

April 2011



## **Bush's 3rd Term—Fail**

I am already getting excited about the 2012 Presidential election. America's short attention span has had the opportunity to be completely disappointed by both parties in a very short time horizon. Bush promised us a "humble foreign policy," faith-based initiatives, and to pay off the national debt. The end of his presidency set a record highest (69%) disapproval rating in the history of the Gallup Poll.<sup>1</sup>

In the fall of 2008, Americans showed up with fervor to "vote the bums out" and the Democrats were given their chance over the last two years to make good on their campaign promises. It was encouraging to see many people who never cared about politics come out and vote for the first time. Obama built a loyal following of younger people who truly believed that their vote would change the status quo. In my estimation, these hopeful's dreams have been shattered as Obama has carried on with many of the left's worst criticism of Bush's reign.

So why am I excited? I believe that America has finally learned that both parties have been coopted by the same corporate interests and that there are finally enough skeptical independents to elect an outsider for President in 2012.

## **Nobel Peace Prize Winner?**

By 2008 a large portion of the population was tired of being bogged down in another Vietnam. McCain had mentioned that it would be fine with him if we were in Iraq for 100 years.<sup>2</sup> Obama supported a withdrawal from Iraq and an escalation in Afghanistan. You didn't really have an anti-war choice, but if you were sick of American imperialism I can see how you voted for Obama. He did say in 2006 "But I have long believed it has also been a failure of conception – that the rationale



President Obama has broken the hearts of many of his supporters. Photo by Marc Nozell used under a Creative Commons license

<sup>1</sup> <http://www.gallup.com/poll/106741/Bushs-69-Job-Disapproval-Rating-Highest-Gallup-History.aspx>

<sup>2</sup> <http://abcnews.go.com/Politics/Vote2008/story?id=4556230&page=1>

behind the [Iraq] war itself was misguided.”<sup>3</sup>

Obama appeared to not be a warmonger that answered to the military industrial complex. How disappointing for the world that he has now decided to invade Libya (who has no credible threat of attacking the U.S.) without consulting Congress. The reasoning goes a lot like why we invaded Iraq. Qaddafi is a madman and we must protect the civilians. Using the same flawed logic—why haven’t we invaded Saudi Arabia, Yemen, the DRC, and Sudan. I don’t see how we can start a new war and cut our budget at the same time.

In an interview with Charlie Savage in December of 2007, Obama stated:

The President does not have power under the Constitution to unilaterally authorize a military attack in a situation that does not involve stopping an actual or imminent threat to the nation... In instances of self-defense, the President would be within his constitutional authority to act before advising Congress or seeking its consent. History has shown us time and again, however, that military action is most successful when it is authorized and supported by the Legislative branch. It is always preferable to have the informed consent of Congress prior to any military action.”<sup>4</sup>

He was referring to Article One, Section 8 of the Constitution which empowers only the Congress to declare war. The founding fathers had firsthand experience of the human cost of war and knew that it was not a decision to be taken lightly by one person. They wanted a debate and a consensus from many before blood would be spilled.

“Nobel Peace Prize Winner Escalates War in Afghanistan” or “Peace Advocate Obama Invades Libya for Oil” sound like headlines from *The Onion*. I would much rather read joke stories in *The Onion* than “A group of rogue US Army soldiers in Afghanistan killed innocent civilians and then posed with their bodies” in *Der Spiegel*. The 12 members of the “Kill Team” are currently facing charges of desecration of corpses, illegal possession of photos of corpses, drug abuse, and injury against comrades.<sup>5</sup>

The “Kill Team” are accused of killing innocent civilians apparently for fun. If you have the stomach to look at the pictures at *Der Spiegel*, you will see our military posing next to the body of Gul Mudin (an innocent Afghan) like they just shot a deer or pig. Mudin was somebody’s son and brother and would still be alive today if we weren’t trying to plunder Afghanistan for the resources that we covet. Did we just give an entire community a reason to hate us? When there is another terrorist attack in the United States, don’t believe the propoganda that they “hate our freedoms.” The motive will be *Blowback*, plain and simple; as Chalmers Johnson laid out *before 9/11*.

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<sup>3</sup> [http://blogs.abcnews.com/politicalradar/2006/11/obama\\_flexes\\_an.html](http://blogs.abcnews.com/politicalradar/2006/11/obama_flexes_an.html)

<sup>4</sup> <http://www.boston.com/news/politics/2008/specials/CandidateQA/ObamaQA/>

<sup>5</sup> <http://www.spiegel.de/international/world/0,1518,752310,00.html>

## Whistle Blower Protection?

Change.gov, Obama's website while he was President-Elect still says: "**Protect Whistleblowers:** Often the best source of information about waste, fraud, and abuse in government is an existing government employee committed to public integrity and willing to speak out. Such acts of courage and patriotism, which can sometimes save lives and often save taxpayer dollars, should be encouraged rather than stifled."

