|  |  |
| --- | --- |
| Jihad Report  Aug 19, 2017 - Aug 25, 2017 | |
| Attacks | 35 |
| Killed | 189 |
| Injured | 224 |
| Suicide Blasts | 5 |
| Countries | 16 |

**Maxine Waters Charged…Finally**

The House ethics committee on Monday outlined its charges against Rep. Maxine Waters, who is accused of helping a bank in which her husband owned stock secure federal bailout funds.

The committee charged the 10-term California Democrat with three counts of violating House rules and the federal ethics code in connection with her effort to arrange a 2008 meeting between Treasury officials and representatives with OneUnited bank.

The panel said Waters, who sits on the Financial Services Committee, broke a House rule requiring members to behave in a way that reflects “creditably” on the chamber. The committee said that by trying to assist OneUnited, she stood to benefit directly, because her husband owned a sizable amount of stock that would have been “worthless” if the bank failed.

The committee also accused Waters of violating the “spirit” of a House rule prohibiting lawmakers from using their positions for financial gain, as well as a government ethics statute banning the dispensing of “special favors.”

Waters has vehemently denied wrongdoing and said she would rather defend herself at an ethics trial than admit to “something I did not do.”

<http://thehill.com/homenews/house/113309-house-ethics-committee-charges-waters-on-three-counts>

**BROKE! Maxine Waters’ Individual Campaign Contributions Dry Up, Owes Daughter Big $$$**

Despite Maxine Waters’ elevated profile following the election of Donald Trump, the Democrat Congresswoman is in financial despair. Campaign filings reveal Waters received a paltry $22,000 in individual contributions this year and owes her daughter $100,000 for political mailer services.

The campaign has compensated for the low amount of individual contributions by pulling in six figures from political action committees. The campaign reported $2,500 from PACs during the first quarter and $99,500 during the second quarter.

Rep. Waters’ campaign now has $193,714.02 cash on hand and debts totaling $128,748.12. A majority of the debt is owed to Karen Waters, the daughter of Maxine Waters.

Something about storms in the “H’s thru the K’s” that seem to deliver the most devastating effects. The U.S. National Hurricane Center issued a hurricane watch Wednesday for much of the Texas coast, calling for slow-moving Tropical Depression Harvey to intensify as it nears landfall. I, for one, am just glad we probably won’t see much from Hillary, other than her psychotic friend’s network book called *What Happened.* Many of us in the publishing business could think of better names. My group of multiple personalities came up with these winners:

* *Lost: 220 Days in the Deep Woods*
* *How to deal with Schizophrenia in one Easy Election*
* *The Rise and Fall of the Clinton Crime Syndicate*
* *Loss of Favor*

But seriously, enough of that gas. Let’s talk about gas. You know. Good old crude oil; black gold, Texas Tea.

Royal Dutch Shell and Anadarko Petroleum announced production shut-ins affecting five Gulf of Mexico oil platforms on Wednesday ahead of a storm expected to lash the Texas coast with heavy winds and rain later this week. I spent a year working in Hattiesburg, Mississippi and discovered there are more than 24 thousand oil rigs in the Gulf of Mexico. Some are working rigs, and others are abandoned or obsolete. They don’t take them down. They just leave them in place and let them rust back to the sea, I suppose. I tried to make arrangements to stay on one of them for a weekend to see what it was like for two days and nights out there with no light pollution. I couldn’t get the boat arranged, and then I couldn’t make sure they would come back out and get me. I mean, come on. That would make Castaway look like a resort. A big hunk of rusting steel and concrete floating in 5 thousand feet of seawater 45 miles from shore is not a recipe for survival.

If I had my own boat, I would do it. I just want to see what primitive, quiet night would be like on the open ocean in the middle of the Gulf. I got to thinking about the tens of thousands of square miles of water out there that see zero traffic. No shipping, no tourists, no fishing, and thousands of abandoned oil rigs make a perfect, and I do mean perfect hiding place for enemy subs. Hell, anyone with 10th grade education could set up a missile or drone launch station on an old oil rig and launch an attack that could travel 1,200 miles inland before being seen by anyone. Since Obama ordered the TARS dismantled, there is no possible way anyone could see it coming. I am currently writing a new thriller that has this theme woven into the story. Hey, someone has to pick up where Clancy left off. I hope to have it ready before too long. Yes, it will have the deep spiritual aspects as well. And romance. It will have that as well.

So, just to make sure the Federal dollars keep on coming, Texas Governor Greg Abbott declared a state of disaster for 30 counties ahead of the storm.

Between 10 inches and 15 inches (25 cm to 38 cm) of rain are expected from the central Texas Coast to southwest Louisiana, with some areas receiving up to 20 inches of rain, according to the Miami-based NHC. "Heavy rainfall is likely to spread across portions of eastern Texas, Louisiana, and the lower Mississippi Valley from Friday through early next week and could cause life-threatening flooding," the NHC said in an advisory.

In Corpus Christi, city officials warned residents to expect a storm surge of between four feet and six feet (1.83 m) and began distributing sand bags to local residents. If you have ever been down to highway 90 that runs along the Gulf Coast beaches, you will know that 6 feet of storm surge gets you well into the lobbies of half the resorts down there.

The U.S. Gulf of Mexico is home to about 17 percent of the nation's crude output and 5 percent of dry natural gas output, according to the U.S. Energy Information Administration. More than 45 percent of the nation's refining capacity is along the U.S. Gulf Coast.

Shell said it was evacuating all personnel from the roughly 100,000 barrel per day Perdido oil and gas production platform as a precaution. Anadarko said it had shut in production and was evacuating workers from its Boomvang, Gunnison, Lucius and Nansen platforms in the Gulf of Mexico.

Other Gulf of Mexico operators said they were watching developments closely but operations were unaffected.

Chevron on Wednesday afternoon said it had not evacuated any staff and BP Plc said normal operations were still underway. ConocoPhillips said it was making preparations but had not interrupted any operations.

**ANTIFA Petition Reaches 300**

In less than a week, one quarter of a million Americans have signed a petition to have President Donald Trump officially classify the “Antifa” group a terrorist organization, accusing them of violence at demonstrations and incitement to kill police.

Using the petition website originally set up by the Obama administration, the petition [calls for labeling Antifa terrorists](https://petitions.whitehouse.gov/petition/formally-recognize-antifa-terrorist-organization-0) due to the group’s “violent actions in multiple cities and their influence in the killings of multiple police officers throughout the United States.” It also compares Antifa to Islamic State (IS, formerly ISIS/ISIL).

The petition was [launched Thursday](https://www.rt.com/usa/400272-petition-us-antifa-terrorist-trump/) amid threats by Antifa against speakers and attendees of the free speech rally in Boston, Massachusetts, which was scheduled for Saturday. The rally’s libertarian organizers had been denounced as white supremacists and neo-Nazis - a charge they have [emphatically denied](https://www.facebook.com/john.medlar/posts/10214600740999070).

In the end, Boston police kept some 40,000 protesters away from the small gathering of free speech activists. Though the majority of demonstrators were peaceful, at one point the police had to plead that individuals stop “throwing urine, bottles and other harmful projectiles” at their officers.

An armed Antifa group is launching a new cell in Philadelphia, with support from the “alt-left” alternative media.

The group currently hosts anti-police workshops called “Our Enemies in Blue.” The group draws inspiration from convicted murderers and calls for violence against the police, theft of goods, and armed insurrection.

Antifa websites like It’s Going Down, Sub.Media and Insurrection News have been promoting the group, which calls itself the [Revolutionary Abolitionist Movement](https://revolutionaryabolition.org/), calling on their readers to donate to a [Fundrazr account](https://fundrazr.com/d1GxFe?) for the creation of the new cell.

The [press release](https://itsgoingdown.org/revolutionary-abolitionist-movement-announces-ram-philly/) the group published in far-left media is filled with hyperbolic claims about how “mosques are being ruthlessly bombed” and how “LGBTQ are being battered.”

“The destruction of black life continues unabated as millions languish in the plantations of the modern day slave system,” the group states.

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### Should Democratic Party Politicians Disavow These Anti-Police Groups?

  Yes         No

#### Login with your social identity to vote

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[inSign in with LinkedIn](javascript:void(0);)

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Taking pride in the “legacy” of “Philadelphia’s rich revolutionary tradition,” RAM cites Mumia Abu Jamal, the Black Panther activist who shot and killed Philadelphia police officer Daniel Faulkner in 1981.

It also cites Russell Shoats, who shot a police officer in the back five times in 1970. Similar to Antifa, the actions of the Black Panthers [have been described](http://articles.chicagotribune.com/1996-03-30/news/9603300173_1_police-station-squad-car-computer-wallet) as having a “very undefined purpose of assaulting police officers.”

Like other Antifa groups, RAM claims to oppose the usual -isms and white supremacy, but a quick look at the organization’s “Political Foundation” page, as highlighted by [Far Left Watch](https://farleftwatch.com/2017/08/23/armed-antifa-group-hosts-anti-police-workshop/), notes the inclusion of several alarming points, including the “Abolition of Gender,” and the “Expropriation and the Cooperative Economy.”

**Radar Love**

KOROR, Palau: The United States has announced plans to install radar systems in Palau, a move that will increase its monitoring ability in the western Pacific region recently rocked by threats from North Korea.

In a joint statement, the US Defense Department and the Palau government said they were working to finalise the location of radar towers on the archipelago nation of 22,000 people.

