

# Crisis in America

## Personal Reflections

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Region: [USA](#)

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I moved back to Williamsburg a year ago, after retiring from the federal government, in order to live with my elderly mother. She resides near the Restored Area, a half-mile from the reconstructed colonial Capitol. At this site on May 15, 1776, the Second Virginia Convention voted 112-0 to instruct its delegates in Philadelphia to enter a motion for independence. If the U.S. was born in Philadelphia, it was conceived here.

My mother's name is Marjorie Cook, and she is an 85-year old retired interpreter for Colonial Williamsburg. Also living in the house are my sister Sandy, an R.N., and her daughter Cathryn, about to graduate from high school.

My mother lives in the house that she and my father, Dick Cook, built in 1963, three years after we moved from Michigan. He was a chemist for Dow Chemical, which had opened a nearby textile processing plant along with Badische, a German company. Later my parents divorced, and he now lives in Newport News, about 20 miles away.

My mother's house cost \$21,000, is paid for, and she has no debt. While real estate assessments have gone up, the tax rate in Williamsburg is lower than in any of the surrounding communities. So it is a good place for an elderly person with a pension to live in a country where local governments routinely tax the elderly and the poor out of their homes.

Since childhood I had a passion for history, with many men in my family being involved in historic events. My father served with the Seabees on Attu Island in the Aleutians during World War II. My grandfather on my mother's side was a sailor on the World War I troop transports traveling to and from France from the Brooklyn Navy Yard. Also during that war, my grandmother's brother was a member of the Army Air Corps.

On my father's side, my great-grandfather Hill acquired land by taking part in the Arapaho land rush of 1892 in Oklahoma's Indian Territory. Back in the Civil War, my great-great grandfather William Forster, who'd landed at Ellis Island during the Irish potato famine, was a Union artillery sergeant. His unit was with General Grant at the surrender of General Robert E. Lee at Appomattox Court House in 1865.

### Education

My family voted Democratic going back to New Deal days. The fall after we moved to Williamsburg in 1960, I worked with a friend handing out literature on behalf of John F. Kennedy's campaign. One night Bobby Kennedy came to Williamsburg to speak on behalf of his brother's candidacy on the dimly-lit steps of the Williamsburg courthouse. He gave a

fervent speech, without notes, saying it was time for a new era of achievement and optimism in America after the tensions of the Cold War.

When President Kennedy was assassinated on November 22, 1963, I was a senior at James Blair High School . I wrote for the school newspaper, *The Blarion*, and worked weekends as a disk jockey for WBCI, the local radio station.

That Thursday afternoon, a teacher told me to go to the office to listen to the news coming in over the radio. I was numb with disbelief when I heard Kennedy was dead. At WBCI we played funeral music all weekend, along with the news bulletins. I was working when a listener called and said Lee Harvey Oswald had just been shot in the basement of the Dallas police headquarters. I ran to the news ticker, yanked the story, and read it on the air.

I wrote an editorial for the *The Blarion*, saying that the killing was a sign of a deranged society, with more troubles surely on the way. The U.S. military commitment in Vietnam was escalating, and by March 1965 we would have combat troops on the ground. The struggle for civil rights in the American South would also turn violent.

I was named “Most Likely to Succeed” and in September 1964 entered Yale University as a scholarship student. I was in the same freshman class as a young man named George W. Bush. But I had been shaken to my depths by the Kennedy assassination and had been affected by the turmoil in our home with my parents drifting apart.

At Yale I was more interested in reading existential writers like Albert Camus than attending classes on political science that were obviously intended to prepare us to become part of the American ruling elite. Scholarship students were required to wash dishes in the Yale dining halls, which I resented.

I read Mark Lane ’s *Rush to Judgment*, which questioned the Warren Commission’s conclusion that Lee Harvey Oswald was the lone gunman who shot Kennedy. One night a professor from the Yale Law School was speaking about the Warren Commission. When I brought up Lane’s objections to the “magic bullet” theory, the professor answered me with vehement contempt.

Years later I read a book by Professor Donald Gibson of the University of Pittsburg entitled *The Kennedy Assassination Cover-Up*. Gibson concluded that the cover-up was a project of figures in the Eastern establishment who pressured President Lyndon Johnson to hurry and form the high-level commission that Chief Justice Earl Warren would head. The commission tried to put to rest any suspicion that figures other than Oswald had been involved. According to Gibson, the leading institutional affiliations of the persons bringing the pressure to bear on Johnson were *The New York Times*, *The Washington Post*, and the Yale Law School .

I resigned from Yale after six weeks. Regrettably, George W. Bush and I would now be treading separate paths. I then attended the College of William and Mary in my hometown of Williamsburg for a semester until I left town and spent a few months traveling around the country by bus and hitchhiking, making side-trips to Canada and Peru . I ended up flat broke in a room at the Mapes Hotel in Reno , Nevada , where I wrote a postcard to the Dean of Students at William and Mary asking to be allowed to return.

Once I was back, I was admitted to the humanities honors program, studied relentlessly,

wrote for the *William and Mary Review*, and was elected to Phi Beta Kappa. I also took part in the 1969 March on Washington against the Vietnam War.

The most famous alumnus of William and Mary was Thomas Jefferson, whose “presence” played a key role in my becoming the person I am today. Jefferson abhorred war. In my opinion, he was the president who, more than any other, favored the right of hard-working ordinary people to a decent and prosperous life.

As President George Washington’s Secretary of State, Jefferson opposed Secretary of the Treasury Alexander Hamilton’s plan to put the finances of the new nation in the hands of the private financiers who bought stock in the First Bank of the United States . When Jefferson became president in 1800, he put a stop to the use of deficit financing to build a military establishment by his action in balancing the federal budget for eight consecutive years.

Jefferson has been vilified for trying to steer a course of neutrality during the endless wars between Britain and France , even though his policy of restraint lay the groundwork for a century of federal budget discipline, with the exception of the Civil War. Critics who would rather bestow praise on Hamilton, John Adams, and the Federalists in general as forerunners of today’s military imperial state find fault with Jefferson under such pretexts as his ownership of slaves, his relationship with Sally Hemmings, or his “vendettas” against Vice President Aaron Burr and Chief Justice John Marshall who presided over Burr’s 1807 trial for treason.

Today, back in Williamsburg , I can see even more clearly that Jefferson was one of the great men of history. He wrote in the Declaration of Independence the now-familiar words, “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty , and the pursuit of Happiness.”

This statement has never been surpassed as a summary of democratic principles or in expressing our God-given right to freedom, whether from governments, tyrants, or the brutal financial oppression we see everywhere in the world today emanating from global finance capitalism.

Ever since he wrote it, Jefferson ’s formulation has resonated with those who love liberty, both for themselves and others, as has the clarity with which the Declaration of Independence expressed the right to choose our own form of government. Later Jefferson wrote, “I have no fear that the result of our experiment will be that men may be trusted to govern themselves without a master.” He also wrote, “Every generation needs a new revolution.”

I should point out that I never saw Jefferson ’s ideals as promoting “license” vs. “liberty,” or as supporting the idea of viewing *any* action of government as *ipso facto* evil. Jefferson favored a limited government elected by “We the People” and served in positions of public responsibility for most of his life. He saw government as a servant of the public, not its master. He saw the human individual as God’s highest creation, not some social, economic, or governmental collective. He also knew that constructive government actions, such as the peaceable acquisition of the Louisiana Territory , promoted freedom, whereas policies based on warfare and violence destroyed it.

### **Going to Work in Washington**

In 1970, at the height of the Vietnam War, I graduated from William and Mary and went to

work for the U.S. Civil Service Commission in Washington , D.C. I was soon working on policy-level assignments, such as drafting a regulation that authorized federal agencies to pay for college-level courses for lower-graded employees. It was part of the federal upward mobility program.

After two years at the Commission, I resigned from the government and taught high school history, English, and phys. ed. at the Field School , a newly-founded private secondary school in northwest Washington . There I taught the children of such notables as Senator James Abourezk and Washington attorney Max Kampelman, later President Reagan's arms negotiator.

After two years of teaching I returned to the U.S. Civil Service Commission where I was put in charge of conducting evaluations of Bureau of Training regional training centers. Just after I went back to work for the government, President Richard Nixon resigned from the presidency on August 8, 1974. On April 30, 1975 came the fall of Saigon , which ended the Vietnam War.

One time my wife and I were invited to a dinner at the home of Ray Borntraeger, a Bureau of Training manager with political connections, where the guest of honor was Zulfikar Ali Bhutto, prime minister of Pakistan . Educated in the U.S. and Great Britain , Bhutto was determined to modernize Pakistan and acquire nuclear energy technology.

This was beyond what the Western powers would tolerate, and Bhutto was threatened by Henry Kissinger, who said, according to Bhutto's autobiography, *If I am Assassinated*, "We can destabilize your government and make a horrible example out of you." In 1977, Bhutto was overthrown by General Zia-ul-Haq, then tried and executed on trumped-up charges.

Borntraeger's dinner party took place in the dining room of his modest middle-class home in Northern Virginia , where Bhutto captivated the guests with his quiet brilliance and piercing expressing. After his death, his daughter Benazir, also educated in the U.S. , was twice prime minister of Pakistan . Her assassination on December 27, 2007, was excruciatingly painful to me, having once met her father. It was a family beset by tragedy.