How can you state this on your website and then force U.S. State Department Spokesman, P. J. Crowley, to resign for stating that the administration's treatment of Bradley Manning was "ridiculous, counterproductive and stupid?"<sup>6</sup> Do you see the irony? A whistleblower has been forced to resign over his statements about how another whistleblower is being detained at Quantico.

Private Manning is the 22 year-old accused of releasing the video *Collateral Murder* to Wikileaks on July 6, 2010. The video showed Apache helicopters firing on a group of unarmed men that included two Reuter's employees. A man in a van with his child later stumbled on the scene to rescue the wounded and was killed. No matter what you think of Manning's actions as a whistleblower, you cannot put up with the way he has been detained for over 300 days. According to Salon.com, he has been held in solitary confinement for 23 of every 24 hours and denied pillows, sheets, books, and exercise. Salon's article sites many sources who claim that solitary confinement is torture.<sup>7</sup> Reports have later come out that he is now being denied his boxer shorts to sleep in at night.<sup>8</sup>

Obama has consulted with the Pentagon and has assured us that Manning's treatment is "appropriate and meeting our basic standards."<sup>9</sup> Where is the due process? When is Manning going to get a trial? Kevin Zeese quotes George Orwell in relation to Manning; "In a time of universal deceit telling the truth is a revolutionary act."<sup>10</sup>

*[The Most Dangerous Man in America: Daniel Ellsberg and the Pentagon Papers](#)* is one of my all time favorite documentaries. I consider Ellsberg one of the few living national heroes. He risked everything to tell the truth about Vietnam and it is a shame that Obama is treating whistleblowers worse than Nixon. How can we call out Mubarak and other tyrants for the way they disappear



Whistleblower, Bradley Manning. Will somebody give him his underwear back? Photo credit: Daniel Joseph Barnhart Clark, Wikimedia Commons

<sup>6</sup> <http://www.bradleymanning.org/16380/crowley-resigns-after-calling-harsh-treatment-of-manning-stupid-obama-responds/>

<sup>7</sup> [http://www.salon.com/news/opinion/glenn\\_greenwald/2010/12/14/manning](http://www.salon.com/news/opinion/glenn_greenwald/2010/12/14/manning)

<sup>8</sup> [http://www.washingtonpost.com/opinions/in-the-mideast-useful-and-non-useful-tyrants/2011/03/21/ABeWu38\\_story.html](http://www.washingtonpost.com/opinions/in-the-mideast-useful-and-non-useful-tyrants/2011/03/21/ABeWu38_story.html)

<sup>9</sup> [http://www.huffingtonpost.com/2011/03/11/obama-bradley-manning-tre\\_n\\_834669.html](http://www.huffingtonpost.com/2011/03/11/obama-bradley-manning-tre_n_834669.html)

<sup>10</sup> [http://www.washingtonpost.com/opinions/in-the-mideast-useful-and-non-useful-tyrants/2011/03/21/ABeWu38\\_story.html](http://www.washingtonpost.com/opinions/in-the-mideast-useful-and-non-useful-tyrants/2011/03/21/ABeWu38_story.html)

political prisoners when we are doing it here? Speak out for Manning because one day your son may be punished indefinitely without trial for what he thought was a service to the country.

### **Sunlight Before Signing**

On June 22, 2007, Obama said "When there is a bill that ends up on my desk as the President, you the public will have five days to look online and find out what's in it before I sign it."<sup>11</sup> I don't know anyone that is against knowing what is in a bill and can see why this promise gained so many votes. This should be standard operating procedure and a free society should be as transparent as possible.

Unfortunately for America, his very first bill was signed only two days after it was passed and the ~~payoff~~ stimulus bill was signed only one business day after it was passed.<sup>12</sup> I am sure that a well meaning president's best intentions can be thwarted on many issues, but I am not aware of anyone who can force a president to sign a bill in a certain amount of time. This should have been the easiest promise to keep and I hope our next President actually does implement this.

### **Soak the Rich and Fat Cat Bankers**

Even before the porkulus bill was passed, Americans were deeply concerned about how we were going to pay for TARP and the mounting national debt. One of the key planks of Obama's campaign was that he was going to let the Bush tax cuts expire on households making more than \$250,000 in income. In December of 2010, Obama signed a bill that not only kept the tax cuts for the "wealthy", but even lowered everyone's social security tax by 2%!<sup>13</sup>

People seem to forget that Obama was ~~bribe~~ given campaign contributions of close to \$1 billion. Poor people can't raise that kind of money and unfortunately they don't have any real lobby for them in this country. Most of that money came from rich people and it was naïve to think that he was ever going to do something to hurt the people that helped get him elected.