"The radar systems will provide Palau enhanced maritime law enforcement capability... while also providing the US with greater air domain awareness for aviation safety and security," they said in the statement dated Aug 21.

While Palau is an independent nation, it has no military and the US is responsible for its defense under an agreement with Washington.

Under the deal, the US military has access to the islands, although it currently has no troops stationed there.

Palau is about 1,300km south-west of Guam, the US Pacific territory that Pyongyang threatened to fire missiles towards earlier this month, sparking rhetoric of "fire and fury" from President Donald Trump.

The statement said the US proposed the radar installation on Jul 18, before the recent crisis with North Korea erupted.

"This project is essential to the well-being of the Republic of Palau's air and maritime domains, as well as to the ability of the United States to maintain its defense of the Republic of Palau," it said.

"The sites provided (for radar towers), which have yet to be finalised, have been chosen with an eye on minimizing environmental impacts."

Both the Palau government and the US embassy in Koror declined to comment further.

The radar system would help Palau monitor a massive 500,000 sq km maritime sanctuary it created in 2015.

The sanctuary - approximately the size of Spain - is difficult for Palau to police for illegal fishing.

**The History of Math Revealed**

A 3,700-year-old clay tablet has proven that the [Babylonians](http://www.telegraph.co.uk/news/earth/environment/archaeology/10470443/Pictured-the-real-site-of-the-Hanging-Gardens-of-Babylon.html) developed trigonometry 1,500 years before the Greeks and were using a sophisticated method of mathematics which could change how we calculate today.

The tablet, known as Plimpton 332, was discovered in the early 1900s in Southern Iraq by the American archaeologist and diplomat Edgar Banks, who was the inspiration for Indiana Jones.

The true meaning of the tablet has eluded experts until now but new research by the University of New South Wales, Australia, has shown it is the world’s oldest and most accurate trigonometric table, which was probably used by ancient architects to construct temples, palaces and canals.

However unlike today’s trigonometry, Babylonian mathematics used a base 60, or sexagesimal system, rather than the 10 which is used today. Because 60 is far easier to divide by three, experts studying the tablet, found that the calculations are far more accurate. “Our research reveals that Plimpton 322 describes the shapes of right-angle triangles using a novel kind of trigonometry based on ratios, not angles and circles,” said Dr Daniel Mansfield of the School of Mathematics and Statistics in the UNSW Faculty of Science.

“It is a fascinating mathematical work that demonstrates undoubted genius. The tablet not only contains the world’s oldest trigonometric table; it is also the only completely accurate trigonometric table, because of the very different Babylonian approach to arithmetic and geometry.

“This means it has great relevance for our modern world. Babylonian mathematics may have been out of fashion for more than 3000 years, but it has possible practical applications in surveying, computer graphics and education.

“This is a rare example of the ancient world teaching us something new.”

The Greek astronomer Hipparchus, who lived around 120BC, has long been regarded as the father of trigonometry, with his ‘table of chords’ on a circle considered the oldest trigonometric table.

A trigonometric table allows a user to determine two unknown ratios of a right-angled triangle using just one known ratio. But the tablet is far older than Hipparchus, demonstrating that the Babylonians were already well advanced in complex mathematics far earlier.

The tablet, which is thought to have come from the ancient Sumerian city of Larsa, has been dated to between 1822 and 1762 BC. It is now in the Rare Book and Manuscript Library at Columbia University in New York.

“Plimpton 322 predates Hipparchus by more than 1000 years,” says Dr Wildberger.

“It opens up new possibilities not just for modern mathematics research, but also for mathematics education. With Plimpton 322 we see a simpler, more accurate trigonometry that has clear advantages over our own.

“A treasure-trove of Babylonian tablets exists, but only a fraction of them have been studied yet. The mathematical world is only waking up to the fact that this ancient but very sophisticated mathematical culture has much to teach us.”

The 15 rows on the tablet describe a sequence of 15 right-angle triangles, which are steadily decreasing in inclination.

The left-hand edge of the tablet is broken but the researchers believe t there were originally six columns and that the tablet was meant to be completed with 38 rows.

“Plimpton 322 was a powerful tool that could have been used for surveying fields or making architectural calculations to build palaces, temples or step pyramids,” added Dr Mansfield.

The new study is published in Historia Mathematica, the official journal of the International Commission on the History of Mathematics.

**ANTIFA and the Slippery Slope**

You know who ANTIFA is. Or maybe you don’t. Maybe none of really know who it is. We see young, athletic people in black clothing with a catcher’s vest, a mask, often a helmet of some kind, AND A BAT. That heralds back to the days of Hitler’s brown shirts who went through towns beating people who protested against the Nazi takeover of Germany. We often hear of the ‘knives coming out,’ but we need to be reminded that this was a night when Hitler employed convicts for violent crimes in a synchronized knife assassinations of all of Hitler’s political enemies. Suddenly, no one wanted to stand up and voice any opposition to his policies in the government.

Well, there is a petition out there that we have promoted. In fact, last week during the 3-hour program 25,800 signatures were added to it with the open challenge for 250,000 signatures to be delivered to President Trump. The petition called for ANTIFA to be classified a terrorist organization. This means several things.

First, they would lose their tax-free status. Second, their funds would be frozen until the courts can decide what should be used for restitution, and what would be seized by the US courts. Third, the founders and members of ANTIFA would be arrested, where possible, and the ones who actually committed felony assault—that would be a second class felony of assault with a deadly weapon—would be put in jail. The challenge is to find out who they are. They wear masks for a reason. They move as a black bloc for a reason. They are trained and paid and managed to move as one so that no individual is responsible for anything. What they don’t realize is that this makes everyone who wears the mask or signs up for a membership an accessory after the fact. It means, if anyone dies as a result of their actions, they all are guilty by association.

So, how do we find out who they are? A District of Columbia Federal Judge has approved a government warrant seeking information about users and subscribers to an anti-Trump website which has been linked to rioting during the presidential inauguration in Washington, D.C., but he added protections to safeguard "innocent users."

Chief Judge Robert Morin ruled that DreamHost, an LA-based web-hosting company, must turn over data about visitors to the website **disruptj20.org**, which is a home to political activists who organized protests at the time of Donald Trump's inauguration as U.S. president in January, many of whom have since morphed into the controversial "***antifa***" movement. Morin, who will oversee review of the data, also said the government must explain what protocols it will use to make sure the data of "innocent users" is not seized by prosecutors, according to [Reuters](https://www.reuters.com/article/us-usa-court-dreamhost-idUSKCN1B41ZC). Bloomberg adds that prosecutors would have to tell the judge which data it intended to seize.

**“I’m trying to balance the First Amendment protections and the government’s need for this information,”** Morin said. “My view here is that this best protects both legitimate interests.”

In the closely watched case, which could have a material chilling effect on similar activist website, the DOJ said it sought the records connected to the site **amid concerns that it helped facilitate the planning of protests on Inauguration Day in which more than 200 people were arrested** for rioting and vandalizing businesses in downtown Washington.

DreamHost resisted the original July 12 warrant, saying the scope of the warrant was too broad and trampled on the rights of 1.3 million visitors to the site, many of whom were simply exercising their First Amendment rights to express their political views. It also said the warrant would expose the identities of the 1.3 million people who had visited the site.

*The Justice Department last week proposed amending the scope of its warrant to exclude the IP addresses of website visitors and limit the search only to records from July 1, 2016 to Jan. 20, 2017.*

*But DreamHost argued that the warrant was still too broad, as it could sweep in people who sent emails to disruptj20 addresses. The company objected to the two-step process that would require it to turn over data in bulk and let prosecutors search for and seize evidence of criminal involvement in the riots.*

At Thursday's hearing, Judge Morin said that he recognized the tension between free speech rights and law enforcement's need to search digital records for evidence. He said he added safeguards to his order granting the government's request for information in an effort to balance those two concerns.

According to Bloomberg, the warrant initially sought all data and records pertaining to disruptj20.org, including information about site visitors. Prosecutors said details on subscribers -- including names, addresses, phone numbers and the contents of email accounts within the disruptj20.org domain -- would help identify those who organized and participated in the riots.

Privacy advocates raised concerns that the warrant was an attempt by the Trump administration and the Justice Department under Attorney General Jeff Sessions to cast a “digital dragnet” to identify the president’s critics. As a result, on Tuesday, prosecutors amended their request, saying in part that while the government wants information on subscribers, it’s not interested in data logs containing information about visitors. **Prosecutors also say they will set aside any information that doesn’t involve rioters and have it sealed**.

*“We are sensitive to the idea that the website has a dual purpose,” Assistant U.S. Attorney John Borchert told Morin during Thursday’s hearing. That didn’t assuage DreamHost, which told Morin that the government’s revised warrant would still give it access to membership lists and content from multiple email accounts in violation of the First Amendment.*

*“That in and of itself will have a chilling effect,” said Raymond Aghaian, a lawyer for DreamHost.*

The U.S. attorney’s office in Washington told Morin that the website, disruptj20.org, was used to recruit and organize hundreds of people who rioted on Inauguration Day. The rioters, armed with hammers, crow bars and wooden sticks, also injured police and others, according to prosecutors. **So far, 19 people have pleaded guilty among the almost 200 people who were charged,** prosecutors said in court papers.

