government surveillance from Microsoft, Google and Facebook than our own authorities. These figures were never mentioned during the Parliamentary debate on the draft communications data bill, nor in the annual report of the Interception of Communications Commissioner's report.

Our concerns were widely covered by the media, including the Daily Mail, Daily Express, Computer Weekly, the Independent, the Spectator, TechWeek Europe and the Inquirer.

Ultimately, it should not be for US companies to be the ones publishing data on how our own police forces are using these powers. It is impossible to have a realistic debate about 'capability gaps' and how powers are being used if we do not have the data, and the Government should be far more proactive in publishing information.

Given recent debate about both the police's ability to access data and the scale of surveillance being carried out by intelligence agencies, transparency is the only way to ensure that Parliament can make an informed choice about new legislation and the public can have confidence powers are being used properly. Big Brother Watch deputy director Emma Carr told the Daily Mail that this "poses a massive risk to patient privacy."

We'll be watching this issue to make sure patients are given the full facts and the option to decide who sees their medical information.

Time for the Edited Electoral Roll to be junked

Today we have published our latest report, Democratic Value, looking at the scale of the commercial use of the edited electoral roll. Between 2007 and 2012, more than 2,700 different organisations and individuals purchased the edited register.

The sale of personal information by public authorities, particularly for marketing purposes, is something that should never be routine. In the report, we call for the edited register to be abolished. We believe that the existence of the edited register impacts on election participation as people are concerned about their personal information being shared for marketing purposes and undermining trust in the electoral registration system.

The report has been widely covered by the media this morning, including the The Daily Telegraph, Daily Mail, Independent, Daily Express and Metro and the team will be appearing across broadcast media during the day.

We have produced a draft letter you can use to permanently opt-out of the edited register, which you can find in the Take Action section of the website.

AN HONEST REFERENDUM; MINIMUM REQUIREMENTS FOR A PARLIAMENTARY BILL

Rodney Atkinson; Freenations; via John Newell

(This item returns to the issue of how a referendum ... in fact a plebiscite but we'll let that issue rest for a moment ... might be gerrymandered. A few safeguards are outlined below. But then, we might also have electronic voting by the time all this transpires - Ed)

There has rarely been a fair, open and un-manipulated Referendum on the European Union organised by any State. The worst examples have been in Ireland where, having lost, the Irish political and corporate establishments always organised a second referendum changing the funding rules to greatly disadvantage the "No" campaigns. There has never been an opportunity for an informed electorate to express their real political will. There has always been a "question" to which the answer the Governments wanted was "Yes". So there was a double manipulation - the form of

the question which usually guided the voter ("Do you agree that.....") and the manipulation of "Yes". Therefore there must be no question - just alternative statements.

David Cameron cannot command the House of Commons, so is unable to pass the Referendum legislation in this Parliament. (Indeed he cannot even present a Government Bill because his Coalition partners, the Liberal Democrats, don't want a vote) However a Government supported private members Bill could be put to the vote exposing the Labour and Liberal Democrat parties as anti democratic and euro-fanatical. The consequences for them at the next election would be clear.

But David Cameron may well suffer the same problem in the next Parliament unless a cross-party majority is assembled which is committed to voting for a clear and fair Referendum Bill which will allow the electorate a true democratic voice. Legislation relating to the EU and indeed all important constitutional matters have always required cross party support. Committing to supporting Referendum Bills which allow Government to both initiate the referendum and to legislate its result will place Opponents at a serious electoral disadvantage. Therefore the Referendum Bill must also cover the implementation of the will of the people by Parliament after a vote. These then are the minimum requirements for an honest democratic referendum:

1. Only British citizens will be permitted to vote
2. The Government will not be active in the referendum other than as a member of one side. A Referendum is of the People and the Government shall have no separate role to play.
3. There will be only two active parties in the referendum and they will each provide scrutineers at all count venues and at the postal ballot count.
4. Only Government funds, split equally, will be available to each side. No contributions will be allowed from business, trade unions, the European Commission or any third party nor will any third party be permitted to provide any materials, services or facilities whatsoever to the competing campaigns or to the British public in any form.
5. The result of the Referendum will be binding on Parliament and politicians. Should the decision be to leave the European Union then the 1972 European Act will be repealed and the United Kingdom will leave the European Union and begin negotiations AS A SOVEREIGN UNENCUMBERED STATE to establish free trading and co-operation agreements with the EU together with other EEA States not part of the European Union. The UK will not act under Article 50 of the Lisbon Treaty since the country will no longer be part of that constitutional Law.
6. The Question put to the electorate should be in the form of alternative statements: "I want the UK to accept the renegotiated membership of the European Union" or "I want the UK to form a free trading self governing relationship with the European Union" - put in two separate boxes at the same level on the ballot paper.
7. If the negotiations conducted for a new relationship with the EU are not concluded by the time the Referendum must be held (December 31st 2017), the alternative statements (see above) put to the electorate must reflect the fact that there has been no successful renegotiation and the choice must be between the existing arrangements and "I want the UK to form a free trading self governing relationship with the European Union".