In December of 2009, Obama appeared on 60 minutes and said, "I did not run for office to be helping out a bunch of, you know, fat-cat bankers on Wall Street." He has repeatedly implied that he is for the common man and would reform the way our banks operate. Unfortunately this has all been talk.

The 2,000 page Dodd-Frank bill will not prevent a crisis like 2008 from happening again. Bankers are still making enormous bonuses and no senior executive of a major Bank is in jail. Obama talked tough against the banks but in the end, it was all theater. Look at who he chose for his two Chiefs of Staff. Rahm Emmanuel made \$16.2 million in two-and-a-half years at investment bank, Wasserstein Perella and was part of the Freddie Mac board who "failed in its duty to follow up on matters brought to its attention" regarding accounting irregularities and campaign contributions.<sup>14</sup> His latest appointment is William Daley, a former board member of Fannie Mae and a JP Morgan

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<sup>11</sup> <http://www.wnd.com/?pageId=91286>

<sup>12</sup> <http://www.wnd.com/?pageId=91286>

<sup>13</sup> <http://www.politifact.com/truth-o-meter/promises/obameter/promise/1/increase-the-capital-gains-and-dividends-taxes-for/>

<sup>14</sup> [http://en.wikipedia.org/wiki/Rahm\\_emmanuel](http://en.wikipedia.org/wiki/Rahm_emmanuel)

banker.<sup>15</sup> Obama's selection of staff says a lot more about his intentions than his campaign promises.

## Conclusion

In researching this month's report I came across a lot more broken promises than I could write about. The reality of our current predicament is that our country is in trouble and the current system of corporate statism is unraveling under years of corruption and broken promises. I believe that the soil is fertile for a strong outsider to break up the monopoly of the two-party system that we have.

Bush disappointed many Republicans and Obama has turned away former Democrats. The timing is right for independents to rise up and bring back Constitutional order to our corrupted political system. America has wised up to the fact that we are not **electing** these officials. They are being **selected** for us by the military industrial complex, big oil, big pharma, and the big agriculture complex. As Frederic Bastiat said, "When plunder becomes a way of life for a group of men living together in society, they create for themselves in the course of time a legal system that authorizes it and a moral code that glorifies it."

The United States needs a real leader that is not afraid to tell us the truth in 2012. Who will answer the call?

## Markets

The word for 2011 is MENA or Middle East North Africa. Mohamed Al Bouazizi act of setting himself on fire in a protest of Ben Ali's government in Tunisia has sparked a revolution for freedom in this area. No one can predict exactly how the world will be transformed by this movement. Two of the most accurate analysts that I follow are already predicting that World War III has begun.

With bombs going off in Israel and Iran's statements about Saudi Arabia's invasion of Bahrain, it is foolish to dismiss their prediction. Don't forget that Bahrain is a mostly Shiite country who is ruled by a Sunni minority. The Saudi invaders are Sunnis and Iran is ruled by Shiites. These two factions have been fighting ever since Muhammad died in 632.

Below is a chart of the dollar index. It was created in 1973 and compares how the dollar trades against 6 major currencies. About 58% of its movement is determined by how the dollar moves against the Euro. The other components are Japanese Yen, British Pound, Canadian Dollar, Swedish Kroner, and Swiss Franc.<sup>16</sup>

In past crises the dollar index has gone up as people perceived the dollar as a safety trade. Recently the bad news from MENA and Japan's tsunami have not seen a bounce in the dollar. The Dollar index is trading at 75.8 as I write this. In a recent interview with Eric King, James Turk of GoldMoney said:

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<sup>15</sup> [http://en.wikipedia.org/wiki/William\\_M.\\_Daley](http://en.wikipedia.org/wiki/William_M._Daley)

<sup>16</sup> <http://www.fxtrademaker.com/usdx.htm>

The key is the dollar index took out its low from last November. The way I see it—that means the dollar index is going to be closing in on its all-time low of 70.79. Here is the scary part Eric, given how poorly the dollar is trading, I think we could see that low level very quickly... At some point there is going to be a panic as the flight from the dollar moves from the relatively orderly retreat we are currently witnessing, to a stampede. The charts are telling me that panic is about to begin. As I mentioned in a KWN blog earlier this month, I believe the next leg down in the US dollar will shock the world.<sup>17</sup>

I don't think that there is a high probability of this happening right here. Turk has made some great calls in the past and if he is right, this *will* shock the world. It Got gold?



Chart courtesy of StockCharts.com

<sup>17</sup> [http://kingworldnews.com/kingworldnews/KWN\\_DailyWeb/Entries/2011/3/21\\_James\\_Turk\\_-\\_Panic\\_Selling\\_of\\_US\\_Dollar\\_Could\\_Happen\\_Quickly.html](http://kingworldnews.com/kingworldnews/KWN_DailyWeb/Entries/2011/3/21_James_Turk_-_Panic_Selling_of_US_Dollar_Could_Happen_Quickly.html)



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