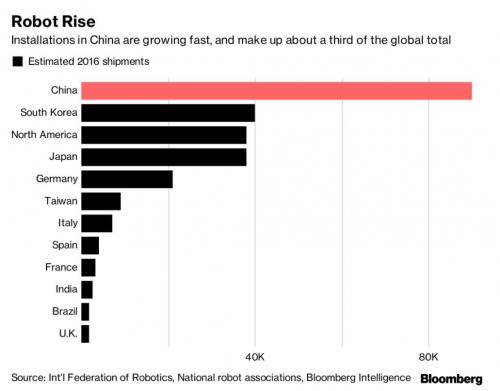
The website wasn’t just a way to disseminate information “but was also used to coordinate and privately communicate among a focused group of people whose intent included planned violence,” prosecutors said in a court filing. **Organizers of the riot used the website to verify the identity of people who would take part by requiring attendees to log in and provide their credentials**, the government has alleged.

**Robot Wars Update**

We often talk about robots here on this program, but usually it is the fear of AI and the coming dreaded robot warriors. But the battlefield isn’t always the battlefield. Sometimes, it is the factory floor where the robots do their best work. Painting, welding, and handling heavy or hazardous loads are logical places to use robots. No human can out-paint or out-weld a robot. It isn’t just the speed, either. It’s the quality of the work. Most of the robots have come from Germany or from Japan that we use on the factory floor, but that has begun to change, because China has steadily been copying other country’s technology—okay let’s call it what it is…stealing—and they are now offering cheap robots. But unlike the other cheap technology they offer, like solar panels and Lithium batteries, they are actually using this technology themselves in the very application we thought they would never use it.

I mean, what has been cheaper than Chinese labor? Well, there is one fact about capitalism that people forget. When people can earn a little money, they soon want more money. As wages for Chinese workers’ skyrocket, the country’s manufacturers are scrambling to replace humans with machines, in many cases to preserve thin profit margins that have been choked by debt service.

But according to a report from [Bloomberg Intelligence](https://www.bloomberg.com/news/articles/2017-08-22/china-s-robot-revolution-may-weigh-on-global-rebalancing?cmpid=BBD082317_MKT&utm_medium=email&utm_source=newsletter&utm_term=170823&utm_campaign=markets), China’s embrace of automation – its companies are installing machines faster than in any other country – could have unintended consequences for the global economy, as the robots force wages to sink, inequality to balloon, and consumption to collapse. Why will consumption collapse? Because no one is working to earn a wage to buy the things they are making in the same factories. I mean, robots are great and reliable and repeatable and eventually will pay a dividend in the relatively high capital cost, but there is one thing they will never, ever do. They will never shop.

[](http://www.zerohedge.com/sites/default/files/images/user245717/imageroot/2017/08/19/2017.08.23china.JPG)

To be sure, the blistering pace of AI adoption hasn’t dented Chinese wages – at least not yet.

*“Pay gains are intact. Domestic manufacturing workers with a high-school education saw wages rise 53 percent from 2010 to 2014, according to China Household Finance Survey data cited by BI.”* 53% is 4 years? That means they were really, really depressed wages before.

But as one economist explained, the increasing reliance on automation could thwart the Communist Party’s plan to become the world’s largest economy.

China’s leaders have embraced a different view. Beijing believes that if it can automate sectors like car manufacturing, electronics, appliances. Logistics and food, its citizens will focus on better service-sector jobs, while also compensating for an anticipated shrinking of the workforce. That means that their population is getting older. Older people don’t produce. They consume. They actually think that robots will do the production. True, they can do that. But they cannot create. They cannot innovate. They cannot imagine and dream and invent. What happens to a social economy that is based upon robotics is that it cannot adapt. In fact, within less than a generation, it loses the ability to change.

**The Communist Party’s Made In China 2025 plan and a separate five-year plan governing the expansion of its robot workforce were launched last year.** As part of its plan, China is also hoping to produce more of its own robots, crowding out the foreign firms that presently dominate that market. Actually, they will keep making the cheap copies of Fanuc or ABB or Kuka robots and using them for themselves.

***“The government also wants to increase the share of Chinese-branded robots in the country’s $11 billion market to more than 50 percent of total sales volume by 2020 from 31 percent last year, and aims to produce 100,000 robots a year by 2020, compared with 33,000 in 2015.***That means competitors, who are paying the price to invent while China simply reverse engineers the finished product, will likely invest in litigation and trade wars to stop China from stealing the world’s ideas. The US is already ramping up a long overdue trade war with China over the theft of intellectual property.

While China is quickly catching up to South Korea and other global robotics leaders, the overall population density of robots in China remains below the world average. China has always been able to easily put six workers into a job normally done by one human and one robot. Assembly line workers stand 12 hours a day, seven days a week for 11 months. Then, they have one month off. Then, they resume their life at work. They live in company (government) housing, wear company clothes, eat company food, and earn barely enough wages to get from payday to payday, never able to save money and hope for a better day or higher wages. Women are notoriously discriminated against, and men are often exported to other countries to breed with their natives to conquer enemies of the State. Tibet is a perfect example of this type of foreign policy.

In a viral video published back in April, the People’s Daily provided a glimpse into the rapidly approaching future of China's labor force: The video, also released [by the SCMP,](http://www.zerohedge.com/news/2017-07-04/chinese-manufacturers-are-scrambling-replace-workers-robots-wages-soar) shows hundreds of round Hikvision robots, each roughly the size of a seat cushion, swiveling across the floor of the large warehouse in Hangzhou. **A worker is seen feeding each robot with a package before the machines carry the parcels away to different areas around the sorting center. Thousands of America factories now have vertical storage and retrieval warehouses that have no forklifts, no humans, and consist of a compressed matrix into which pallets are stored like bits of memory, to be recovered FIFO, making the most efficient use of real estate possible.**

And as engineers continue to make progress building robots that are better suited toward working alongside humans, the robots’ numbers will probably continue to skyrocket.

While the impact on wages has been mild for now, it likely won’t stay that way forever. Well, that is until the lights go out. Only humans can build things from dirt and sweat.

**Gold Fever**

I have often said that gold drives men mad. I mean crazy. Men and women have an almost primeval lust for gold. If they have one coin, they want ten. If they have one bar, they want a hundred. They’re like Smaug, in the Lord of the Rings. What can a dragon do with gold? Exactly. What can a man do with bars of gold, except drown trying to pull it off the bottom of the pool? Oh, well yes they can make the rules. There’s always that. But to be the one who makes the rules, you only need to convince everyone in the room that you have the gold. Therein lies the rub.

On the afternoon of Monday, August 21, US Treasury Secretary Steven Mnuchin, Senate Majority Leader Mitch McConnell, Kentucky Governor Matt Bevin, and Kentucky Congressman Brett Guthrie took a visit to the vault of the US Mint’s gold depository in Fort Knox, Kentucky, a vault which, according to the US Treasury, holds gold bars containing 147,341,858 fine troy ounces of gold (4583 tonnes of gold).

The trip was notable in that it is one of the rare occasions in history that a US political/congressional delegation has ever visited the Fort Knox depository, and Mnuchin is now only the 3rd treasury secretary ever to make this visit.

The trip was also notable in that unlike previous political excursions to the vault, the Mnuchin-led visit was very low-key, it was announced to the media and public at extremely short notice, and there is no evidence that any media representatives participated, or at least if they did, they have kept very quiet about it. In contrast, the previous congressional visit to the Fort Knox depository in September 1974 was heavily publicized in advance, was accompanied by 100 news reporters and photographers, and it even documented the visit via photographs and film which were released to the public.

Mnuchin’s visit to the vault merely appears to have taken the form of a quick peek into one of the cramped vault compartments within the Fort Knox vault, and therefore can only be seen as an odd PR stunt whose real intent remains unclear, which does nothing to improve the transparency of the notoriously secretive gold depository, and which on balance has now re-opened scrutiny on how much gold is, or is not, actually stored in the compartments of the Fort Knox vault.

The trip to the Fort Knox vault was only announced by Mnuchin on Monday morning, August 21 (the morning of the Fort Knox visit) during a speech to the Chamber of Commerce in Louisville, Kentucky, which Mnuchin and Mitch McConnell were attending.

As Grace Schneider, a business reporter for the Louisville, Kentucky based Courier-Journal tweeted that morning. @USTreasury Sec. Mnuchin says going to Fort Knox after lunch speech at Olmsted.

So Mnuchin announced the visit literally a few hours before it took place. Fort Knox is located about 40 miles south-west of Louisville. In his Monday morning speech at the Chamber of Commerce, the Washington Examiner reports that Mnuchin made the bizarre comment that “I assume the gold is still there”. McConnell, at the same time, quipped that “we’re going to find out”. Mnuchin’s comment is bizarre because as US Treasury Secretary, he is top official of the US Treasury.

The US Treasury owns the gold in Fort Knox. The US Mint is just the custodian. The Director of the US Mint and all other senior officials report to Mnuchin. At any time, Mnuchin can get a full and complete high-level briefing on the real status of the US gold reserves. He can also get a full de-briefing on the extent to which the US gold reserves have been audited over the years – or not audited as the case may be. To say that he assumes the gold is still there shows either a flippant view of the expected accountability of a US Treasury Secretary, or else a disregard for the responsibility to which the US public has entrusted him.

Do we have the truth? No. Is there really gold in Fort Knox? I would say, based upon the way they are acting, no. Does that mean they still get to make the rules? Absolutely.