TRADE BETRAYAL

Linda Kaucher; Chartist; via Critical Thinking

The undemocratic assault from a global trade agenda is bearing poisonous fruit in the form of EU trade and procurement law argues Linda Kaucher.

The main business of the EU is its external trade agreement agenda, yet this agenda and its importance are almost entirely hidden from the public. It also dominates internal EU and member states' policy-making. It contradicts the faux 'social Europe' concept to which many on the left continue to cling whilst democracy is eradicated and corporate rights entrenched in international trade law.

Its purpose is to permanently fix corporate-driven neo-liberalism, within the EU and internationally, via trade agreements. Any reassertion of democracy within the EU structure or member states is

prevented by legally binding international trade law. This agenda is driven and effectively controlled by transnational corporations, especially transnational financial services corporations.

Internal EU policy, mirroring external trade policy, is formulated to fit and facilitate that wider agenda. Member states' national policies are similarly formulated to fit to this model, especially that of the UK which hosts the major transnational financial services centre and takes the neo-liberal lead in the EU.

In this liberalisation agenda, states' powers are subordinated to transnational corporate power. Democracy, states' abilities to control corporations and connections between people and place are overcome, as are workers' rights. Real women's rights have no place except where profitable, so e.g. a sector may be 'feminised', to reduce labour costs, until cheaper male labour is brought in from overseas, or work sent overseas.

This bigger picture is successfully kept from the public by means of secrecy, spin and seeming trade 'technicality'. The result is that the left continues to swirl around in a mush of wishful thinking from old 'Social Europe' promises and ideological fragments that fail to address present realities, thus effectively castrating itself. Dissemination of information on this agenda is urgently needed to overcome secrecy and inform debate.

In 2005 the EU's trade agreement focus shifted from the stalled multilateral World Trade Organisation Doha Round to bilateral and regional trade agreements. The EU has now completed, is negotiating, has launched, or is considering trade agreements with most of the world.

The EU now includes 'investor protection' or Investor State Dispute Settlement (ISDS) in its trade deals. In addition to state-to-state trade dispute mechanisms, corporations will be able to sue governments directly for any EU, member state or even local government level action that negatively affects their future profits. ISDS is a major factor in making trade deals irreversible, inevitably chilling the legislative process.

David Cameron's reneging on legislation for plain cigarette packaging is indicative even before ISDS kicks in, though the UK press failed to identify the international trade context. In Australia, the High Court ruled against tobacco companies' legal challenge to the government's plain packaging legislation. Immediately, the Ukraine, hosting a Phillip Morris subsidiary, raised a World Trade Organisation (WTO) dispute against Australia in relation to the WTO Trade Related Intellectual Property (TRIPS) agreement. WTO trade disputes have to be state-to-state.

The UK, unrelentingly 'free trade', could hardly enact 'anti-free trade' legislation, and effectively support Australia in this globally significant dispute, especially while pursuing the massive US/EU trade deal. Who reminded Cameron of this and their financial interests are important questions, but more significant is the chilling effect of the international trade agenda on this and all future UK legislation.

Because the Gillard Australian government excluded ISDS from Australian trade agreements, challenges have been only national and in the state-to-state WTO. With ISDS included in all new EU trade deals, the UK will be financially vulnerable to legal action by any corporation, in the international trade jurisdiction the corporation chooses, adjudicated only on 'free-trade' values. Secrecy allows the Trade Commission to be increasingly ambitious. Now we face the newly-launched (1) but long planned US/EU Transatlantic Trade and Investment Partnership (TTIP) (2).

It is part of the secrecy and spin to misleadingly emphasise potential trade-in-goods tariff reductions when US/EU trade-in-goods tariffs are already minimal and most of the EU's trade is now in services. Trade-in-services liberalisation gives corporations rights to: operate in a country while reducing the state's rights to control how they operate; be treated as well as domestic firms, including access to subsidies (3); while prohibiting the state from limiting the number of providers and the range of services they offer (4).