In 1976, I transferred to the Food and Drug Administration, where I worked at their headquarters in Rockville , Maryland , as a policy analyst on the staff of Commissioner Donald Kennedy. From there I was brought into the Jimmy Carter White House as an aide to Esther Peterson, the president's special assistant for consumer affairs.

### **The Carter White House and Monetary Reform**

Once at the White House Office, I worked mainly on Executive Order 11280, signed by President Carter, which required each federal agency to establish a new consumer affairs program giving the public more opportunity to participate in federal decision-making and acquire information on governmental activities. Carter signed the order after the defeat by Congress of White House-proposed legislation for a Consumer Protection Agency.

While working for Esther Peterson at the Old Executive Office Building next to the White House West Wing, I discovered a remarkable series of essays from the 1920s by British writer A.O. Orage, editor of the *New Age*. Orage wrote about the ideas of a British engineer named C.H. Douglas, who had published a book entitled *Economic Democracy* in 1918.

Douglas was the founder of the Social Credit movement, which later became a political force in Great Britain, Canada, Australia, and New Zealand, but which never had an impact in the U.S. Douglas's central idea was that in a modern industrial economy the need for a business firm to hold back some of its earnings for future investment meant there would always be a "gap" between the prices companies must charge for goods and services and the net purchasing power available to a nation's population to purchase that output.

This gap, said Douglas, was the cause of economic recessions and depressions. He also pointed out that under existing political conditions, it's the financiers of a nation who benefit, because they fill the gap between prices and purchasing power with bank lending at interest. This lending for consumption was apart from the ordinary types of financing which banks routinely extend to businesses as liquidity for day-to-day operations under what has traditionally been called the "real bills" doctrine.

The gap, Douglas said, was a primary cause of war, because another way to fill it, besides bank lending, is for a nation to maintain a positive trade balance. Since each nation has a need to maintain a trade advantage, they obviously end up fighting each other for markets as did Great Britain and Germany in World War I.

I immediately saw the applicability of Douglas's ideas to the economic circumstances of the 1970s, where the "business cycle" of inflation, followed afterwards by recession, was recurring in a manner similar to the 1920s and 30s. What Douglas was explaining, I realized, was the "poverty in the midst of plenty" syndrome of modern economic life.

Douglas advocated filling the gap by monetizing what he saw as the *de facto* appreciation of the economy over time and issuing to citizens a periodic "National Dividend" that would supplement purchasing power with stipends paid by the government but without recourse to taxation or borrowing. It was "giving away money," but for sound economic reasons and according to a measured calculation of value backed by actual industrial output.

Douglas's analysis was brilliant and was clearly a pathway to real economic freedom. I saw that it was a National Dividend that could make Jefferson's ideas of political democracy possible by making economic democracy a reality. It would result in the elusive "leisure dividend" that was supposed to have accompanied the modern industrial economy but never has. Later I discovered that this was the thinking behind the experiment on a smaller scale of the resource dividend enacted by the state of Alaska through the Alaska Permanent Fund established in 1976, amounting today to almost \$2,000 per resident annually.

I also saw how the deficit spending notions of John Maynard Keynes were actually an attempt to eliminate Douglas's "gap" through governmental rather than private sector debt but which in the end would be just as unfair and self-defeating. Later I learned that Keynes knew about Douglas's ideas but had decided to propose a solution that would not appear so threatening to the financiers. It was "Keynesian economics" that would eventually lead to today's un-payable U.S. national debt of almost \$10 trillion and a foreign policy based on conquest to support worldwide trade and dollar hegemony.

Excited by what I was learning from my study of Douglas, I convened a meeting of friends and associates which we held in the Old Executive Office Building in the summer of 1980. But soon my early interest in monetary reform was overtaken by other events.

I was at the White House when Jimmy Carter was defeated by Ronald Reagan in the 1980

presidential election. It had been evident that Carter might lose the election because the Federal Reserve under Chairman Paul Volcker was raising interest rates to combat the inflation from the oil price shocks of the 1970s. Later I learned that Carter had not been told that the Federal Reserve would be taking this type of drastic action that led to the worst recession since the Great Depression.

Carter's reelection campaign was also damaged by the drawn-out negotiations involving the release of 52 U.S. government employees from the takeover of our embassy in Tehran by Iranian revolutionaries. The negotiations dragged on through the fall of 1980. The release of the hostages finally took place *six minutes* after Ronald Reagan took the oath of office on January 20, 1981, leading to speculation that Reagan's campaign operatives had meddled to cause delays in order to make Carter look inept.

I also remember how shocked we were when Reagan's aides stole President Carter's briefing book and used it to prep their candidate before the TV debates. What kind of people were these, we wondered? All things considered, it became clear that Carter's second term had been stolen from him.

One aspect of Carter's presidency with harmful long-term consequences was his abolishment of the U.S. Civil Service Commission and its replacement with the Office of Personnel Management within the Executive Office of the President. The emblem of the Commission had been the North Star, which symbolized the independence and integrity of a civil service based on merit rather than politics.

This idea was lost under Carter in order to make the career workforce more "responsive." The Senior Executive Service was set up for similar purposes, with democracy the loser. Under the onerous bureaucratic system for admitting civil servants into the executive ranks and evaluating their performance, independent judgment has been virtually eliminated in favor of a rigid and heavily politicized top-down system of control.

Carter had been a member of the Trilateral Commission, which was set up by U.S. financier David Rockefeller with the help of Professor Zbigniew Brzezinski, a native of Poland . As we now know, the Trilateral Commission has the aim of promoting a world government of the financial and technical elite known later, in the words of President George H.W. Bush, as the "New World Order." But Carter was evidently not cooperating fully enough, so, seemingly, found himself dumped.

Today, as a prolific author and head of the Carter Center in Atlanta , Georgia , he is a voice in the wilderness in promoting a just peace between Israel and the Palestinians. Carter had been working toward this goal since he hosted talks at Camp David in 1978 between Egyptian President Anwar Sadat and Israeli Prime Minister Menachem Begin that led to the 1979 Israel-Egypt Peace Treaty.

### **"The Reagan Revolution"**

After Ronald Reagan assumed the presidency, I worked for two years at the U.S. Office of Consumer Affairs, which was an extension of the White House consumer office. The president's special assistant for consumer affairs was now Virginia Knauer, who had held the same office under President Richard Nixon, and for whom I wrote speeches and reports. We were afraid that with the Reagan cuts of the federal civilian budget our office would be abolished, but that didn't happen.

Still, there wasn't much to do any longer in the field of consumer affairs, so I spent a lot of my time at the Library of Congress reading whatever interested me. After two more years with the government, my wife Phyllis and I left town with our baby daughter to live and work on a small farm we had bought in Monroe County, West Virginia. But after running out of money, we sold the farm and returned to Washington, where I was offered a job at NASA as a resource analyst for the space shuttle program.

The Reagan presidency was a milestone in U.S. history, where the military-industrial complex, aided and abetted by figures within the Conservative Movement associated with such institutions as the Committee on the Present Danger and the Heritage Foundation, became the dominant power within the federal government. They had strong affiliations with the most conservative and outspoken elements within Israeli politics, such as the Likud Party. By now the arming of Israel had become one of the central tenets of U.S. foreign policy.

Reagan may have had his own ideas about restoring American greatness through conservative principles, but in my opinion he was a captive of forces he little understood. His willingness to acquiesce may have been facilitated by his near-assassination on March 30, 1981, by a young man named John Hinckley. It was later reported that Hinckley's father and Vice President George H.W. Bush had a longstanding business and political relationship, though no connection between Bush and the attempted assassination has ever been proven.

Reagan had run his presidential campaign against big government but became the biggest Keynesian deficit spender in history. He looked good on camera but seemed to understand little of what went on behind the scenes in the course of his trillion-dollar military build-up, the launching of proxy wars against supposedly pro-communist forces in third world countries, the "Star Wars" weapons-in-space program, or the arms-for-hostages deal run out of the White House in connection with Iran and the Nicaraguan contras.

Showing early signs of dementia by the middle of his second term, Reagan's daily calendar was arranged according to astrological prognostications, while meanwhile the deregulation of the nation's financial industry led to the merger-acquisition-junk bond mania that lay the groundwork for the financial meltdown of the 2000s.

On January 26, 1986, space shuttle Challenger blew up a minute after it was launched. At NASA I was an eye-witness to the Challenger disaster and cover-up, and I leaked documents to *The New York Times* proving NASA's prior knowledge of the flaws on the solid rocket booster O-rings which failed and caused the tragedy. I was called to testify before the Rogers Commission but never returned to NASA. Instead, I transferred to the U.S. Treasury Department, where I worked for 21 years, starting with the final years of Reagan's second term.

Though the Rogers Commission had denied it, I later discovered that the Reagan White House pressured NASA to launch Challenger against engineers' recommendations so that Teacher-in-Space Christa McAuliffe would be aloft in time for his 1986 state-of-the-union speech. I also learned that NASA failed to fix the O-ring problem to avoid delaying shuttle flights that were to be launched with military payloads for the Air Force.