It should be clear that the US Treasury (owner of the gold), US Mint (main custodian), Federal Reserve Bank Of New York (second custodian), and the Office Inspector General of the US Treasury (head auditor), are reluctant to disclose information about the audits of the gold at the four largest depositories that store over 8,000 fine metric tonnes. Consider that the most seasoned gold analysts aren’t even aware this gold is audited.

About a year ago we read in the introduction of an interview with world-renowned gold commentators Jim Rickards, “unlike many today, Jim Rickards believes the gold is indeed in Fort Knox but has not been audited to avoid drawing attention to it and to downplay its role”. More recently, on 11 February 2017 the Financial Times wrote, “much of the world’s excavated gold is thought to be in Fort Knox, but nobody can be sure, since the US government will not allow the auditors in”. No, auditing Fort Knox is not a topic only the mainstream media are confused about. Gold advocates are in the dark as well.

**Charlottesville Update**

## Charlottesville’s Mayor claimed Thursday that he and other members of the city council “were not given the security plan for August 12,” which was developed and closely held by the City Manager, the Police Chief, and the Fire Chief.

Mayor Mike Signer’s [Facebook statement](https://www.facebook.com/permalink.php?story_fbid=10155593217220629&id=51200715628) about city preparations in Charlottesville prior to the brawls between [self-described white supremacists, white nationalists](http://dailycaller.com/2017/08/16/an-exclusive-look-at-how-virginia-police-emptied-emancipation-park/), and progressive street groups said:

I asked the Police Chief what I could do to be helpful during that day as Mayor, he answered, ‘Stay out of my way.’ Despite repeated requests, I was not allowed into the City’s Command Center (run by City staff) and was instead asked to be in the Emergency Operations Center (where fire, rescue, and other stakeholders were monitoring the situation).

Signer revealed the political motivations behind the City of Charlottesville’s actions leading up to the August 12 “Unite the Right” rally in Emancipation Park:

Understanding from our staff and other experts that the state of our law regarding these events meant that any attempt to cancel the rally would certainly have been shut down in court, I spent dozens of hours conferring with lawyers, law professors, staff, other mayors, security professionals, and other experts to develop another option.

That option was to move the event to a more spacious location where there could have been substantial “green field” between the protesters and counter protesters. After reviewing all locations in the City with the City Manager, the best option was McIntire Park. In the weeks leading up to August 12, I advocated for McIntire Park, including extensive discussions with my colleagues and staff. I successfully led the drive to hire an outside law firm to advise the City Manager and Police Chief on how such a plan could be developed on the strongest legal grounds.

Despite these efforts, the state of First Amendment law regarding these events is badly antiquated. We saw what happened. After the City Manager and Police Chief announced their decision that the rally would be relocated to a safer location—relying principally on the advice from our attorneys that the size of the event was the most “content-neutral” grounds for moving it—Jason Kessler immediately stated he would not respect the decision: that he would still head with his people to Emancipation Park. We were then sued by the Virginia ACLU and the Rutherford Institute. And a federal judge ruled against our decision on Friday night, just as we had feared.

Maurice Jones was [named the City Manager in 2010](http://www.readthehook.com/65908/more-mo-jones-city-manager), and Al Thomas was [named the Police Chief in 2016](http://www.c-ville.com/historic-hire-al-thomas-charlottesvilles-first-black-police-chief/#.WZ-HmCiGOUk).

Signer declared in January that [Charlottesville](http://www.nbc29.com/story/34389763/charlottesville-mayor-holds-rally-to-declare-city-capital-of-resistance) would become a “capital of resistance” to recently inaugurated President Donald Trump.

On the morning of August 12, the groups from both factions clashed early as the white supremacists/white nationalists pushed their way through a human barrier of progressive protesters — which assembled under a street barrier declaring “Diversity Makes Us Stronger”  — and then got themselves into the park.

The rally was legally permitted to begin at noon on August 12, but [Governor Terry McAuliffe ordered it shut down at 11:22 a.m](http://www.breitbart.com/big-government/2017/08/17/virginia-secretary-of-public-safety-confirms-gov-mcauliffe-made-the-decision-to-shut-things-down/). The City of Charlottesville Police Department tweeted out and [posted on Facebook](https://www.facebook.com/charlottesvillepd/posts/1130509147092519) at 11:35 a.m. that “unlawful assembly had been declared at the rally.”

The Virginia State Police then pushed the “Unite the Right” rally out of Emancipation Park, and into the large crowd of counter protesters gathered in the street at the south entrance of the park. The violence between the two groups spread as a long line of white-power groups walked back through the gauntlet of progressives and away from the park.

At about 1:42 pm, a Dodge car drove into a crowd of counter protesters, killing 32-year-old Heather Heyer. “The driver of the Dodge, James A. Fields, Jr., 20, of Maumee, Ohio, was taken into custody and charged with one count of second-degree murder, three counts of malicious wounding and one count of hit-and-run,” the City of Charlottesville [reported](https://twitter.com/CvilleCityHall/status/896750298156470273).

Before the riot, “during that week [from August 7 to August 12], City Council was under firm instructions not to speak about the rally at all, except to refer to its size,” Signer wrote:

For a public looking for condemnation of groups like the KKK and Nazis, this was very frustrating. It was frustrating for me, too. But if we had spoken out against the content of the speech that was coming to Charlottesville—against its bigotry and hatred—it would have made it even more likely that a judge would have found the removal decision to be “content-based.”

So we were muzzled. And it didn’t even make a difference, because in the tragic decision issued at 9:30 on Friday night, the federal judge still cited prior statements I had made about the bigotry and hate coming to our loving town. Our public statements of our feelings about this evil were held against us.

I hope this has explained some of what City Council can and cannot do. Where City Council does have a role, though, is in accountability. The City Manager works at our pleasure, and he is responsible for the staff under his command, in our form of government.

That is why we have called for an independent review of all decisions related not only to August 12, but the July 8 KKK rally and the prior torch-lit rally at Emancipation Park. This review will also include recommendations of reforms and new policies going forward. This process will require care and diligence, and will take skilled professionals 2-3 months. I expect the review to be announced shortly.

Signer explained that “this is why City Council deemed it necessary to hold an emergency closed session today with the City Manager to discuss personnel matters.”

“The events on August 12 have raised serious questions about the City’s handling of security, communications, and governance. These are questions Council can and should ask as the ultimate authority over the City Manager in our form of government, and we are starting that process today,” Signer concluded.

Last Wednesday, Breitbart News [reported on the timeline of events](http://www.breitbart.com/big-government/2017/08/16/timeline-leading-to-declaration-of-unlawful-assembly-at-emancipation-park-rally-in-charlottesville-virginia-on-august-12/) leading up to the declaration of unlawful assembly at the Emancipation Park rally on August 12, and Signer’s statement confirms many of the details reported in that story.

Last Thursday, Breitbart News reported that Virginia Secretary of Public Safety Brian Moran [told](http://www.breitbart.com/big-government/2017/08/17/virginia-secretary-of-public-safety-confirms-gov-mcauliffe-made-the-decision-to-shut-things-down/) Richmond radio talk show host Jeff Katz that Governor McAuliffe “made the decision . . . to shut things down” at the Emancipation Park rally at 11:22 am on August 12. Signer’s statement also confirms many of the details reported in that story.

**The Purge**

**Here is the list of our military elite who have been purged or fired under Obama:  
Commanding Generals fired:**

· General John R. Allen-U.S. Marines Commander International Security Assistance Force [ISAF] (Nov 2012)  
· Major General Ralph Baker (2 Star)-U.S. Army Commander of the Combined Joint Task Force Horn in Africa (April 2013)  
· Major General Michael Carey (2 Star)-U.S. Air Force Commander of the 20th US Air Force in charge of 9,600 people and 450 Intercontinental Ballistic Missiles (Oct 2013)  
· Colonel James Christmas-U.S. Marines Commander 22nd Marine Expeditionary Unit & Commander Special-Purpose Marine Air-Ground Task Force Crisis Response Unit (July 2013)  
· Major General Peter Fuller-U.S. Army Commander in Afghanistan (May 2011)  
· Major General Charles M.M. Gurganus-U.S. Marine Corps Regional Commander of SW and I Marine Expeditionary Force in Afghanistan (Oct 2013)  
· General Carter F. Ham-U.S. Army African Command (Oct 2013)  
· Lieutenant General David H. Huntoon (3 Star), Jr.-U.S. Army 58th Superintendent of the US Military Academy at West Point, NY (2013)  
· Command Sergeant Major Don B Jordan-U.S. Army 143rd Expeditionary Sustainment Command (suspended Oct 2013)  
· General James Mattis-U.S. Marines Chief of CentCom (May 2013)  
· Colonel Daren Margolin-U.S. Marine in charge of Quantico’s Security Battalion (Oct 2013)  
· General Stanley McChrystal-U.S. Army Commander Afghanistan (June 2010)  
· General David D. McKiernan-U.S. Army Commander Afghanistan (2009)  
· General David Petraeus-Director of CIA from September 2011 to November 2012 & U.S. Army Commander International Security Assistance Force [ISAF] and Commander U.S. Forces Afghanistan [USFOR-A] (Nov 2012)  
· Brigadier General Bryan Roberts-U.S. Army Commander 2nd Brigade (May 2013)  
· Major General Gregg A. Sturdevant-U.S. Marine Corps Director of Strategic Planning and Policy for the U.S. Pacific Command & Commander of Aviation Wing at Camp Bastion, Afghanistan (Sept 2013)  
· Colonel Eric Tilley-U.S. Army Commander of Garrison Japan (Nov 2013)  
· Brigadier General Bryan Wampler-U.S. Army Commanding General of 143rd Expeditionary Sustainment Command of the 1st Theater Sustainment Command [TSC] (suspended Oct 2013)