The US/EU trade deal however goes beyond the liberalisation of trade-in-services, central to most trade deals, prioritising 'regulatory harmonisation' between the US and the EU. Insofar as a country is defined by its legislation and regulation, the US and the EU will become more similar, with regulations and standards 'harmonised' to the lowest levels to benefit transnational corporations that can utilise trade agreements. (Solely domestic firms cannot).

Preliminary TTIP documentation, including the Commission's leaked mandate, recognises that 'harmonisation' is most effective with new regulation, ensuring that it is corporate-friendly as it's being formulated.

An example is provided by the UK Health and Social Care Act and its regulations that will define the future of the NHS. It effectively enforces competitive tendering, and thus privatisation and liberalisation i.e. opening to transnational bidders - a shift to US-style profit-prioritised health provision. Even if outcomes of the NHS changes are disastrous, ISDS will effectively disallow any attempts by any future UK government, to reverse the changes.

The WTO Doha Round stalled because, in that context, developing countries jointly resisted

demands of corporations made via Western governments. Further stated TTIP objectives are for other countries to be brought, singularly, into this 'transatlantic' trade deal as they agree to abide by its corporate-benefit rules, and for trade 'rules' to be established that can then be incorporated into the multilateral WTO. Thus, this trade deal is intended to achieve the global neo-liberalism that the WTO Doha Round has not.

There are concurrent negotiations, for the same overall aims, on a Transpacific Partnership (TPP) and an international Trade-in-Services Agreement (TISA)(5).

Corporate rights to access public procurement, that is all government spending at all levels, is now a top 'trade' priority, providing on-going 'rent', as with NHS contracts, when other forms of investment are less reliable. The Global Procurement Agreement (GPA) (6) is another means to achieve this, in addition to bilateral trade deals. So this juggernaut of corporate power is applying pressure at all levels for irreversible corporate rights, and the EU is a main mechanism for this.

Transnational corporate power in Brussels is not particularly 'European'. The UK government, acting for London-based transnational financial services, financial services lobbying via the European Services Forum, and the US Chamber of Commerce all have major roles in the EU trade agenda. Firms gain from both sides' concessions in trade deals while people on both sides lose. Proposed reforms to EU procurement regulations will force member states' into global bidding procurement processes so transnational firms, via the EU mechanism and trade deals, can access government spending elsewhere, quid pro quo.

The EU single market prepares the way for external trade commitments made on behalf of European people in the EU, albeit without their knowledge. Abusing democracy, the EU now implements trade agreements subsequent to European Parliamentary assent but before member state governments' ratification.

Supposedly 'Social Europe' is systematically destroying labour rights. Labour rights have always rested on limited labour supply. Moving workers across borders from lower to higher wage countries destroys labour power but is highly profitable. The EU does provide free movement both of workers and services, but this has been used by firms to transfer workers to undercut wages, a development underlined by European Court of Justice(7) interpretations of EU directives in favour of corporations, overriding workers' rights.

EU internal provision is mirrored in secretive Mode 4 provisions in all EU trade deals, allowing firms, both transnational and from the partner state, to move numerically unlimited, skilled, temporary labour into the EU. These effectively permanent provisions discriminate against host country firms but mostly host country workers, disregarding displacement or unemployment. Movement of labour is a major capitalist strategy hitherto unrecognised and unaddressed by much of the UK left. The unanimous 2011 Trade Union Congress vote to publicise and oppose the EU/India free trade agreement, which is largely about cheap labour movement, was not implemented.

The EU is not a fixed entity and it continually expands to include low wage countries. The TTIP will be similarly amorphous. Its framework will allow it to change, its provisions deepen, and non-'transatlantic' countries to join, even after it is signed. These are urgently needed: public information on the international trade agenda: exemption for the NHS from the TTIP; and recognition that the EU, rather than being 'social', is a mechanism for global corporate takeover.

Linda Kaucher has researched the EU's international trade agenda for 14 years and has a broad background as an educator. She campaigns to take the lid off trade secrecy

Links

1. Launched at the G8 (17 June 2013)
2. Called the Transatlantic Free Trade Agreement (TAFTA) in the US
3. National Treatment rule
4. Market Access rule
5. Between willing countries within the WTO, aiming to gradually pull more in, towards an eventual multilateral agreement.
7. Another plurilateral of willing countries within the WTO, aimed at eventual multilateral coverage.
8. Especially Viking, Laval, Ruffert, Luxembourg decisions of the European Court of Justice

THE LOOMING MASS DESTRUCTION FROM DERIVATIVES; THE ARMAGEDDON LOOTING MACHINE

Ellen Brown; Counterpunch

Five years after the financial collapse precipitated by the Lehman Brothers bankruptcy on September 15, 2008, the risk of another full-blown financial panic is still looming large, despite the Dodd Frank legislation designed to contain it. As noted in a recent Reuters article, the risk has just moved into the shadows:

“[B]anks are pulling back their balance sheets from the fringes of the credit markets, with more and more risk being driven to unregulated lenders that comprise the \$60 trillion “shadow-banking” sector.”