Reagan is lauded as the Great Communicator and is viewed by many as a virtual demi-god. The reason is not hard to see. Reagan's "supply-side" tax cuts sharply reduced income tax

rates for the wealthiest taxpayers, providing them with a bonanza that has powered their social and economic dominance ever since.

And he gave the military a free ride. Though it is rarely acknowledged, the backbone of support of the Republican Party since Reagan has been the military and their contractors. Because so many military facilities are in Southern states, there has been a seamless blend with the Republican Party's "Southern strategy" dating from Nixon days. Reagan himself got a free ride from the press, as documented in Mark Hertsgaard's 1988 book, *On Bended Knee: The Press and the Reagan Presidency*.

By the time George H.W. Bush became president in 1989, I had settled in at the U.S. Treasury Department's Financial Management Service and was learning how the government's payment, collections, and cash management systems worked. This was the start of large-scale electronic funds transfer in the U.S. , with billions of dollars moving daily through the Federal Reserve System's automated clearinghouse. The Federal Reserve, though owned by its member banks, acted as the federal government's, "fiscal agent."

"Cash management" meant that every night the Treasury Department deposited all its cash-on-hand in the Federal Reserve, for which it received interest payments. The banking system then used the money as part of its reserves to collateralize lending. This allowed a huge increase in the funds available for banks to lend, especially when private businesses started to do what Treasury was doing with overnight deposits.

Later these funds would become a source of the huge amounts of credit that banks would use in the 2000s to fuel the housing, commercial real estate, equity, hedge fund, and derivative bubbles. While these practices may have been "legal" in producing massive profits for the banking system, their effects have been catastrophic.

In 1990 I received the Cavallo Foundation Award for Moral Courage in Business and Government for my testimony before the Rogers Commission on the Challenger disaster. It was the nation's premier recognition for whistleblowers. My supervisor at Treasury seemed embarrassed by my receiving the award but gave me the day off to attend the awards ceremony on Capitol Hill with my family.

From 1985 to 1991 the communist political system of the Soviet Union was collapsing, and the Soviet republics outside Russia were moving toward independence. In June 1991 Boris Yeltsin was elected president of the Russian Soviet Federated Socialist Republic . The Soviet Union itself dissolved after a reactionary coup failed against the democratization movement led by Soviet President Mikhail Gorbachev. The collapse of the Soviet Union took Gorbachev with it, leaving Yeltsin and Russia standing alone.

Of course those who adulated President Ronald Reagan claimed then, as they do now, that he was the one responsible for "the fall of the Soviet Union ." I'd always had a great respect for the Russian people and its ancient, highly spiritual, culture. I had viewed the Communist revolution as an atrocity *against* Russia , not as an action taken *by* it. I had deeply imbibed Russian literature and viewed Tolstoy, Dostoevsky, Pasternak, and Solzhenitsyn as among the greatest writers in world history.

In the same manner, I saw the revolt against the Soviet government as a spontaneous



uprising that reaffirmed the traditional identity of Russia . It was a revolt by, for, and of the Russian people, just as the secession of the other Soviet republics was an expression of the will of those nations. For the followers of a right-wing militarist like Reagan to claim credit was to me an abomination.

Almost simultaneously with events in Russia came the first Iraq War, with that nation invading and occupying Kuwait in 1990 and President George H.W. Bush ordering U.S. ground forces into Iraq in early 1991. The war was over in a few weeks, with U.S. air power attacking and decimating retreating Iraqi soldiers.

By this time I was heartily sick of the Reagan/Bush administrations with their reliance on military force as the heart of U.S. foreign policy, the glorification of war that formed so much of presidential imagery, the collapse of our manufacturing economy during the recession of 1979-83 that was recurring during the Bush presidency, and the constant financial scandals that seemed to go hand-in-hand with Republican Party rule.

### **President Bill Clinton**

I was not sorry when Bill Clinton won the 1992 presidential election, though he was not a progressive Democrat. Of course he might not have done so without Ross Perot's convenient third party campaign that siphoned off the votes of many erstwhile Bush supporters.

The Clinton years were a relief, because a measure of prosperity had returned, and young people, including my older sons who were finishing college, could get jobs. It was done through a strong dollar which attracted enough foreign investment to produce the dot.com boom. There were abuses, of course. In some cases, entrepreneurs started new technology companies and simply absconded with investors' cash.

I was very uneasy about the signing by Clinton of legislation for the North American Free Trade Agreement. I had seen the damage done to the U.S. manufacturing economy by the Federal Reserve interest rate policies of the 1980s. NAFTA seemed to promise more of the same. In fact it wrecked family farming in the U.S. , as well as in Canada and Mexico , by allowing the undermining of local agriculture by the large agribusiness firms. In short, NAFTA became a disaster. Its dire impact on Mexico contributed strongly to the flood of illegal immigrants heading north.

During the 1990s I had the growing feeling that the public was never told the real reasons for events and decisions and that behind the scenes meetings were held and plans formulated which undermined rather than advanced democracy. This was before the time a few years off when so many commentators would be writing day-in-and-day-out about various "conspiracy theories."

I had also learned through my experience with the Challenger disaster that the truth could never be found by listening to what was said by government officials, both the career bureaucrats and the ones we elected to represent us. This was because, in line with the ethos of the national security state, not only was critical information withheld as "classified," the ones who possessed that information were trained professional liars.

This included senators, congressmen, and even presidents, not just spooks from the security agencies like the CIA, NSA, and Defense Intelligence Agency. An example of such lies was

the fiction, maintained by Israeli and U.S. officials alike, that Israel was not a nuclear power, even though by the 1990s everyone knew that nation ranked behind only the U.S. and the Soviet Union/Russia in its nuclear arsenal.

Clinton started out looking like he had good intentions, though after his wife Hillary's health care initiative failed and Republican Newt Gingrich took control of the House of Representatives from the Democrats in the 1994 off-year elections, he became much more tentative. The exception was a few social reforms such as extension of the Earned Income Credit for lower income taxpayers.

Later in his presidency Clinton resisted the efforts of the neocons associated with the Project for a New American Century, successors to the Conservative Movement under Reagan, to launch another war against Iraq , which may have been the factor that led to his impeachment. But he fully cooperated with the imperialists within the U.S. military-industrial complex and NATO in attacking Serbia .

Nothing could have been more confusing than the "Bosnian-Croatian-Serbian War" of 1991-95. The important fact to remember is that it was the policy of the West to prevent any reappearance of the former nation of Yugoslavia by demonizing the Slavic Serbs, thereby weakening Russian influence in the Balkans. The U.S. also tried to exert its influence in the nations that had broken away from the Soviet Union as part of a general policy of encirclement with respect to Russia .

There was also an interesting series of events during Clinton 's presidency that may have been linked with hidden purposes. The first was the 1992 assault on survivalist Randy Weaver and his family at Ruby Ridge , Idaho , by U.S. marshals and FBI agents. Weaver's wife Vicki and one of their sons were shot and killed over dubious weapons charges.

The second took place in February-April, 1993, when 76 members of the Branch Davidian religious group, including their leader David Koresh, died in a fire when assaulted by federal officials at their compound near Waco , Texas .

Two years later, on April 19, 1995, a bomb in a Ryder truck blew up the Murrah Federal Office Building in Oklahoma City , claiming 168 lives. In the words of Wikipedia:

"Within days after the bombing, Timothy McVeigh and Terry Nichols were both in custody for their roles in the bombing. Investigators determined that McVeigh and Nichols were sympathizers of an anti-government militia movement and that their motive was to avenge the government's handling of the Waco and Ruby Ridge incidents."

Later McVeigh was executed for his role. During the Waco and Oklahoma City events, Janet Reno was serving as attorney-general of the U.S. The net result of the three incidents was to discredit and render moribund much of the survivalist and armed citizen militia movements.

Clinton was a pro-business Democrat associated with the "centrist" Democratic Leadership Council. During his presidency millions more U.S. manufacturing jobs were outsourced to other nations. Clinton was supported by Wall Street and did nothing to stem the slide toward financier control and dominance of the U.S. economy.

At the end of his presidency the stock market had begun to crash, the dot.com mania was

exposed as a bubble, and over \$7 trillion in middle-class wealth evaporated. Clinton restructured federal financial reporting which helped him achieve a balanced budget during the last three years of his presidency, along with taxes on stock market capital gains. But by his last days in office, consumer purchasing power was collapsing.

The judgment of writers of history on Clinton has yet to be made, though his image was badly tarnished by the personal circumstances involving Monica Lewinsky that led to his impeachment and trial by the Senate, ending in acquittal. He sought to promote his own cause by publishing his voluminous memoirs, entitled *My Life*.

I spent the 1990s working hard at my job which was to write regulations, analyze Treasury financial and administrative systems, and set up automated training centers. By now my older sons were attending college—Nat at Dartmouth and Tim at Kenyon. I spent time at home with my younger children and become a neighborhood soccer coach and referee.

### **Darkness in America**

The first decade of the new millennium—the 2000s—produced a catastrophe for the U.S. when the Supreme Court designated my former Yale classmate George W. Bush as president in December 2000.