Commanding Admirals fired:  
· Rear Admiral Charles Gaouette-U.S. Navy Commander John C. Stennis Carrier Strike Group Three (Oct 2012)  
· Vice Admiral Tim Giardina(3 Star, demoted to 2 Star)-U.S. Navy Deputy Commander of the US Strategic Command, Commander of the Submarine Group Trident, Submarine Group 9 and Submarine Group 10 (Oct 2013)

Naval Officers fired: (All in 2011)  
· Captain David Geisler-U.S. Navy Commander Task Force 53 in Bahrain (Oct 2011)  
· Commander Laredo Bell-U.S. Navy Commander Naval Support Activity Saratoga Springs, NY (Aug 2011)  
· Lieutenant Commander Kurt Boenisch-Executive Officer amphibious transport dock Ponce (Apr 2011)  
· Commander Nathan Borchers-U.S. Navy Commander destroyer Stout (Mar 2011)  
· Commander Robert Brown-U.S. Navy Commander Beachmaster Unit 2 Fort Story, VA (Aug 2011)  
· Commander Andrew Crowe-Executive Officer Navy Region Center Singapore (Apr 2011)  
· Captain Robert Gamberg-Executive Officer carrier Dwight D. Eisenhower (Jun 2011)  
· Captain Rex Guinn-U.S. Navy Commander Navy Legal Service office Japan (Feb 2011)  
· Commander Kevin Harms- U.S. Navy Commander Strike Fighter Squadron 137 aboard the aircraft carrier Abraham Lincoln (Mar 2011)  
· Lieutenant Commander Martin Holguin-U.S. Navy Commander mine countermeasures Fearless (Oct 2011)  
· Captain Owen Honors-U.S. Navy Commander aircraft carrier USS Enterprise (Jan 2011)  
· Captain Donald Hornbeck-U.S. Navy Commander Destroyer Squadron 1 San Diego  
(Apr 2011)  
· Rear Admiral Ron Horton-U.S. Navy Commander Logistics Group, Western Pacific  
(Mar 2011)  
· Commander Etta Jones-U.S. Navy Commander amphibious transport dock Ponce (Apr 2011)  
· Commander Ralph Jones-Executive Officer amphibious transport dock Green Bay (Jul 2011)  
· Commander Jonathan Jackson-U.S. Navy Commander Electronic Attack Squadron 134, deployed aboard carrier Carl Vinson (Dec 2011)  
· Captain Eric Merrill-U.S. Navy Commander submarine Emory S. Land (Jul 2011)  
· Captain William Mosk-U.S. Navy Commander Naval Station Rota, U.S. Navy Commander Naval Activities Spain (Apr 2011)  
· Commander Timothy Murphy-U.S. Navy Commander Electronic Attack Squadron 129 at Naval Air Station Whidbey Island, WA (Apr 2011)  
· Commander Joseph Nosse-U.S. Navy Commander ballistic-missile submarine Kentucky (Oct 2011)  
· Commander Mark Olson-U.S. Navy Commander destroyer The Sullivans FL (Sep 2011)  
· Commander John Pethel-Executive Officer amphibious transport dock New York (Dec 2011)  
· Commander Karl Pugh-U.S. Navy Commander Electronic Attack Squadron 141 Whidbey Island, WA (Jul 2011)  
· Commander Jason Strength-U.S. Navy Commander of Navy Recruiting District Nashville, TN (Jul 2011)  
· Captain Greg Thomas-U.S. Navy Commander Norfolk Naval Shipyard (May 2011)  
· Commander Mike Varney-U.S. Navy Commander attack submarine Connecticut (Jun 2011)  
· Commander Jay Wylie-U.S. Navy Commander destroyer Momsen (Apr 2011)  
Naval Officers fired: (All in 2012):  
· Commander Alan C. Aber-Executive Officer Helicopter Maritime Strike Squadron 71 (July 2012)  
· Commander Derick Armstrong- U.S. Navy Commander missile destroyer USS The Sullivans (May 2012)  
· Commander Martin Arriola- U.S. Navy Commander destroyer USS Porter (Aug 2012)  
· Captain Antonio Cardoso- U.S. Navy Commander Training Support Center San Diego (Sep 2012)  
· Captain James CoBell- U.S. Navy Commander Oceana Naval Air Station’s Fleet Readiness Center Mid-Atlantic (Sep 2012)  
· Captain Joseph E. Darlak- U.S. Navy Commander frigate USS Vandegrift (Nov 2012)  
· Captain Daniel Dusek-U.S. Navy Commander USS Bonhomme  
· Commander David Faught-Executive Officer destroyer Chung-Hoon (Sep 2012)  
· Commander Franklin Fernandez- U.S. Navy Commander Naval Mobile Construction Battalion 24 (Aug 2012)  
· Commander Ray Hartman- U.S. Navy Commander Amphibious dock-landing ship Fort McHenry (Nov 2012)  
· Commander Shelly Hakspiel-Executive Officer Navy Drug Screening Lab San Diego (May 2012)  
· Commander Jon Haydel- U.S. Navy Commander USS San Diego (Mar 2012)  
· Commander Diego Hernandez- U.S. Navy Commander ballistic-missile submarine USS Wyoming (Feb 2012)  
· Commander Lee Hoey- U.S. Navy Commander Drug Screening Laboratory, San Diego (May 2012)  
· Commander Ivan Jimenez-Executive Officer frigate Vandegrift (Nov 2012)  
· Commander Dennis Klein- U.S. Navy Commander submarine USS Columbia (May 2012)  
· Captain Chuck Litchfield- U.S. Navy Commander assault ship USS Essex (Jun 2012)  
· Captain Marcia Kim Lyons- U.S. Navy Commander Naval Health Clinic New England (Apr 2012)  
· Captain Robert Marin- U.S. Navy Commander cruiser USS Cowpens (Feb 2012)  
· Captain Sean McDonell- U.S. Navy Commander Seabee reserve unit Naval Mobile Construction Battalion 14 FL (Nov 2012)  
· Commander Corrine Parker- U.S. Navy Commander Fleet Logistics Support Squadron 1 (Apr 2012)  
· Captain Liza Raimondo- U.S. Navy Commander Naval Health Clinic Patuxent River, MD (Jun 2012)  
· Captain Jeffrey Riedel- Program manager, Littoral Combat Ship program (Jan 2012)  
· Commander Sara Santoski- U.S. Navy Commander Helicopter Mine Countermeasures Squadron 15 (Sep 2012)  
· Commander Kyle G. Strudthoff-Executive Officer Helicopter Sea Combat Squadron 25 (Sep 2012)  
· Commander Sheryl Tannahill- U.S. Navy Commander Navy Operational Support Center [NOSC] Nashville, TN (Sep 2012)  
· Commander Michael Ward- U.S. Navy Commander submarine USS Pittsburgh (Aug 2012)  
· Captain Michael Wiegand- U.S. Navy Commander Southwest Regional Maintenance Center (Nov 2012)  
· Captain Ted Williams- U.S. Navy Commander amphibious command ship Mount Whitney (Nov 2012)  
· Commander Jeffrey Wissel- U.S. Navy Commander of Fleet Air Reconnaissance Squadron 1 (Feb 2012)

Naval Officers fired: (All in 2013):  
· Lieutenant Commander Lauren Allen-Executive Officer submarine Jacksonville (Feb 2013)  
· Reserve Captain Jay Bowman-U.S. Navy Commander Navy Operational Support Center [NOSC] Fort Dix, NJ (Mar 2013)  
· Captain William Cogar-U.S. Navy Commander hospital ship Mercy’s medical treatment facility (Sept 2013)  
· Commander Steve Fuller-Executive Officer frigate Kauffman (Mar 2013)  
· Captain Shawn Hendricks-Program Manager for naval enterprise IT networks (June 2013)  
· Captain David Hunter-U.S. Navy Commander of Maritime Expeditionary Security Squadron 12 & Coastal Riverine Group 2 (Feb 2013)  
· Captain Eric Johnson-U.S. Navy Chief of Military Entrance Processing Command at Great Lakes Naval Training Center, IL (2013)  
· Captain Devon Jones-U.S. Navy Commander Naval Air Facility El Centro, CA (July 2013)  
· Captain Kevin Knoop-U.S. Navy Commander hospital ship Comfort’s medical treatment facility (Aug 2013)  
· Lieutenant Commander Jack O’Neill-U.S. Navy Commander Operational Support Center Rock Island, IL (Mar 2013)  
· Commander Allen Maestas-Executive Officer Beachmaster Unit 1 (May 2013)  
· Commander Luis Molina-U.S. Navy Commander submarine Pasadena (Jan 2013)  
· Commander James Pickens-Executive Officer frigate Gary (Feb 2013)  
· Lieutenant Commander Mark Rice-U.S. Navy Commander Mine Countermeasures ship Guardian (Apr 2013)  
· Commander Michael Runkle-U.S. Navy Commander of Mobile Diving and Salvage Unit 2 (May 2013)  
· Commander Jason Stapleton-Executive Office Patrol Squadron 4 in Hawaii (Mar 2013)  
· Commander Nathan Sukols-U.S. Navy Commander submarine Jacksonville (Feb 2013)  
· Lieutenant Daniel Tyler-Executive Officer Mine Countermeasures ship Guardian (Apr 2013)  
· Commander Edward White-U.S. Navy Commander Strike Fighter Squadron 106 (Aug 2013)  
· Captain Jeffrey Winter-U.S. Navy Commander of Carrier Air Wing 17 (Sept 2013)  
· Commander Thomas Winter-U.S. Navy Commander submarine Montpelier (Jan 2013)  
· Commander Corey Wofford- U.S. Navy Commander frigate Kauffman (Feb 2013)

Since Barack Obama has been in the White House, high ranking military officers have been removed from their positions at a rate that is absolutely unprecedented. Things have gotten so bad that a number of retired generals are publicly speaking out about the ‘purge’ of the U.S. military that they believe is taking place. As you will see below, dozens of highly decorated military leaders have been dismissed from their positions over the past few years. So why is this happening? What is going on right now is absolutely crazy especially during a time of peace. Is there a deliberate attempt to reshape the military and remove those who don’t adhere to the proper ‘viewpoints’ ? Does someone out there feel a need to get officers that won’t cooperate out of the way?