Increased regulation and low interest rates have made lending to homeowners and small businesses less attractive than before 2008. The easy subprime scams of yesteryear are no more. The void is being filled by the shadow banking system. Shadow banking comes in many forms, but the big money today is in repos and derivatives. The notional (or hypothetical) value of the derivatives market has been estimated to be as high as \$1.2 quadrillion, or twenty times the GDP of all the countries of the world combined.

According to Hervé Hannoun, Deputy General Manager of the Bank for International Settlements, investment banks as well as commercial banks may conduct much of their business in the shadow banking system (SBS), although most are not generally classed as SBS institutions themselves. At least one financial regulatory expert has said that regulated banking organizations are the largest shadow banks.

The Hidden Government Guarantee that Props Up the Shadow Banking System

According to Dutch economist Enrico Perotti, banks are able to fund their loans much more cheaply than any other industry because they offer “liquidity on demand.” The promise that the depositor can get his money out at any time is made credible by government-backed deposit insurance and access to central bank funding. But what guarantee underwrites the shadow banks? Why would financial institutions feel confident lending cheaply in the shadow market, when it is not protected by deposit insurance or government bailouts?

Perotti says that liquidity-on-demand is guaranteed in the SBS through another, lesser-known form of government guarantee: “safe harbor” status in bankruptcy. Repos and derivatives, the stock in trade of shadow banks, have “superpriority” over all other claims. Perotti writes:

“Security pledging grants access to cheap funding thanks to the steady expansion in the EU and US of “safe harbor status”. Also called bankruptcy privileges, this ensures lenders secured on financial collateral immediate access to their pledged securities. . . .

'Safe harbor status grants the privilege of being excluded from mandatory stay, and basically all other restrictions. Safe harbor lenders, which at present include repos and derivative margins, can immediately repossess and resell pledged collateral.'

'This gives repos and derivatives extraordinary super-priority over all other claims, including tax and wage claims, deposits, real secured credit and insurance claims. Critically, it ensures immediacy (liquidity) for their holders. Unfortunately, it does so by undermining orderly liquidation.'

When orderly liquidation is undermined, there is a rush to get the collateral, which can actually propel the debtor into bankruptcy.

The amendment to the Bankruptcy Reform Act of 2005 that created this favored status for repos and derivatives was pushed through by the banking lobby with few questions asked. In a December 2011 article titled “Plan B – How to Loot Nations and Their Banks Legally,” documentary film-maker David Malone wrote:

“This amendment which was touted as necessary to reduce systemic risk in financial bankruptcies . . . allowed a whole range of far riskier assets to be used The size of the repo market hugely increased and riskier assets were gladly accepted as collateral because traders saw that if the person they had lent to went

down they could get [their] money back before anyone else and no one could stop them.”

Burning Down the Barn to Get the Insurance

Safe harbor status creates the sort of perverse incentives that make derivatives “financial weapons of mass destruction,” as Warren Buffett famously branded them. It is the equivalent of burning down the barn to collect the insurance. Says Malone:

“All other creditors – bond holders – risk losing some of their money in a bankruptcy. So they have a reason to want to avoid bankruptcy of a trading partner. Not so the repo and derivatives partners. They would now be best served by looting the company – perfectly legally – as soon as trouble seemed likely. In fact the repo and derivatives traders could push a bank that owed them money over into bankruptcy when it most suited them as creditors. When, for example, they might be in need of a bit of cash themselves to meet a few pressing creditors of their own.”

‘The collapse of . . . Bear Stearns, Lehman Brothers and AIG were all directly because repo and derivatives partners of those institutions suddenly stopped trading and ‘looted’ them instead.’

The global credit collapse was triggered, it seems, not by wild subprime lending but by the rush to grab collateral by players with congressionally-approved safe harbor status for their repos and derivatives.