Democrat Albert Gore had won the popular vote in the November election but was behind in electoral votes. The controversy centered on Florida, where the official tally showed Bush the winner by a narrow margin, but where the Court decided a complete recount might leave the nation with an undecided election for too long. It later turned out that many eligible Florida voters had been improperly excluded from voting by partisan state election officials. Gore's presidency had been stolen in a fashion even more egregious than what had been done to Jimmy Carter in 1980.

Bush's first major official action in mid-2001 was to turn Clinton's \$300 billion budget surplus into a \$200 billion deficit by cutting taxes for the rich. Then came 9/11. On the morning of September 11, 2001, two separate aircraft crashed into the Twin Towers of the World Trade Center in New York City and a third into the Pentagon. A fourth aircraft was reported to have crashed in rural Pennsylvania. Altogether, 2,973 died.

I was in a two-day-a-week work-at-home program for Treasury and was at my home in rural Virginia where my wife Phyllis did her writing as a journalist for the local newspaper. We had the TV on, heard the reports of the first plane striking the World Trade Center, then saw the second live.

When I went to work the next day at our Treasury office near the Tidal Basin and Jefferson Memorial, colleagues told me they had heard the impact from across the Potomac River at the Pentagon and seen the black smoke rising. In New York, both the Twin Towers had collapsed pancake-style. Later that day, a smaller building in the World Trade Center complex—WTC 7—also collapsed.

That Friday I watched the memorial service at the Washington National Cathedral on TV where President George W. Bush spoke. His tone was so aggressive I felt World War III was about to start. Within a month, the U.S. attacked Afghanistan, the start of an invasion that supposedly was intended to root out the alleged mastermind behind the September 11 attacks, Osama bin Laden. He was, we were told, the head of Al Qaeda, the organization

responsible for the atrocities.

On TV the news programs were constantly showing the same footage of hooded figures swinging on overhead bars at a supposed Al Qaeda training camp. By the end of October 2001, Congress had passed the first of two versions of the U.S.A. Patriot Act, a voluminous piece of legislation which, it turned out, no one who voted for it even read. It was an acronym for ‘**U**niting and **S**trengthening **A**merica by **P**roviding **A**ppropriate **T**ools **R**equired to **I**ntercept and **O**bstruct **T**errorism Act of 2001.’

9/11 changed my life. I realized that for the last decade, after I had put my Challenger papers away, carried out my rather boring work for Treasury, and engaged in family and personal pursuits, I had been slumbering while the world around us was undergoing disturbing changes. So I began to study. I read everything I could find that could explain 9/11, realizing as I went along, as did many others, that the official explanation of the events simply could not have happened that way.

Meanwhile, in December 2001, the Enron Corporation went bankrupt after its shares dropped in value from \$90 to less than 50 cents. Enron was a “new type” of company that didn’t produce anything but sought to enrich itself by brokering energy supplies from privatized electrical utilities. CEO Kenneth Lay was a political crony of President George W. Bush. When Enron collapsed, thousands of employees and stockholders lost their life savings and pensions.

In 2003 the U.S. invaded Iraq , using off-the-shelf plans. It was obvious that George W. Bush had embarked on the military conquest and occupation of the Middle East and that the only nation supporting us, other than our perpetual ally Great Britain , was Israel . Again, 9/11 was the trigger, though the trumped-up story of Iraqi possession of weapons of mass destruction was the cover.

Just before the Iraq invasion the Bush administration had created a Department of Homeland Security whose name evoked images of Nazi Germany. Those of us at Treasury marveled at how the Department had been dismembered by the removal of the Bureau of Customs, the Bureau of Alcohol, Tobacco and Firearms, and the U.S. Secret Service for no evident reason.

It was clear that our nation was being taken over by a dark and alien force, for reasons that were not spoken, under the direction of people not known or named. The public actors were the triumvirate of President George W. Bush, his sneering Vice President Richard Cheney, and his fawning national security adviser Condoleezza Rice.

Washington , D.C. , now became an armed camp. The police presence became markedly more visible, security was stepped up at all government buildings, and new regulations for government IDs and security clearances were announced. At our building on 14th Street, S.W. , there were evacuation drills where “essential personnel” were guided to waiting vans for their hypothetical escape to emergency centers, but the remaining 95 percent of employees were directed to stand in a large athletic field across the street.

At our jobs we joked about building security, enumerating all the ways terrorists could sneak weapons past the bumbling rent-a-cops at the doorways. We were also given black “survival” bags containing water, a high-carb “nutrition bar,” a gas mask, etc., in case of a chemical attack, when we were to crouch in windowless rooms in the interior of the building.

I had to tell several contractors working for me on a project that they were not eligible to receive survival bags, as they were not government employees.

Another characteristic event where much of the meaning seemed to lie beneath the surface was the federal response to the destruction wrought on the city of New Orleans by Hurricane Katrina on August 29, 2005. The city had been left vulnerable through failure by the federal government to carry out adequate wetland management and restoration in the region and through insufficient investment in levee maintenance and repair. New Orleans was devastated when the hurricane, which was headed toward Texas, took a sudden right turn and made landfall east of the city.

It was the lower-income black citizens of New Orleans who absorbed the brunt of the catastrophe. The government's response through the Federal Emergency Management Agency was pathetic. Today, as the city is being "rebuilt," much of the displaced population is unable to return due to the high costs of renting or rebuilding and the lack of jobs and government support. While New Orleans may become a pricey resort and corporate playground, its centuries-old indigenous culture is dead.

I could write a book describing all I read about on the internet during the early to mid-1990s regarding the increasingly alarming conditions in the U.S. The one source of outside information that could not be eliminated at the office was the worldwide web which had to be kept open because so many government administrative systems were now running on internet browsers. One thing was certain—the United States I knew and loved—"the land of the free and the home of the brave"—was under deadly assault.

### **Monetary Reform and My Retirement**

By now my long-dormant interest in monetary reform had also been reawakened. In 2003 I read *The Lost Science of Money* by Stephen Zarlenga, the director of the American Monetary Institute. I invited Zarlenga to speak at a meeting of Treasury employees that I arranged and began to talk with him about his plans to develop model monetary reform legislation under the heading of the American Monetary Act.

I was becoming part of the small but important monetary reform movement that had begun to emerge in the U.S. as people learned about the ravages of the debt-based monetary system. I began researching U.S. monetary history in greater depth and became especially interested in the use of Greenbacks during and after the Civil War. This was currency spent directly into circulation for payment of government obligations—in a manner similar to C.H. Douglas's future concept of a National Dividend, without recourse to borrowing or taxation.

The Greenbacks were viewed by the population as having saved the Union during the Civil War and were a key component of the U.S. monetary system until the early 1900s. Unfortunately, the U.S. educational system today is so "dumbed-down" and so much under the control of bureaucratic, corporate, and financial interests, that most people know nothing at all about such key components of our history as the Greenbacks.

Another element of monetary reform I studied was the need for a modern federal infrastructure bank like the Reconstruction Finance Corporation used by the Roosevelt administration during the New Deal to rebuild the nation's physical economy. Today, as during his lifetime, Roosevelt is blasted as being a socialist or even a communist, because he dared to use the powers of the presidency to pull the nation out of the Great Depression.

But the ordinary people of the nation adored Roosevelt for providing them a livelihood when they had been abandoned by the bankers whose selfishness and greed had collapsed the currency and destroyed the purchasing power of the economy.

Under Roosevelt, schools, hospitals, farms, and factories were built through low-cost lending by the RFC. It is true that the nation did not achieve full employment until the wartime spending of World War II, but Roosevelt 's main flaw may have been that he did not go far enough in curbing the power of the financial elite. This allowed them to hang on until they could regain their control of the nation after the post-World War II prosperity ended in the 1960s and 1970s. Still, what Roosevelt accomplished was remarkable.

My interest in infrastructure banking led to a relationship with Dennis Kucinich, congressman from Cleveland , Ohio , and candidate for the Democratic Party nomination for president in 2004 and 2008. I first met Dennis in 2003 after I learned he had introduced legislation for a federal infrastructure bank. I visited him in his office and over the next four years gave him numerous briefings on economic and monetary history. This included an all day session in an apartment on Capitol Hill which he called "the best policy briefing I've ever heard."

Also attending that briefing was his young wife Elizabeth, who had been my friend Steve Zarlenga's assistant at the AMI in Chicago . She met Dennis on a visit with Steve to Washington when he stopped by the congressman's office to leave a copy of *The Lost Science of Money*. I was invited to attend Dennis and Elizabeth 's wedding in Cleveland in August 2005 which took place on a grassy mall downtown with the reception next door in the rotunda of the Cleveland City Hall .

By this time my personal life had changed substantially when my wife and I separated. Now living on my own, I decided to pull out my old notes on the Challenger disaster and write the book I had always intended to produce about the tragedy. I wrote steadily from July 2005 to the end of the year. My agent from New York sold it to a publisher within a few weeks.

A publication date of January 2007 was set, which meant I would have to retire because I did not want to still be working for Treasury when a book so critical of the government came out. But by then I would have completed 32 years of service so was eligible for civil service retirement.