Throughout world history, whatever comes next after a military purge is never good.  
If this continues, what is the U.S. military going to look like in a few years?

Perhaps you are reading this and you think that ‘purge’ is too strong a word for what is taking place. Well, just consider the following quotes from some very highly decorated retired officers:

-Retired Army Major General Paul Vallely:The White House protects their own. That’s why they stalled on the investigation into fast and furious, Benghazi and Obamacare. He’s intentionally weakening and gutting our military, Pentagon and reducing us as a superpower, and anyone in the ranks who disagrees or speaks out is being purged.

-Retired Army Major General Patrick Brady: There is no doubt he (Obama) is intent on emasculating the military and will fire anyone who disagrees with him.  
-Retired Army Lt. General William G. Jerry Boykin: Over the past three years, it is unprecedented for the number of four-star generals to be relieved of duty, and not necessarily relieved for cause.

-Retired Navy Captain Joseph John:I believe there are more than 137 officers who have been forced out or given bad evaluation reports so they will never make Flag (officer), because of their failure to comply to certain views.

A Pentagon official who asked to remain nameless because they were not authorized to speak on the matter said even young officers, down through the ranks have been told not to talk about Obama or the politics of the White House. They are purging everyone and if you want to keep your job just keep your mouth shut. Now this trend appears to be accelerating.

A Pentagon official who asked to remain nameless because they were not authorized to speak on the matter said even “young officers, down through the ranks have been told not to talk about Obama or the politics of the White House. They are purging everyone and if you want to keep your job — just keep your mouth shut.”

Now this trend appears to be accelerating.  We have seen a whole bunch of news stories about military officers being dismissed lately.

Almost always, a “legitimate reason” is given for the dismissal.  And without a doubt, if a military officer is actually behaving unethically, that officer should be held accountable.

However, the reality is that everyone has “skeletons in the closet”, and if you really want to get rid of someone it is usually not too hard to find a way to justify your decision.

The following are excerpts from three news stories about military officers in trouble that have come out so far in 2014…

#1 [The Air Force Times](http://www.airforcetimes.com/article/20120103/NEWS/201030335/): A group of former Air Force majors, forced out this summer by a noncontinuation board, plans to file a lawsuit claiming the service had no right to separate them simply to meet end-strength numbers set by Congress.

More than 10 of the 157 dismissed majors are banding together to challenge the move in court, seeking either reinstatement or early retirement pay. All 157 had been twice passed over for promotion and were within six years of retirement.

#2 [Defense News](http://www.defensenews.com/article/20140115/DEFREG02/301150017): Acting US Navy Undersecretary Robert Martinage, the department’s No. 2, has resigned under pressure, sources confirmed for Defense News.

The resignation, which Martinage announced to his staff Tuesday morning, came after allegations were made of inappropriate conduct with a subordinate woman, the sources confirmed.

#3 [Huffington Post](http://www.huffingtonpost.com/2014/01/15/air-force-cheating-scandal_n_4603965.html): The Air Force says 34 nuclear missile launch officers have been implicated in a cheating scandal and have been stripped of their certification in what is believed to be the largest such breach of integrity in the nuclear force.

Some of the officers apparently texted to each other the answers to a monthly test on their knowledge of how to operate the missiles. Others may have known about it but did not report it.

The cheating was discovered during a drug investigation that involves 11 Air Force officers across six bases in the U.S. and England.

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Taken alone, it would be easy to dismiss those stories as “coincidences”.  But when you put them together with the stories of dozens of other high ranking military officers that have been purged from the U.S. military in recent years, a very disturbing pattern emerges.

The following is a list of high ranking military officers that have been dismissed over the past few years [that has been circulating all over the Internet](http://conservativeangle.com/disturbing-the-complete-list-of-purged-military-high-officers-under-obama/).  I think that you will agree that this list is quite stunning…

**Poor Leadership Means Poor Performance?**

The unusual frequency of accidents has prompted a decision by Chief of Naval Operations Adm. John Richardson to conduct a broad investigation into the recent accidents, a decision backed by Defense Secretary James Mattis. Although there is no immediate evidence of hacking, cyber experts believe hacking is possible due to the location of the warships.

The Navy did not give an immediate explanation for the collision and is not ruling out a possible cyber attack. Four accidents have occurred since January in Asian waters: January – USS Antietam, a guided missile cruiser runs aground while anchoring near Yokosuka base in Japan. Capt. Joseph Carrigan is removed from command. May – USS Lake Champlain collides with a South Korean fishing boat. No injuries. June – USS Fitzgerald collides with a container ship near the coast of Japan. Seven sailors died. August – USS John S. McCain, a Navy guided-missile destroyer, collided with a Liberian flagged oil tanker in waters near Singapore. Ten sailors are missing. Today on Think Tank the panel discussed the Navy’s reaction and the possibility of a cyber attack.  
  
Maybe, without the experience of battle, naval leaders are not familiar with tactics designed to block radar. I would, as a highly trained Six Sigma problem solver and systems analyst, ask some simple questions that could put the investigation on the right track for a solution. I see, more times than I can count, managers blame poor training or human error listed as failure modes, instead of doing effective problem solving.

Question one: Why is it that only naval vessels that deploy guided missiles are having these collisions at sea with slow-moving commercial ships?

Question Two: Why is it that all these events took place with fresh commanders who came up through the ROTC program instead of battle-tested flag officers?

Question Three: Why did the forward looking radar on the merchant ships not indicate an imminent collision 10 miles ahead? 10 miles is ample time to stop or steer a ship no matter what size it is to avoid a collision.

Question Four: After the first 5 incidents this year, why was the number of human watch personnel not increased to look for surface hazards?

Question Five: Is it probable that radar interference was employed to facilitate and coordinate an attack on guided missile vessels of the US Navy, and ONLY the US Navy?

Ever since electronics have been used in battle in an attempt to gain superiority over the enemy, effort has been spent on techniques to reduce the effectiveness of those electronics. More recently, sensors and weapons are being modified to deal with this threat. One of the most common types of [ECM](https://en.wikipedia.org/wiki/Electronic_countermeasures) is [radar jamming](https://en.wikipedia.org/wiki/Radar_jamming) or [spoofing](https://en.wikipedia.org/wiki/Spoofing_attack). This originated with the [Royal Air Force's](https://en.wikipedia.org/wiki/Royal_Air_Force) use of what they codenamed *window* during [World War II](https://en.wikipedia.org/wiki/World_War_II), which is now often referred to as [*chaff*](https://en.wikipedia.org/wiki/Chaff_%28radar_countermeasure%29). Jamming also may have originated with the British during World War II, when they began jamming [German](https://en.wikipedia.org/wiki/History_of_Germany_during_World_War_II) [radio](https://en.wikipedia.org/wiki/Radio) communications.

In perhaps the first example of ECCM, the Germans increased their radio transmitter power in an attempt to 'burn through' or override the British jamming, which by necessity of the [jammer](https://en.wikipedia.org/wiki/Radio_jamming) being airborne or further away produced weaker signals. This is still one of the primary methods of ECCM today. For example, modern airborne jammers are able to identify incoming [radar](https://en.wikipedia.org/wiki/Radar) signals from other aircraft and send them back with random delays and other modifications in an attempt to confuse the opponent's radar set, making the 'blip' jump around wildly and be impossible to range. More powerful airborne radars means that it is possible to 'burn through' the jamming at much greater ranges by overpowering the jamming energy with the actual radar returns. The Germans were not really able to overcome the chaff spoofing very successfully and had to work around it (by guiding the aircraft to the target area and then having them visually acquire the targets).

Today, more powerful electronics with smarter [software](https://en.wikipedia.org/wiki/Software) for operation of the radar might be able to better discriminate between a moving target like an aircrafts and an almost stationary target like a chaff bundle.

With the technology going into modern sensors and seekers, it is inevitable that all successful systems have to have ECCM designed into them, lest they become useless on the battlefield. In fact, the 'electronic battlefield' is often used to refer to ECM, ECCM and [ELINT](https://en.wikipedia.org/wiki/Signals_intelligence#ELINT) activities, indicating that this has become a secondary battle in itself.