Bear Stearns and Lehman Brothers were strictly investment banks, but now we have giant depository banks gambling in derivatives as well; and with the repeal of the Glass-Steagall Act that separated depository and investment banking, they are allowed to commingle their deposits and investments. The risk to the depositors was made glaringly obvious when MF Global went bankrupt in October 2011. Malone wrote:

“When MF Global went down it did so because its repo, derivative and hypothecation partners essentially foreclosed on it. And when they did so they then ‘looted’ the company. And because of the co-mingling of clients money in the hypothecation deals the ‘looters’ also seized clients money as well. . . JPMorgan allegedly has MF Global money while other people’s lawyers can only argue about it.”

MF Global was followed by the Cyprus “bail-in” – the confiscation of depositor funds to recapitalize the country’s failed banks. This was followed by the coordinated appearance of bail-in templates worldwide, mandated by the Financial Stability Board, the global banking regulator in Switzerland.

The Auto-Destruct Trip Wire on the Banking System

Bail-in policies are being necessitated by the fact that governments are balking at further bank bailouts. In the US, the Dodd-Frank Act (Section 716) now bans taxpayer bailouts of most speculative derivative activities. That means the next time we have a Lehman-style event, the banking system could simply collapse into a black hole of derivative looting. Malone writes:

“ . . . The bankruptcy laws allow a mechanism for banks to disembowel each other. The strongest lend to the weaker and loot them when the moment of crisis approaches. The plan allows the biggest banks, those who happen to be burdened with massive holdings of dodgy euro area bonds, to leap out of the bond crisis and instead profit from a bankruptcy which might otherwise have killed them. All that is required is to know the import of the bankruptcy law and do as much repo, hypothecation and derivative trading with the weaker banks as you can.’

‘ . . . I think this means that some of the biggest banks, themselves, have already constructed and greatly enlarged a now truly massive trip wired auto-destruct on the banking system.”

The weaker banks may be the victims, but it is we the people who will wind up holding the bag. Malone observes:

“For the last four years who has been putting money in to the banks? And who has become a massive bond holder in all the banks? We have. First via our national banks and now via the Fed, ECB and various tax payer funded bail out funds. We are the bond holders who would be shafted by the Plan B looting. We would be the people waiting in line for the money the banks would have already made off with. . . .’

. . . [T]he banks have created a financial Armageddon looting machine. Their Plan B is a mechanism to loot not just the more vulnerable banks in weaker nations, but those nations themselves. And the looting will not take months, not even days. It could happen in hours if not minutes.”

Crisis and Opportunity: Building a Better Mousetrap

There is no way to regulate away this sort of risk. If both the conventional banking system and the shadow banking system are being maintained by government guarantees, then we the people are bearing the risk. We should be directing where the credit goes and collecting the interest. Banking and the creation of money-as-credit need to be made public utilities, owned by the public and having a mandate to serve the public. Public banks do not engage in derivatives.

Today, virtually the entire circulating money supply (M1, M2 and M3) consists of privately-created "bank credit" – money created on the books of banks in the form of loans. If this private credit system implodes, we will be without a money supply. One option would be to return to the system of government-issued money that was devised by the American colonists, revived by Abraham Lincoln during the Civil War, and used by other countries at various times and places around the world. Another option would be a system of publicly-owned state banks on the model of the Bank of North Dakota, leveraging the capital of the state backed by the revenues of the into public bank credit for the use of the local economy.

Change happens historically in times of crisis, and we may be there again today.

Ellen Brown is an attorney, president of the Public Banking Institute, and author of twelve books including the best-selling Web of Debt. In The Public Bank Solution, her latest book, she explores successful public banking models historically and globally. Her websites are <http://WebofDebt.com>, <http://PublicBankSolution.com>, and <http://PublicBankingInstitute.org>

CYPRUS-STYLE WEALTH CONFISCATION IS STARTING ALL OVER THE WORLD

Tyler Durden; Zero Hedge; via Critical Thinking

As we warned two years ago, "the muddle through has failed... and there may only be painful ways out of this."

Now that "bail-ins" have become accepted practice all over the planet, no bank account and no pension fund will ever be 100% safe again. In fact, Cyprus-style wealth confiscation is already starting to happen all around the world. As you will read about below, private pension funds were just raided by the government in Poland, and a "bail-in" is being organized for one of the largest banks in Italy. Unfortunately, this is just the beginning.

The precedent that was set in Cyprus is being used as a template for establishing bail-in procedures in New Zealand, Canada and all over Europe. It is only a matter of time before we see this exact same type of thing happen in the United States as well. From now on, anyone that keeps a large amount of money in any single bank account or retirement fund is being incredibly foolish.

Let's take a look at a few of the examples of how Cyprus-style wealth confiscation is now moving forward all over the globe...