I retired on January 4, 2007. For the last time, carrying a cardboard box with my few personal possessions, I walked through the back entrance of the Treasury building near the 14th Street bridge. I emerged into the winter daylight feeling like a man who had just been released from prison. I had worked for Treasury agency for 21 years and 10 months.

My book appeared three weeks later. It was 503 pages in length, not counting the index, and was titled, *Challenger Revealed: An Insider's Account of How the Reagan Administration Caused the Greatest Tragedy of the Space Age*. It was the publicity department at Avalon Books which added "How the Reagan Administration Caused" to the title in order to sound more sensational. But it also made the title sound more "in your face" by directing such pointed criticism at an American icon.

The mainstream media ignored the book, even though it did tell more about the actual

causes of the disaster than any other book ever written. And the Challenger disaster was one of the most newsworthy events of the 20th century. Thus while a few reviewers gave it high marks—one called it “the most important spaceflight book of the last 20 years”—the weak public reception was a disappointment.

I gave a few book signings, then moved on to other matters—specifically a series of articles I began to write for the internet on economic policy and monetary reform during the months leading up to the financial crisis of 2007-8. While working for Treasury I had already written a series of articles on monetary reform which I published on the internet under the pen name “Gracchus.” I published one of these, entitled “A Declaration of Monetary Independence ,” on July 4, 2003, on the website *Rense.com*. The article began:

“Few people realize that true fiat money spent directly into circulation by the government is the best, most democratic form of currency. The last such money used in the United States was the Greenbacks. The money today which is introduced into circulation by the Federal Reserve is not fiat money. Rather it is a kind of pseudo-money based on a debt pyramid which originates with the national debt.

“All men are created equal, and all men have an equal right to the utilization of money as a social medium of exchange. The greatest crime of our age is the domination and control of money by the private banking industry through the Federal Reserve. The disastrous condition of the U.S. economy today starts and ends with our monetary and fiscal system, as described in the following analysis. As nothing in this sphere can be understood without knowledge of history, the focal point of any meaningful study must be an impartial look at how things have gotten so bad over time. But there are positive elements too which can guide us to a solution.”

I then followed with a monetary history of the U.S. , focusing on those periods when methods other than bank lending were used for entering currency into circulation. Of course since the Federal Reserve Act of 1913 had been passed by Congress, turning our monetary system over to the private bankers, there had been no other kind of money except for coinage which, due to inflation, scarcely retained any value.

I also published an article under the Gracchus by-line that was entitled “A New America.” The article outlined the struggle throughout American history between private banking interests and the forces of democracy. I pointed out that today in the 2000s the bankers possessed an ironclad rule over the U.S. economy.

An example of how this rule was maintained was through the current housing bubble, where home prices had inflated out of sight. When the bubble burst, I realized, millions would lose their homes to foreclosure. The root of the problem was the debt-based monetary system.

Another Gracchus article was a lengthy review of Zarlenga’s *The Lost Science of Money*, which I called, “The New Civic Revolution.” The title was derived from Thomas Jefferson’s campaign slogan from the election of 1800. It was that year when Jefferson overthrew the power of the monetary elite of Great Britain /New York/Europe who were taking control of the nation through their ownership of stock in the First Bank of the United States created by Alexander Hamilton.

## **Writing About the Present Crisis**

Now, having retired, and living alone in College Park , Maryland , I was free to write and publish under my real name. My main internet outlet became the *GlobalResearch.ca* website which originated in Montreal , Canada . As I continued to write over the next year-and-a-half, my articles were republished on many other websites and sometimes in print magazines. They were thereby available around the world and occasionally were translated into other languages.

When my Challenger book had come out I published an article entitled “Militaryization and the Moon-Mars Program: Another Wrong Turn In Space,” stating that:

“The way NASA has started its new moon-to-Mars exploration program, the October 2006 White House announcement of a new national space policy, and subsequent statements by the State Department raise grave concerns about whether a new push to militarize space has begun.”

Next came an article on “Time to Change America by Challenging Economic Fundamentals,” where I discussed Dennis Kucinich’s proposals for a Federal Infrastructure Modernization Bank and the possibility of a basic income guarantee for all citizens. The article concluded:

“What these...proposals have in common is that they show how a developed national economy can pull itself up by its own bootstraps through central control of monetary resources rather than relying on massive deficits or exploitation of other nations through trade. Such resources would be invested or spent for tangible goods and services, not for paper wealth like financial securities. The workers, salary earners, and businesses of the producing economy would be protected from financial bubbles. It’s the way the U.S. became an economic powerhouse in the first place.”

On February 23, 2007, I gave a speech in New York at the annual meeting of the U.S. Basic Income Guarantee Network entitled: “The Basic Income Guarantee and Monetary Reform: A Tale of Two Ideas.” The idea of a guaranteed income for all, regardless of means tests or employment, had been around for along time. During the 1960s, the time of President Johnson’s Great Society and the start of the War on Poverty, a number of proposals were made, including economist Milton Friedman’s suggestion for a negative income tax. But nothing was ever enacted.

Now in the 2000s, the idea of a basic income guarantee was still being advocated, though there was no chance of it’s being passed by Congress due to the enormous national debt, huge expenditures for the military, and the cost of entitlements like Medicare. Speaking to the group in New York , I argued that for a basic income to become reality, monetary reform must come first. I pointed specifically to C.H. Douglas’s ideas of a National Dividend.

I followed with a series of articles that described the theory of the National Dividend in greater detail, including “An Emergency Program of Monetary Reform in the United States .” Here I estimated that the gap between purchasing power and prices in the United States in 2006 amounted to over \$3.5 trillion, or about \$12,000 for each resident. I argued that this was the amount of money our people were forced unfairly to borrow from the banks because of the lack of a National Dividend that monetized the appreciation of the economy.

By this time I felt a need to provide more detail on my monetary reform ideas and how they



applied to different aspects of the economy. I wrote articles on “Monetary Reform and How a National Monetary System Should Work,” “Notes on a Return to the Gold Standard”—I opposed it—“Credit as a Public Utility: The Key to Monetary Reform,” “Monetary Causes of the Immigration Crisis,” and “Poverty in America .” One of the main points I was trying to make was that the Federal Reserve System was nothing more than institutionalized usury.

I also pointed out that monetary reform was not socialism nor was it opposed to real entrepreneurial capitalism. The true capitalist, who may even be the executive in charge of a business, either as owner/proprietor or CEO, is damaged as much as are workers by the dominance of the credit controllers over the economy.

Such a person may have every intention of creating a successful business which produces and delivers a quality product to consumers and where he treats his employees in a fair and humane manner, paying them a wage or salary whereby they can support a family in decent living conditions.

But he can do none of these things well because of the constant pressure from the financial bosses to slash costs, produce short-term profits, reduce the size of his workforce, cut pensions and other benefits, shift operations abroad, and reduce quality by built-in obsolescence, poor product design, and other compromises.

His firm is probably heavily in debt, saddled with significant interest payments, carrying large overhead for R&D, insurance, and legal and accountants’ fees, subjected to government paperwork and regulations, and forced to borrow more just to support daily business operations. He is also at the mercy of inflated prices for materials and utilities when the banks are pumping up the economy and lower sales when they are letting the air out.

Add to this the fact that at any moment he may be bought out at disadvantageous terms by a marauding equity fund or be subjected to a hostile takeover through a leveraged buyout if his stock trades publicly, and his nightmare is complete. Thus our system is not really capitalism at all. It is what C.H. Douglas called “creditism,” where the power of the financiers is backed up by the might of government enforcement.

In this system, every aspect of life is reduced to how much you can pay per month to cover your debt. When this kind of calculation is at the forefront of the awareness of a majority of society, what kind of culture can be expected to result?

I had begun to receive e-mail from all over the world which showed an interest in my ideas, including messages from Social Credit advocates in the British Commonwealth nations. I was also receiving invitations to appear on internet radio interview shows.

In June 2007 the financial crisis leading to the current U.S. recession was starting. Even though a recession had not been officially declared, I pointed out that because money available to working people, defined by the Federal Reserve as M1, had been decreasing for a year, the economy where ordinary people lived and resided was already in trouble.

After prognostications of looming trouble appeared in the *Washington Post*, a publication which I characterized as “the newsletter of the financial elite,” I published an article entitled, “It’s Official: The Crash of the U.S. Economy Has Begun.” Within a few days it had received over 100,000 “hits.”

Two weeks later I moved to Williamsburg , Virginia , to live with my mother, sister, and niece, and continued writing from my former hometown. It was refreshing and invigorating to walk the streets of the old Virginia capital again.

On July 4, I attended the fireworks display in the Restored Area with 30,000 other people. A few days later I published an article on *Dissident Voice* entitled, "A Revolutionary Experience" about my experience back at this historic place that once was home. After enumerating the long list of economic problems facing the U.S. I wrote:

"Meanwhile, President George W. Bush and Vice President Richard Cheney took time out from prosecuting their Iraq War to visit the Williamsburg area in connection with the celebration of the 400th anniversary of the founding of Jamestown . Queen Elizabeth II, monarch of our "coalition" partner in the Middle East , also paid a call.