## Specific ECCM techniques

The following are some examples of EPM (other than simply increasing the [fidelity](https://en.wikipedia.org/wiki/Fidelity) of sensors through techniques such as increasing power or improving discrimination):

### ECM detection

Sensor logic may be programmed to be able to recognize attempts at spoofing (e.g., aircraft dropping chaff during terminal homing phase) and ignore them. Even more sophisticated applications of ECCM might be to recognize the type of ECM being used, and be able to cancel out the signal.

### Pulse compression by "chirping", or linear frequency modulation

One of the effects of the [pulse compression](https://en.wikipedia.org/wiki/Pulse_compression) technique, is boosting the apparent signal strength as perceived by the radar receiver. The outgoing radar pulses are [chirped](https://en.wikipedia.org/wiki/Chirp), that is, the frequency of the carrier is varied within the pulse, much like the sound of a cricket chirping. When the pulse reflects off a target and returns to the receiver, the signal is processed to add a delay as a function of the frequency. This has the effect of 'stacking' the pulse so it seems stronger, but shorter in duration, to further processors. The effect can increase the received signal strength to above that of noise jamming. Similarly, jamming pulses (used in deception jamming) will not typically have the same chirp, so will not benefit from the increase in signal strength.

### Frequency hopping

[Frequency](https://en.wikipedia.org/wiki/Frequency) agility ('[frequency hopping](https://en.wikipedia.org/wiki/Frequency_hopping)') may be used to rapidly switch the frequency of the transmitted energy, and receiving only that frequency during the receiving time window. This foils jammers which cannot detect this frequency switch quickly enough nor predict the next hop frequency, and switch their own jamming frequency accordingly during the receiving time window. The most advanced jamming techniques have a very wide and fast frequency range, and might possibly jam out also an antijammer.[[1]](https://en.wikipedia.org/wiki/Electronic_counter-countermeasure#cite_note-1)

This method is also useful against [barrage jamming](https://en.wikipedia.org/wiki/Barrage_jamming), in that it forces the jammer to spread its jamming power across multiple frequencies in the jammed system's frequency range, reducing its power in the actual frequency used by the equipment at any one time. The use of [spread-spectrum](https://en.wikipedia.org/wiki/Spread-spectrum) techniques allow signals to be spread over a wide enough spectrum to make jamming of such a wideband signal difficult.

### Sidelobe blanking

[Radar jamming](https://en.wikipedia.org/wiki/Radar_jamming) can be effective from directions other than the direction the radar antenna is currently aimed. When jamming is strong enough, the radar receiver can detect it from a relatively low gain sidelobe. The radar, however, will process signals as if they were received in the main lobe. Therefore, jamming can be seen in directions other than where the jammer is located. To combat this, an [omnidirectional](https://en.wikipedia.org/wiki/Omnidirectional_antenna) antenna is used for a comparison signal. By comparing the signal strength as received by both the omnidirectional and the (directional) main antenna, signals can be identified that are not from the direction of interest. These signals are then ignored.

**The Fourth Amendment is Dead**

People often wonder why we should have a Convention of the States. It’s because a supremely unpopular Congress is sacking the Constitution right before our eyes. They need to be stopped. A bill that will allow homes to be searched without a warrant was passed with overwhelming support by the United States Congress, and signed into law by President Trump—and it happened with no media coverage and very little fanfare.

On the surface, [House Joint Resolution 76](https://www.congress.gov/bill/115th-congress/house-joint-resolution/76/text) looks harmless. The title of the bill claims that its purpose is “Granting the consent and approval of Congress for the Commonwealth of Virginia, the State of Maryland, and the District of Columbia to enter into a compact relating to the establishment of the Washington Metrorail Safety Commission.”

“Whereas the Washington Metropolitan Area Transit Authority, an interstate compact agency of the District of Columbia, the Commonwealth of Virginia, and the State of Maryland, provides transportation services to millions of people each year, the safety of whom is paramount; Whereas an effective and safe Washington Metropolitan Area Transit Authority system is essential to the commerce and prosperity of the National Capital region; Whereas the Tri-State Oversight Committee, created by a memorandum of understanding amongst these 3 jurisdictions, has provided safety oversight of the Washington Metropolitan Area Transit Authority.”

The proposal for a safety commission to act as a wing of the Washington Metropolitan Area Transit Authority may sound logical, when its power includes thing such as the ability to “Adopt, revise, and distribute a written State Safety Oversight Program” and to “Review, approve, oversee, and enforce the adoption and implementation of WMATA’s Public Transportation Agency Safety Plan.”

However, there is one major red flag buried within the text of the bill that stems from the list of “powers” given to the Washington Metrorail Safety Commission, and it violates one of the basic tenets of the U.S. Constitution.

“In performing its duties, the Commission, through its Board or designated employees or agents, may:Enter upon the WMATA Rail System and, upon reasonable notice and a finding by the chief executive officer that a need exists, upon any lands, waters, and premises adjacent to the WMATA Rail System, including, without limitation, property owned or occupied by the federal government, for the purpose of making inspections, investigations, examinations, and testing as the Commission may deem necessary to carry out the purposes of this MSC Compact, and such entry shall not be deemed a trespass.”

The text gives the Commission the authority to enter property near the Metro Rail System **“without limitation”** and without a warrant, for the purpose of “making inspections, investigations, examinations, and testing.”

This clearly goes against the Fourth Amendment, which [states](https://www.law.cornell.edu/constitution/fourth_amendment) that Americans’ rights “to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause.”

When the bill was brought to a vote in the House of Representatives, there were only five Congressmen who voted against it: Representatives Justin Amash, a Republican from Michigan; Walter Jones, a Republican from North Carolina; Thomas Massie, a Republican from Kentucky; Alex Mooney, a Republican from West Virginia; and Mark Sanford, a Republican from South Carolina.

**The Real Drug War**

Afghanistan’s opium economy is a multibillion dollar operation which feeds the surge of US heroin market which is currently the object of debate and public concern.

In the course of the last few years, there has been a surge in Afghan opium production. In turn the number of heroin addicts in the US has increased dramatically. Is there a relationship?

Afghanistan produces over 90 percent of the opium which feeds the heroin market.

In turn, the US is now sending more troops to Afghanistan. Lest we forget, the surge in opium production occurred in the immediate wake of the US invasion in October 2001.

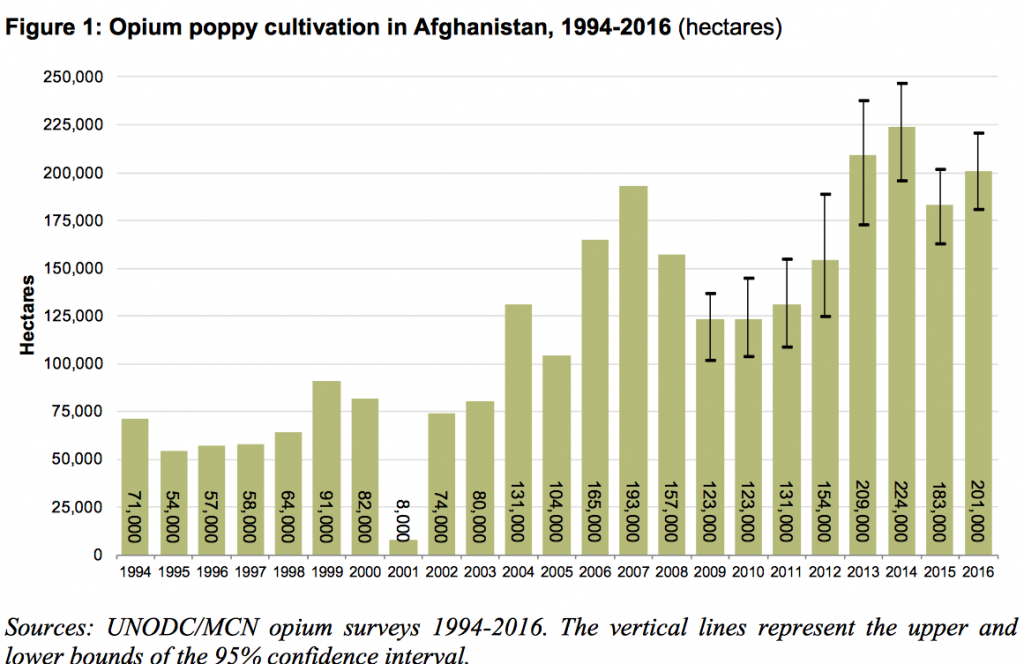
Who is protecting opium exports out of Afghanistan?

In 2000-2001,  “the Taliban government –in collaboration with the United Nations– had imposed a successful ban on poppy cultivation. Opium production declined by more than 90 per cent in 2001. In fact the surge in opium cultivation production coincided with the onslaught of the US-led military operation and the downfall of the Taliban regime. From October through December 2001, farmers started to replant poppy on an extensive basis.” (quoted from article below)

The Vienna based UN Office on Drugs and Crime (UNODC) reveals that poppy cultivation in 2012 extended over an area of  more than  154,000 hectares, an increase of 18% over 2011. A UNODC  spokesperson confirmed in 2013 that opium production is heading towards record levels.

In 2014 the Afghan opium cultivation hit a record high, according to the United Nations Office on Drugs and Crime’s [*2014 Afghan Opium Survey*](http://www.unodc.org/documents/crop-monitoring/Afghanistan/Afghan-opium-survey-2014.pdf).( See graph below). A slight decline occurred in 2015-2016.