Poland

For years, there have been rumors that someday the U.S. government would raid private pension funds. Well, in Poland it just happened. According to Reuters, private pension funds were raided in order to reduce the size of the government debt...

"Poland said it will transfer to the state many of the assets held by private pension funds, slashing public debt but putting in doubt the future of the multi-billion-euro funds, many of them foreign-owned."

The Polish government is doing the best that it can to make this sound like some sort of complicated legal maneuver, but the truth is that what they have done is stolen private assets

without giving any compensation in return...

The Polish pension funds' organisation said the changes may be unconstitutional because the government is taking private assets away from them without offering any compensation.

Announcing the long-awaited overhaul of state-guaranteed pensions, Prime Minister Donald Tusk said private funds within the state-guaranteed system would have their bond holdings transferred to a state pension vehicle, but keep their equity holdings. He said that what remained in citizens' pension pots in the private funds will be gradually transferred into the state vehicle over the last 10 years before savers hit retirement age.

Iceland

For years, Iceland has been applauded for how they handled the last financial crisis. But now it is being proposed that the "blanket guarantee" that currently applies to all bank accounts should be reduced to 100,000 euros. Will this open the door for "haircuts" to be applied to bank account balances above that amount?...

Following the crisis in October 2008, Iceland's government declared all deposits in domestic financial institutions were 'blanket' guaranteed - an Emergency Act that was reaffirmed twice since. However, according to RUV, the finance minister is proposing to restrict this guarantee to only deposits less-than-EUR100,000. While some might see the removal of an 'emergency' measure as a positive, it is of course sadly reminiscent of the European Union "template" to haircut large depositors. This is coincidental (threatening) timing given the current stagnation of talks between Iceland bank creditors and the government over haircuts and lifting capital controls - which have restricted the outflows of around \$8 billion.

Europe

European finance ministers have agreed to a plan that would make "bail-ins" the standard procedure for rescuing "too big to fail" banks in the future. The following is how CNN described this plan...

European Union finance ministers approved a plan Thursday for dealing with future bank bailouts, forcing bondholders and shareholders to take the hit for bank rescues ahead of taxpayers.

The new framework requires bondholders, shareholders and large depositors with over 100,000 euros to be first to suffer losses when banks fail. Depositors with less than 100,000 euros will be protected. Taxpayer funds would be used only as a last resort. What this means is that if you have over 100,000 euros in a bank account in Europe, you could lose every single bit of the unprotected amount if your bank collapses.

Italy

As Zero Hedge reported on Tuesday, a "bail-in" is now being organized for the oldest bank in Italy...

Recall that three weeks ago we warned that "Monti Paschi Faces Bail-In As Capital Needs Point To Nationalization" although we left open the question of "who will get the haircut including senior bondholders and depositors.... given the small size of sub-debt in the capital structures." Today, as many expected on the day following the German elections, the dominos are finally starting to wobble, and as we predicted, Monte Paschi, Italy's oldest and according to many, most insolvent bank, quietly commenced a bondholder "bail in" after it said that it suspended interest payments on three hybrid notes following demands by European authorities that bondholders contribute to the restructuring of the bailed out Italian lender. Remember what Diesel-BOOM said about Cyprus - that it is a template? He wasn't joking.

As Bloomberg reports, Monte Paschi "said in a statement that it won't pay interest on about 481 million euros (\$650 million) of outstanding hybrid notes issued through MPS Capital Trust II and Antonveneta Capital Trusts I and II." Why these notes? Because hybrid bondholders have zero

protections and zero recourse. "Under the terms of the undated notes, the Siena, Italy-based lender is allowed to suspend interest without defaulting and doesn't have to make up the missed coupons when payments resume." Then again hybrids, to quote the Dutchman, are just the template for the balance of the bank's balance sheet.

Why is this happening now? Simple: the Merkel reelection is in the bag, and the EURUSD is too high (recall Adidas' laments from last week). Furthermore, if the ECB proceeds with another LTRO as many believe it will, it will force the EURUSD even higher, surging from even more unwanted liquidity. So what to do? Why stage a small, contained crisis of course. Such as a bail in by a major Italian bank. The good news for now is that depositors are untouched. Unfortunately, with depositor cash on the wrong end of the (un)secured liability continuum it is only a matter of time before those with uninsured deposits share some of the Cypriot pain. After all, in the brave New Normal insolvent world, "it is only fair."

Fortunately, it does not appear that this particular bail-in will hit private bank accounts (at least for now), but it does show that European officials are very serious about applying bail-in procedures when a major bank fails.