"Last November, the American voters elected a Democratic majority to Congress to stop the war. Now the new Congress has continued the funding, including the largest U.S. embassy in the world which is being built in Baghdad . The U.S. military has built permanent bases in Iraq , where they have said they plan to stay as long as we've been in Korea — i.e., forever.

"In its funding legislation, Congress also stipulated that to retain our 'assistance,' the Iraqi government must pass a 'hydrocarbon' law. This would provide U.S. and British oil companies with privileged contracts to tap the country's gigantic oil reserves.

"Bush's rating in popularity polls now hovers around thirty percent. That of the new Democratic Congress is deservedly lower — twenty-five percent. Three-quarters of our population believe that America is going in the wrong direction.

"Some of it is the war, but much is economics. Debt among Americans is at an all-time high, and jobs continue to be outsourced to China and other low-wage nations. Middle-class income is in decline. The lack of health insurance is a national scandal. Commentators warn of a possible recession or worse.

"Also on the Fourth of July, the *Washington Post* reported that the individual managers of unregulated hedge funds which borrow huge sums from the banks to bet on the rise and fall of the economy are earning \$1 billion a year. None of the leading candidates for either party for the 2008 presidential nominations seems to have good answers to any of these matters. But they are accepting huge sums of campaign contributions from the Wall Street high rollers.

"Back in Williamsburg the long hot summer has begun. Tomorrow is another day of tourists, actors on the streets pretending to be eighteenth century personalities, the slow creak of carriages, and the clip-clop of horses' hooves.

"But maybe the spirit and energy of Thomas Jefferson, Patrick Henry, and George Washington still hover.

" Jefferson once said that, 'Every generation needs a new revolution.' Being in Williamsburg against the background of the ominous events elsewhere in the world makes me think that is not a bad idea. President Ronald Reagan had his revolution in the 1980s, when he deregulated the financial industry and set forth the Reagan Doctrine of permanent military

engagement in third-world countries.

“Today a new American revolution is overdue — one on behalf of the ordinary people who are seeing their way of life disintegrate.”

I wrote more articles on the financial crisis in the summer and fall of 2007, including “The Crashing U.S. Economy Held Hostage,” “On Market Conditions in the Current Chaotic Environment,” and “Economic Crisis: The U.S. Political Leadership Has Failed.”

I also wrote several longer “thought” pieces, such as “The Morality of Economics: The Key Issue of the 20th Century” and “Market Fundamentalism and the Tyranny of Money.” Another was a tribute to the man I had come to consider the founder of serious thinking on economic democracy in a modern industrial nation: “C.H. Douglas: Pioneer of Monetary Reform.”

Toward the end of the year, the Republican and Democratic primaries for the 2008 presidential nominations were about to start. So I shifted focus to the political sphere, getting my feet wet with a new type of writing that was as much journalism as analysis. This included, “Economic Democracy and a Guide to the 2008 Presidential Election” and “The 2008 Presidential Election: A Revolution or a Bust?”

Meanwhile, a relationship with my readers from around the world was building, with dozens of e-mails arriving each week. Some wanted to share their personal experiences with troubled economic conditions, others passed on links to other articles on similar themes, while some sought personal financial advice. To the latter I could give only general answers and tended to advise people to be cautious in making major life decisions.

Other articles flowed from the headlines of the day: “The Fed’s Bailout: Whose Money Is It?”; “Financial Meltdown: U.S. Treasury Regulatory Reform Proposals are Hapless, Helpless, Hopeless”; and “Pope Benedict XVI’s Visit to Washington .”

## **Conspiracy?**

Finally I arrived at the question I had tried to avoid but which readers were constantly asking about: Was the economic and monetary chaos due to some kind of conspiracy? And if so, was the conspiracy the one so many people speculated about—a plot by a handful of elitists to create a New World Order involving “one-world government,” etc.?

So my thinking turned in that direction, with my answer a qualified, “Yes.” During a six-week period from March to mid-May 2008, I published four articles on the conspiracy issue: “Is an International Financial Conspiracy Driving World Events?”; “Crisis in Food Prices Threatens Worldwide Starvation: Is It Genocide?”; “Extraordinary Times, Intentional Collapse, and Takedown of the U.S.A. ”; and “Has the Battle for America Begun?”

Many people, perhaps a majority, want to believe the best of their fellow man and give the other fellow the benefit of a doubt. There may be nothing wrong with this. It’s a prescription for living a happy and peaceful life—or is it?

Sooner or later, it seems, our illusions are shattered, our cocoon broken into, our sheltered existence turned upside down. Most people then have one of two reactions: fight or flight. Others may seek to look deeper for the hidden causes. Then events which have seemed so disruptive may become a path to greater self-knowledge.

When studying history, often the only possible way to explain events is through a conspiracy theory; i.e., where two or more persons—or nations—work behind the scenes to steer events in a particular direction, usually to their advantage.

For instance, we know a conspiracy existed for the assassination of President Abraham Lincoln and other high government officials by a cabal led by John Wilkes Booth in April 1864. We may not know the details of all those involved or what their respective motivations may have been, but we do know there was a conspiracy.

Often it takes a lot of effort for researchers to dig deep enough to ascertain whether a conspiracy really existed. Since the Federal Reserve Act of 1913 was passed, a great deal of information has surfaced to make it seem likely that persons connected with the international banking elite, such as Paul Warburg or J.P. Morgan, conspired to take over the U.S. financial system by creating a privately-owned and operated central bank.

With respect to the assassination of President John F. Kennedy in November 1963, hundreds of books have been written, including many suspected to contain deliberate misinformation. Though much remains unknown, the existence of a conspiracy seems certain. Even the last official government body to examine the evidence, the House Select Committee on Assassinations, concluded in its cautiously-worded 1979 report that Kennedy “was probably assassinated as a result of a conspiracy.”

In the world of warfare and covert intelligence operations almost everything that happens involves a conspiracy—that is, work done in secrecy to achieve a goal. The participants are sworn to silence and documents are destroyed or sealed. That is why some believe that warfare and democracy are inherently inimical to each other.

The discovery of conspiracies tends to follow the scientific method, which is basically a matter of “connecting the dots.” This is how police detective work is done. An event is observed, perhaps a crime. Data-gathering takes place. A hypothesis is formed and tested that seeks to explain the event. Judgment is then rendered, perhaps with a report containing recommendations, perhaps through a criminal or civil trial.

During the past century, with so many wars, revolutions, upheavals, advances in knowledge, technological change, development of powerful weapons, etc., to deprive oneself of the ability to formulate “conspiracy theories” would be to throw overboard a critical tool for analysis and understanding.

For example, why since the 1970s have so many U.S. government policies seemed to tilt in favor of Israel ? This has included an enormous amount of foreign aid, the sale of weapons, looking the other way while Israel developed its nuclear arsenal, then, from 2003 to the present, sacrificing so much wealth and the lives of so many American soldiers in the attack on Iraq where Israel was clearly the chief geopolitical beneficiary.

Or, since the start of the disastrous recession of 1979, why have so many policies of the Federal Reserve and the federal government tended to damage U.S. heavy industry, such as steel and railroads, transfer U.S. manufacturing jobs overseas, reduce unionized employment, and lead to the erosion of our physical infrastructure? Who has been making these decisions and why?

Or in the area of public health, why is the U.S. standard of living now declining after decades of gains? Why are so many people without health insurance or enough food to stay healthy? Why is the life span of Americans less than in more than 20 other developed nations? Why do Americans spend so much on prescription medications? Why has federal law enforcement made few substantial gains against illegal drug use? Why has the CIA itself admitted to being involved in the illicit drug trade?

Can it be that in any of these cases, what has happened has been exactly what was intended?

Finally, was there a conspiracy to place George W. Bush in the office of the presidency of the United States in 2000 rather than Albert Gore? Did the U.S. government deliberately look the other way or even plan and participate in the terrorist attacks of September 11, 2001? Did the Bush administration work hand-in-hand with Alan Greenspan and the Federal Reserve in creating the housing bubble in order to keep the U.S. economy afloat while the wars in Afghanistan and Iraq were being carried out? And is planning going on behind the scenes for the U.S. military to launch an attack on Iran before George W. Bush and Richard Cheney leave office?

I believe the answer to all these questions is "Yes." Obviously these events have had or will have a significant impact on the lives of many U.S. citizens. Have they, or their representatives in Congress voted on any of these matters? Of course not. Are we then living in a republic such as the Founding Fathers envisioned? No way.

That is how I believe the issue of conspiracy theories should be addressed, through this type of painstaking assessment. The question remains of who is behind it all? Is there such a thing as the Illuminati, the Bilderbergers, or the Olympians? Do they work through the Royal Institute of International Affairs and Tavistock Institute in Great Britain and the Council on Foreign Relations and Trilateral Commission in the U.S. ?

If these or similar groups are behind current events, what are they planning to do next? And can they be stopped? If so, how?

### **What Does the Future Hold?**

My own opinion is that what we are seeing is the cumulative activity of an entity we might call the Anglo-American Empire, as discussed and defined by Professor Carroll Quigley in such books as *The Anglo-American Establishment* and *Tragedy and Hope*. I believe this conspiracy has been active in trying to exert control over what today is the United States at least since passage by the British Parliament of the Currency Act of 1764. The purpose of that act was to exert financial control over the American colonies by taking away their right to print their own currency. A depression followed that led to the Revolution.