New Zealand

The New Zealand government has been discussing implementing a "bail-in" system to deal with any future major bank failures. The following comes from a New Zealand news source...

The National Government are pushing a Cyprus-style solution to bank failure in New Zealand which will see small depositors lose some of their savings to fund big bank bailouts, the Green Party said today.

Open Bank Resolution (OBR) is Finance Minister Bill English's favoured option dealing with a major bank failure. If a bank fails under OBR, all depositors will have their savings reduced overnight to fund the bank's bail out.

"Bill English is proposing a Cyprus-style solution for managing bank failure here in New Zealand - a solution that will see small depositors lose some of their savings to fund big bank bailouts," said Green Party Co-leader Dr Russel Norman. "The Reserve Bank is in the final stages of implementing a system of managing bank failure called Open Bank Resolution. The scheme will put all bank depositors on the hook for bailing out their bank. Depositors will overnight have their savings shaved by the amount needed to keep the bank afloat."

Canada

Incredibly, even Canada is moving toward adopting these "bank bail-ins". In a previous article, I explained that "bail-ins" were even part of the new Canadian government budget...

Cyprus-style "bail-ins" are actually proposed in the new Canadian government budget. When I first heard about this I was quite skeptical, so I went and looked it up for myself. And guess what? It is right there in black and white on pages 144 and 145 of "Economic Action Plan 2013" which the Harper government has already submitted to the House of Commons. This new budget actually proposes "to implement a 'bail-in' regime for systemically important banks" in Canada. "Economic Action Plan 2013" was submitted on March 21st, which means that this "bail-in regime" was likely being planned long before the crisis in Cyprus ever erupted.

So what does all of this mean for us?

It means that the governments of the world are eyeing our money as part of the solution to any future failures of major banks. As a result, there is no longer any truly "safe" place to put your money.

One of the best ways to protect yourself is to spread your money around. In other words, don't put all of your eggs in one basket. If you have your money a bunch of different places, it is going to be much harder for the government to grab it all.

But if you don't listen to the warnings and you continue to keep all of your wealth in one giant pile somewhere, don't be surprised when you get wiped out in a single moment someday.

POSTIVE MONEY BULLETIN EXTRACTS

Positive Money Team

We don't want another house price bubble... Fran Boait, Campaign Manager, Positive Money

Andrew Jackson, Positive Money's chief economist (and co-author of *Modernising Money* and *Where Does Money Come From?*) is just typing up the conclusion to a plan for a new approach to fixing the economy - one that doesn't rely on allowing banks to create ever more money to fuel house price bubbles and speculation.

We'll be releasing the paper in the next few weeks, and then it's time to go out there and promote the alternative. We're looking for 100 people to become regular funders of this next phase of Positive Money's work, which will be essential if we're to avoid another financial crisis in the next few years.

For three years we've been warning that there are only two ways to get the economy growing again. We could either:

1) Allow banks to create more money when they make loans. This would push up house prices and leave families with even more debt.

or

2) Get the Bank of England to create new money instead. This new money would be granted to the government, who would spend it into the real economy where it can create jobs and support businesses.

Sadly the government's taken the first option. Even though the crisis was caused by banks creating too much money and debt, the government think the answer is to get them to do it all again. They've put in policies to encourage banks to create more money for mortgages, but no policies to increase how many houses are built.

That means that house prices will get even further out of reach for ordinary people, while banks get to collect ever greater amounts of interest on money that they created. Even estate agents are now warning of a housing bubble!

If the problem was that people had too much debt in the first place, can the solution really be for people to borrow even more? No. Even Lord Adair Turner, the former head of the Financial Services Authority, has warned that we got into this mess by allowing banks to create too much money, and we should worry if the 'way out' is to let them create even more. More personal borrowing and more household debt could be laying the foundation for the next financial crisis.

The Next Step in Democratising Money

But there is another way. If the Bank of England created some money that could be given to the government to be spent into the real economy (rather than the financial sector), it would help to create jobs and support businesses (instead of blowing up another house price bubble). This is what we'll be campaigning for over the next few months, and your help would make a huge difference:

New money created by the Bank of England wouldn't come with debt attached. This means it would actually offset the enormous mountain of existing household debt, and allow people to start paying down their own debts.

Some of the money could be spent on building new houses, which would make housing more affordable rather than fuelling another property bubble. Some of the money could be spent on dealing with the green infrastructure that we need to deal with the energy crisis. Whatever the money is used for, it will have a better effect on the economy than simply pumping more money into a house price bubble.

And as well as helping us avoid another financial crisis, getting some debt-free money into the real economy would set a precedent for a different way of creating money. We can then point to the damage that is done when banks are allowed to create money, versus the alternative when money is created in the public interest.

Once the proposal is out there, we need to spend the next few months publicising it and building support for a different approach. That's where we need your help: we are looking for 100 people to cover the costs of this work, by setting up a regular donation:

Your support will allow us to spend time showing journalists, economists and business people why we need a different approach to money creation to avoid a future financial crisis, and to stop house prices becoming permanently out of reach.

As well as releasing the paper, we'll be producing a new video that explains why we're currently sleepwalking into a future financial crisis. We'll be running workshops to help other campaign organisations understand the problems with allowing banks to create money. We'll be having one-to-one meetings with influential economists and policy makers who can change the terms of debate around money creation. And we'll be contacting journalists to make sure they understand why a recovery based on rising personal debt isn't sustainable.

Sign up now to support our work, and choose how much you want to give, by Paypal or Direct Debit.

Donate £10 a month or more, and to say thanks, we'll send you a copy of *Modernising Money* (normally £15). If you've already got the book, just email us and we can send you *Where Does Money Come From?* instead, or you can spread the word by passing the book on to a friend who might be interested.

Thank you so much for your support,

PS. Since we launched in 2010, around half of all our funding has come from around 500 individuals who donate a small amount each month. If you're able to join them it makes a massive difference to what we can do.

PPS. In case you're still thinking about it, here are 3 reasons to donate to Positive Money:

1. We're tackling the root cause of many social and economic problems. Some not-for-profits deal with the symptoms of big problems. However, we know that there are very real challenges facing the world over the next few decades, including likely crises in climate, energy, and natural resources. We know that we can't just change things superficially. We need to change the whole system. The money system is no longer fit for purpose and it urgently needs to be reformed. With a money system where money is created in the public interest, rather than by banks chasing short term profits, we can start tackling the bigger challenges facing us.

2. We're having an impact. Three years ago we were just starting out. Now we get mentioned in the mainstream press, have been featured on BBC Radio, and the books we've researched and published are being used in universities. Three years ago almost no-one was talking about problems with the money creation. Now it's discussed in the *Financial Times*, on BBC comedy shows and even in seminars run by the Federal Reserve or IMF. There's more work to do of course, and your support will allow us to do it:

Sign up now to support our work, and choose how much you want to give.

3. We're a community of 12,000 ordinary people. Positive Money is supported by over 12,000 people who know that something fundamental needs to change in our monetary system.

"I hope that Positive Money and the team led by Ben Dyson soon take their place in history for changing this damaging debt based system." (Shirley)

"In my opinion, there is no organisation on the face of the earth doing anything more important right now. Thank you very much for your efforts, you're worth a great deal more than the donations you're currently receiving." (Tim)

"Can I just take this opportunity to say thanks very much to you all for the great source of information your website is. I also greatly enjoyed reading your book. It's been an eye opening experience and please, keep up the excellent work." (Simon)

Could a 10 year old girl have discovered something that most economists have missed? Please take 3 minutes to watch this new video, and then come back here to take action.

Believe it or not, many economics graduates come out of uni without ever being taught about how money actually come into existence. Even when they are taught something about money creation, it's a story about the banking system that's at least 40 years out of date. If the people in charge of the economy don't understand where money comes from or how it works, we're in trouble. There's more about what that 'trouble' means for us here.

A couple of years ago I was discussing the problems with our money system with a talented teacher. He suggested that if we could explain how banks create money simply enough for a 10 year old to understand it, then we might have a chance of explaining it to politicians.

I still don't know if he was joking or not, but the idea stuck with me. But rather than explaining money creation to 10 year olds, we decided to get a 10 year old to explain it to adults.

We're trying to get the people in charge to understand why our current money system is broken and how we can fix it. It's not going to happen overnight, but we think Holly's explanation of the

problems in our money system will help other people - and policy makers - to understand why we need to change it. The faster we get the public, academics, the media and politicians to understand money, the faster we can change the system.

So please take a few minutes to:

1. Share the video on Facebook
2. Tweet it – try to think of economics students, economists, celebrities, people you think would be interested
3. Email the video to friends:
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Please help us make this video go viral.

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RUNNYMEDE GAZETTE EDITED BY;- FRANK TAYLOR, 2 CHURCH VIEW, ST GILES TERRACE. CHETTON, BRIDGNORTH, SHROPSHIRE, WV16 6UG; Tel; (01746) 789326

frankinshropshire@hotmail.co.uk