Since then the empire has worked mainly through the banking system and has attempted to exert control over the U.S. through the First (1791-1811) and Second (1816-1836) Banks of the United States, the National Banking System (1863-1913), and the Federal Reserve System (1913-present). There were several strong U.S. presidents who saw what the banks were trying to do and worked to try to prevent it. These were primarily Thomas Jefferson, Andrew Jackson, Martin Van Buren, Abraham Lincoln, James Garfield, William McKinley, Franklin Roosevelt, and John F. Kennedy. Lincoln, Garfield, McKinley, and Kennedy were

assassinated.

The goal of the British imperial planners, as expressed by Cecil Rhodes in his Will of 1877—"the ultimate recovery of the United States of America as an integral part of the British Empire"—has largely been accomplished. The U.S. and its youth became the "muscle" which won World Wars I and II and which, it appears, is now being groomed for World War III against Russia and China. In their essence, all three are petroleum wars fought by the U.S. on behalf of the financial controllers, overseen in turn by the old British/European nobility.

It has been apparent that the goal of this imperial establishment has been to work on both sides of the Atlantic to destroy the ability of the U.S. to perform as the world's greatest industrial democracy and turn it into a forested wasteland, with population centers on the two coasts, while supplying the military personnel needed for foreign conquest. This is to be accomplished at the same time the population of the rest of the world is reduced by mass global starvation, a circumstance which is underway as this is being written. This phase of the plan—world population reduction—was laid out by the Club of Rome decades ago.

Tens of thousands of U.S. financiers, corporate executives, politicians, scholars, administrators, analysts, military officers, subversives, torturers, and the like work for the empire at varying levels of intention and consciousness. Many of these are dead to conscience. Many are criminals. Some still agonize over their compromised behavior. Some are monsters of evil and depravity.

But something has gone wrong with the plan. According to details provided by the most knowledgeable researchers, the scheduled destruction of the U.S. has not proceeded as it should have. The reason is that people have awakened to what is going on. They have done this mainly through the internet, which had originally been invented and implemented as the most advanced means ever devised of spying on the population.

The internet has become essential for business but is also the American *samizdat*, similar to the underground system of passing forbidden literature among the intellectuals of the former Soviet Union. Still, without the Constitutional guarantee of freedom of speech, the internet could easily be shut down for political discourse. It is being done in Canada today by the Canadian Human Rights Commission, which fishes the internet under the guise of prohibiting "hate speech." One woman, for instance, was allegedly charged when she wrote on an internet chat room that homosexuals should not be allowed to adopt children.

### **The 2008 Presidential Election**

As explained in my November 11, 2007, article, "Crisis in the U.S.: Plan B?", it appeared that the empire had decided to allow the 2008 presidential election to proceed and replace George W. Bush with someone a little more mellow. I wrote that the decision appeared to have been made, "that the sway of the Bush/Cheney regime must end and that some semblance of normality should be restored, at least in appearance, by making Hillary Clinton the next President."

As the primaries began in early January and continued through "Super Tuesday" on February 5, 2008, Senator John McCain emerged as the Republican nominee-designate. McCain had all the qualifications of an imperial candidate: a big name, an undeserved

reputation as a “maverick,” no discernible principles except to fall in line for permanent worldwide warfare, total commitment to Israel , and association with no significant legislative initiatives that could render him controversial, etc. Initially he lacked the support of the Christian right but has been making up for lost time by uttering a variety of extremist statements, such as his call to keep a military force in Iraq for 100 years.

On the Democratic side, Hillary Clinton enjoyed early front-runner status and the number one slot on Chris Matthews’ “Power Rankings” on his MSNBC show *Hardball*. Such highly qualified candidates as Chris Dodd, Bill Richardson, Joe Biden, and Dennis Kucinich were marginalized by the media and ended up dropping out. But a funny thing happened on the way to Hillary’s coronation. Illinois Senator Barack Obama was first out of the gate by winning the Iowa caucuses and later took the lead in the delegate count.

Of course Obama was already being groomed for some future role. Otherwise he never would have been allowed to speak so prominently at the 2004 Democratic Party convention. But it may just have been for him to become this generation’s showcased black politician.

Now, to everyone’s surprise, he seemed to be capturing the mood of the electorate who wanted **CHANGE**. At a minimum that seemed to mean someone who was not George W. Bush, but maybe it was more than that. So Obama turned Hillary’s claim to be the more experienced candidate into a negative by making her look like a Washington insider, and he was off to the races.

Somewhere along the way, however, Obama, the former Chicago street organizer, seemed to begin tilting toward the empire. He made a start when he renounced the support of Nation of Islam’s brilliant and influential leader Louis Farrakhan, then showed what I think was a lack of principle by dumping his former minister Jeremiah Wright. He rapidly distanced himself from Wright once the media turned on the heat over the pastor’s past sermons. Later, Obama and his wife Michelle resigned from the Trinity United Church of Christ in Chicago from which Wright had retired and where he had married the Obamas in 1992.

Obama has taken a number of occasions lately to key his rhetoric to the satisfaction of the Israel lobby and threaten force against Iran and Pakistan . He no longer says anything sympathetic about the plight of the Palestinians, as he sometimes did a year ago, though, according to published reports, his donations from the American Israel Public Affairs Committee are still only a third of Hillary’s.

The strangest thing about Obama, though, is his mythologizing about Osama Bin Laden and how it was a “strategic mistake” for the U.S. to attack Iraq rather than track down the supposed 9/11 mastermind in his mountainous lair in Central Asia.

We could speculate that both McCain and Hillary, from their reticence on the subject, know that Bin Laden’s role in 9/11 was a myth, as does George W. Bush, who appears to be aware he is lying whenever he speaks on the subject. Obama, by contrast, seems to speak with conviction when he says he plans to complete the job of using American military might to root out the great miscreant who is still hiding, he alleges, in the mountains of western Pakistani.

To me this seems like opportunistic cynicism by someone who may be pandering for power.

Obama is also on thin ice in his approach to relations with Russia . While he has avoided anti-Russian rhetoric more than either McCain or Clinton, he is being advised by Zbigniew Brzezinski, who advocates a hostile posture. Such a stance is exactly the opposite of what we should be doing. In fact we should be making an alliance with Russia , which under Vladimir Putin is no longer a communist nation but a democracy, despite the propaganda of the financier-controlled press.

Russia is also a highly spiritual nation, though its spirituality went underground for much of the 20th century. Today the Russian Orthodox Church is making a major resurgence. In a televised Christmas message on January 7, 2008, Putin said, "The Russian Orthodox Church contributes to the promotion of moral values in society. One should not completely draw a line between the culture and the church. Of course by law in our country the church is separate from the state. But in the soul and the history of our people it's all together. It always has been and always will be."

We should be looking to Russia as our friend and ally rather than our enemy. By seeking advice from imperial mastermind Brzezinski, who joined with David Rockefeller in the 1970s in forming the Trilateral Commission, Obama appears that he doesn't seem to understand this at all. Someone needs to tell him that the most effective way possible for the U.S. to break away from its disastrous subservience to the Anglo-American Empire would be through a genuine alliance with the great continental land powers of the world, including Russia, China, and even Brazil.

Meanwhile, Obama's economic prescriptions are anemic. *New York Times* columnist Paul Krugman wrote they don't come close to Hillary Clinton's in terms of a progressive agenda. Still, the only substantive structural change either has proposed is Obama's suggestion on his website for a federal infrastructure bank similar to the Dodd and Kucinich proposals. Obama has also spoken of the need to rebuild the economy "from the bottom up" and to "increase incomes."

Obama is correct, but he has not identified the causes of the enormous overhang of individual, public, and corporate debt on the economy. He has not spoken of the need to get rid of the debt-based monetary system run by the Federal Reserve as has Republican candidate Ron Paul. He has failed to challenge the financial predators of Wall Street who have become the Democratic Party's most dedicated contributors. And he has not recognized the fact that our producing economy has been wrecked by the free-market fundamentalism of the last generation and that **enormous** changes must be made to recover. To do so, of course, would require a clean break with the empire he seems to have been sucking up to as the price of success.

Some say that Obama is just getting his political ticket punched, or is trying not to upset the geopolitical applecart too much, and that when he becomes president he will abandon the campaign rhetoric and embrace the changes he claims to envision. But would Jefferson, Lincoln, Roosevelt, or JFK have made as many compromises ?

In the meantime, the forces of empire will be doing everything possible to sink their talons deeper into Obama's backside. Wall Street donors will throw money at him. John McCain will continue to foment on the right to push Obama deeper into Israel 's camp, so that Obama may be forced to compromise himself further to preserve as much as he can of the Democratic Party's traditional support among Jewish voters.



The strategy of the empire will be to assure that Obama, if elected, will continue to extend the Middle Eastern wars, as our military, with Israel and AIPAC leading the cheers, pushes deeper into the Asian heartland. It's war, above all, the empire desires, because with peace, people come to their senses. With war, they can easily be controlled. And war is an immense source of profit, as are illicit drugs.

If he's elected, Obama's choice will be World War III or not. With it, America may die; with peace, we can rebuild our troubled land. I believe it's as simple as that. The objective of the controllers may be to assure that by the time Obama is elected he has already made that choice the way they desire.

### **Spiritual Warfare?**

As Thomas Paine said, "These are the times that try men's souls." We truly seem to be at a spiritual crossroads in the world today. It's really up to us. Is man a being with a soul destined to be free? Is he created in the image of God? Is it true, as Jesus said in speaking of every man and woman, that "I and my Father are one?" Or is a human being a piece of dirt, a thing to be used, abused, then thrown away, a slave to the biggest, baddest, meanest, most cunning and violent among us?"

We know how Thomas Jefferson and other great men and women from our past answered this question. How will we answer it? And will it really take that many? Our nation was created by a handful of patriots. They say that three percent of the population fought the British. Perhaps it's true, as the Bible says, that one good man can save a city.

Meanwhile, it's the imperial controllers who are the real slaves, the ones most in bondage to materialism and fear. It's said that in the old American South the suicide rate was higher among the masters than the slaves, because the slaves had religion, music, and knew how to work. The masters had only a whip.

Russia is also a nation that faced these issues. During the Middle Ages, that nation was repeatedly invaded by Mongols and other steppe dwellers from Asia who laid waste to the Orthodox culture, wiped out cities, massacred civilians, collected tribute, and carried off slaves. If you rebelled they killed you.

In *The Third Rome : Holy Russia , Tsarism, and Orthodoxy*, Dr. Matthew Raphael Johnson attributes the inner strength of the Russian people to their practice of hesychasm, or the inner prayer the heart. This prayer was repeated as a spiritual practice in a way similar to the mental repetition of the Lord's Prayer by some Western Christians.

Or maybe the answer lies in the Book of Job. Once Satan came to God after "walking up and down in the earth" and wagered he could break the spirit of Job, God's dearest servant. God allowed Job to be tempted by misfortune, but only for a time. Today Satan proudly walks the earth, perhaps in a tailored suit, sometimes in robes of royalty, maybe even in preacher's garb, tempting us to believe that this world of materialism is real and has power. Our task may simply be to see it is not so.

### **Conclusion**

I don't know how long I will stay in Williamsburg before the wider world beckons again. One

thing that has disappointed me has been the actions of those in charge of the College of William and Mary. Sometime after I graduated, the college acquired a president who decided to make it “the most prestigious small university in America .” They also named as successive chancellors two of the most infamous denizens of the Anglo-American Empire.

The first was Great Britain ’s former prime minister, the “Queen of Privatization,” Margaret Thatcher. She was Ronald Reagan’s mentor in how to allow a national economy to be sacked by the financiers and later pressured George H.W. Bush to invade Iraq . One of her advisors was Victor Rothschild, the Third Baron Rothschild, who had bankrolled the creation of Israel in 1948.

After Thatcher came Henry Kissinger, Nixon’s National Security Adviser and Secretary of State, whose main function in office seemed to be to threaten, attack, and overthrow the governments of developing nations. 1989 alumnus Jerrett Decker wrote:

“I am dismayed by the appointment of Henry Kissinger as chancellor. There is significant evidence that he was complicit in crimes in Chile in 1973, as well as other extra-legal acts throughout the world. The case against him grows stronger with each new tranche of government documents released to the public through declassification.

“As the full truth emerges, Kissinger is likely to be remembered in American history as a figure on par with Henry Wallace on the left (who visited the Soviet gulag at Magadan during the Stalin era and praised Stalin’s ‘humanitarianism’) or J. Edgar Hoover on the right (whose agents illegally bugged and blackmailed Martin Luther King and urged him to commit suicide).

“There is no gentle way to put it: the evidence suggests that Kissinger will be remembered as a criminal.”

At one point the William and Mary president set as an objective the achievement of Rhodes Scholar status for some of their students and succeeded. Two of its most notable graduates are TV comic Jon Stewart and Secretary of Defense Robert Gates. But when I offered to come and speak to young writers in the English Department about my book *Challenger Revealed*, they didn’t answer my e-mails.

I’m afraid William and Mary has become an imperial hotbed. I can hear my own mentor Thomas Jefferson stirring in his grave!

But life goes on. In early May I attended my son Fred’s graduation at Virginia Tech in Blacksburg , where he received a degree in engineering science and mechanics and where his sister Adele had also graduated. Fred will be staying to earn a master’s degree through a research fellowship in composite materials.

Over the years Fred and I have had many discussions of the role technology plays in today’s life. One thing we discussed was when the technology might become available to fuel cars with water by extracting and burning hydrogen. This would also make it possible to create small-scale electrical generators for home, business, or farm use that would free us from fossil fuels as well as from the electrical grid.

Fred had been one of the students attending class in Norris Hall on April 16, 2007, when a deranged shooter killed 32 people and wounded many others before taking his own life.

Fred was one of those who jumped from a second storey window while a classroom door was being blocked by Professor Livriu Librescu, one of the teachers who died in the assault.

Fred suffered a minor ankle fracture from his fall. Later that year he ran in the Marine Corps Marathon in Washington , D.C. , as part of a Virginia Tech team raising money for the April 16 benefit fund. This led to his decision to begin training for the Ironman Triathlon scheduled for November 2008 in Panama City , Florida . After his graduation he competed in a Half-Ironman in Orlando .

Fred says the athletic activity is playing a big part in his emotional recovery. He seems to have inherited his father's predilection for getting mixed up in horrifying events.

Last week in Williamsburg we had a visit from a film crew from the Scottish Documentary Institute in Edinburgh headed by Swedish filmmaker Maja Borg and producer Sonja Henrici. They are shooting a feature-length documentary on worldwide economic reform entitled, *Future for Sale*. The crew shot footage of my elderly mother guiding Maja on a tour of the Restored Area, where she pointed out that Williamsburg once was a flourishing 18th century community without a single bank.

On a porch behind the Raleigh Tavern, then later in my mother's dining room, they videoed Maja interviewing me about monetary reform. I focused on Douglas 's theory of the "gap" and how to fill it with a National Dividend.

I also pointed out the urgency of rebuilding our manufacturing and agricultural economy. I said this could be done if we had a correct definition of credit as the productive potential of the people of a nation instead of its being the private property of the banks.

Credit should be viewed as part of the public commons and viewed as a public utility like electricity, water, and clean air. I added that availability of credit should be a basic human right, a component of "life, liberty, and the pursuit of happiness." Abuses of credit by the private banking industry, including leveraged investments for equity, hedge, commodity, and derivative funds, should be outlawed.

The previous week I had given four separate presentations at the "Building a New World" conference of the Prout World Assembly at Radford University in Radford , Virginia . I keynoted the session on "Fighting for Economic Democracy" and took part in panels on "The End of Empire," "Monetary Reform," and "No More Income Tax." Also on-stage that weekend were such notables as Cindy Sheehan and David Swanson. At the conference I pointed out that the National Dividend could be used to rebuild local economies through revitalization of family farming and urban small business. Also present was Steven Shafarman, who advocates a similar type of dividend which he calls Citizens Dividends in his new book, *Peaceful Positive Revolution*.

At the conference I was able to announce that my new book entitled *We Hold These Truths: The Hope of Monetary Reform* will be published this fall by Tendril Press of Aurora, Colorado. I'm also starting a new website with my publicist and partner Susan Boskey. And I've been invited to Australia 's Sunshine Coast to give the keynote address next spring at the Heartfire Festival, a benefit for children harmed by war that will be sponsored by Avante Films.

This week I'm being interviewed on four different radio programs by Alex Jones, Kevin Barrett, Carol Brouillet, and the hosts of The Power Hour, Joyce Riley and Dave von Kleist. In these interviews I'm expressing my confidence that the worldwide monetary reform movement, as an expression of basic human decency, has an answer to many of the problems the world faces today. Within the United States, at least, and perhaps elsewhere, monetary reform will play a key part in the vast changes to come.

**Richard C. Cook** is a former U.S. federal government analyst, whose career included service with the U.S. Civil Service Commission, the Food and Drug Administration, the Carter White House, NASA, and the U.S. Treasury Department. His articles on economics, politics, and space policy have appeared on numerous websites. His book on monetary reform, entitled *We Hold These Truths: The Hope of Monetary Reform*, will be published soon by Tendril Press. He is also the author of *Challenger Revealed: An Insider's Account of How the Reagan Administration Caused the Greatest Tragedy of the Space Age*, called by one reviewer, "the most important spaceflight book of the last twenty years." His Challenger website is at [www.richardccook.com](http://www.richardccook.com). A new economics website at [www.RealSustainableLiving.com](http://www.RealSustainableLiving.com) is upcoming with partner Susan Boskey, author of *The Quality Life Plan: 7 Steps to Uncommon Financial Security*. Susan's website is at [www.AlternativeFinancialNow.com](http://www.AlternativeFinancialNow.com). To get on their mailing list, for questions and comments, or to pre-purchase copies of Richard's new book, please write [EconomicSanity@gmail.com](mailto:EconomicSanity@gmail.com)

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