War is good for business. The Afghan opium economy feeds into a lucrative trade in narcotics and money laundering.

[](http://s3-us-west-2.amazonaws.com/sleuthjournal/wp-content/uploads/2017/08/22133657/Screen-Shot-1.png)Source:  United Nations Office on Drugs and Crime’s (UNODC)

According to the [*2012 Afghanistan Opium Survey*](http://www.unodc.org/documents/crop-monitoring/Afghanistan/Summary_Findings_FINAL.pdf) released in November 2012 by the Ministry of Counter Narcotics (MCN) and the United Nations Office on Drugs and Crime (UNODC). potential opium production in 2012 was of the order of 3,700 tons, a decline of 18 percent in relation to 2001, according to UNODC data.

There is reason to believe that this figure of 3700 tons is grossly underestimated. Moreover, it contradicts the UNOCD’s own predictions of record harvests over an extended area of cultivation.

While bad weather and damaged crops may have played a role as suggested by the UNODC, based on historical trends, the potential production for an area of cultivation of 154,000 hectares, should be well in excess of 6000 tons.  With 80,000 hectares in cultivation in 2003,  production was already of the order of  3600 tons.

It is worth noting that UNODC has modified the concepts and figures on opium sales and heroin production, as outlined by the  European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

A change in UN methodology in 2010 resulted in a sharp downward revision of Afghan heroin production estimates for 2004 to 2011. UNODC used to estimate that the entire global opium crop was processed into heroin, and provided global heroin production estimates on that basis. Before 2010, a global conversion rate of about 10 kg of opium to 1 kg of heroin was used to estimate world heroin production (17). For instance, the estimated 4 620 tonnes of opium harvested worldwide in 2005 was thought to make it possible to manufacture 472  tonnes of heroin (UNODC, 2009a). ***However, UNODC now estimates that a large proportion of the Afghan opium harvest is not processed into heroin or morphine but remains ‘available on the drug market as opium’***(UNODC, 2010a). …[EU drug markets report: a strategic analysis,](http://www.emcdda.europa.eu/attachements.cfm/att_194336_EN_TD3112366ENC.pdf) EMCDDA, Lisbon, January 2013 emphasis added

There is no evidence that a large percentage of opium production is no longer processed into heroin as claimed by the UN. This revised UNODC methodology has served, –through the outright manipulation of statistical concepts– to artificially reduce the size of of the global trade in heroin.

According to the UNODC, quoted in the EMCDDA report:

“an estimated 3 400 tonnes of Afghan opium was not transformed into heroin or morphine in 2011. Compared with previous years, this is an exceptionally high proportion of the total crop, ***representing nearly 60 % of the Afghan opium harvest and close to 50 % of the global harvest in 2011.***

What the UNODC, –whose mandate is to support the prevention of organized criminal activity– has done is to obfuscate the size and criminal nature of the Afghan drug trade, intimating –without evidence– that a large part of the opium is no longer channeled towards the illegal heroin market.

In 2012 according to the UNODC,  farmgate prices for opium were of the order of 196 per kg.

Each kg. of opium produces 100 grams of pure heroin. The US retail prices for heroin (with a low level of purity) is, according to UNODC of the order of $172 a gram. The price per gram of pure heroin is substantially higher.

The profits are largely reaped at the level of the international wholesale and retail markets of heroin as well as in the process of money laundering in Western banking institutions.

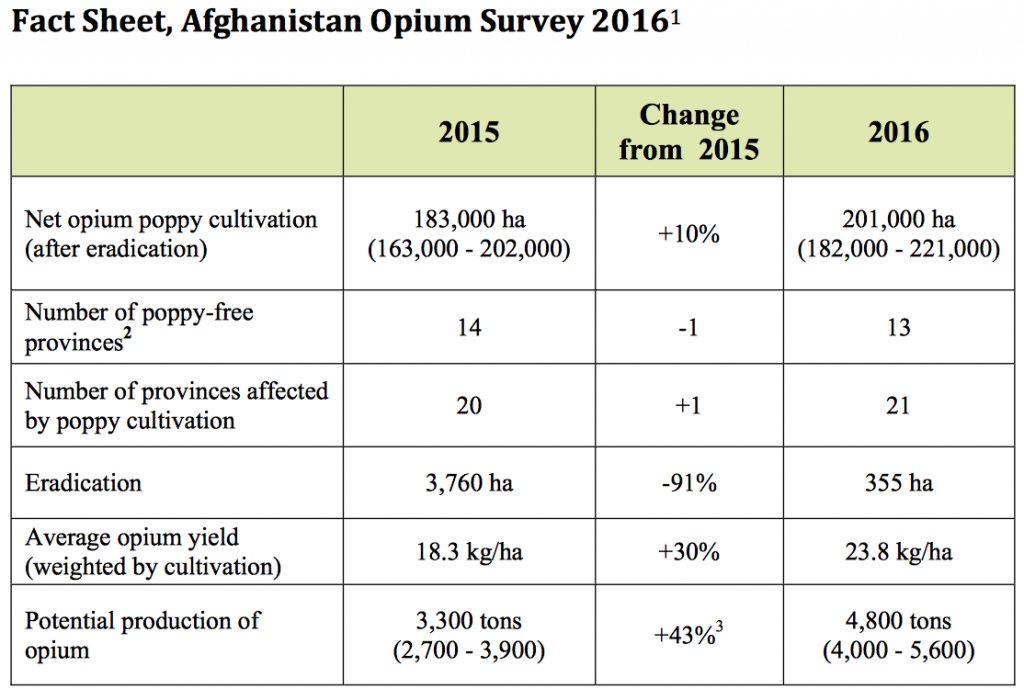
The revenues derived from the global trade in heroin constitute a multibillion dollar bonanza for financial institutions and organized crime.

**Record Production in 2016. Fake Eradication Program**

According to the [YNODC:](https://www.unodc.org/unodc/en/frontpage/2016/October/afghan-opium-production-up-43-percent_-survey.html)

“Opium production in Afghanistan rose by 43 per cent to 4,800 metric tons in 2016 compared with 2015 levels, according to the latest [Afghanistan Opium Survey](http://www.unodc.org/documents/crop-monitoring/Afghanistan/AfghanistanOpiumSurvey2016_ExSum.pdf#yuiHis=1%7Cuploads%7Cdocuments%7C/crop-monitoring%7C/crop-monitoring/Afghanistan%7C/crop-monitoring/Afghanistan/AfghanistanOpiumSurvey2016_ExSum.pdf) figures released today by the Afghan Ministry of Counter Narcotics and the UNODC. The area under opium poppy cultivation also increased to 201,000 hectares (ha) in 2016, a rise of 10 per cent compared with 183,000 ha in 2015.

This represents a twentyfold increase in the areas under opium cultivation since the US invasion in October 2001. In 2016, opium production had increased by approximately 25 times in relation to its 2001 levels, from 185 tons in 2001 to 4800 tons in 2016.

[](http://s3-us-west-2.amazonaws.com/sleuthjournal/wp-content/uploads/2017/08/22133602/Screen-Shot-2017-01-10-at-8.57.14-PM-1024x689.png)Source: UNODC

The following article first published in May 2005 provides a background on the history of the Afghan opium trade which continues to this date to be protected by US-NATO occupation forces on behalf of powerful financial  interests.

**Michel Chossudovsky, January 2015, August 2017, updated figures for 2016**

## The Spoils of War: Afghanistan’s Multibillion Dollar Heroin Trade

### ****by Michel Chossudovsky****

**Global Research, May 2005**

Since the US led invasion of Afghanistan in October 2001, the Golden Crescent opium trade has soared. According to the US media, this lucrative contraband is protected by Osama, the Taliban, not to mention, of course, the regional warlords, in defiance of the “international community”.

The heroin business is said to  be “filling the coffers of the Taliban”. In the words of the US State Department:

“Opium is a source of literally billions of dollars to extremist and criminal groups… [C]utting down the opium supply is central to establishing a secure and stable democracy, as well as winning the global war on terrorism,” (Statement of Assistant Secretary of State Robert Charles. Congressional Hearing, 1 April 2004)

According to the United Nations Office on Drugs and Crime (UNODC), opium production in Afghanistan in 2003 is estimated at 3,600 tons, with an estimated area under cultivation of the order of 80,000 hectares. (UNODC at <http://www.unodc.org/unodc/index.html>). An even larger bumper harvest is predicted for 2004.

The State Department suggests that up to 120 000 hectares were under cultivation in 2004. (Congressional Hearing, op cit):

 “We could be on a path for a significant surge. Some observers indicate perhaps as much as 50 percent to 100 percent growth in the 2004 crop over the already troubling figures from last year.”(Ibid)

### “Operation Containment****“****

In response to the post-Taliban surge in opium production, the Bush administration has boosted its counter terrorism activities, while allocating substantial amounts of public money to the Drug Enforcement Administration’s West Asia initiative, dubbed “Operation Containment.”

The various reports and official statements are, of course, blended in with the usual “balanced” self critique that “the international community is not doing enough”, and that what we need is “transparency”.

The headlines are “Drugs, warlords and insecurity overshadow Afghanistan’s path to democracy”. In chorus, the US media is accusing the defunct “hard-line Islamic regime”, without even acknowledging that the Taliban  –in collaboration with the United Nations– had imposed a successful ban on poppy cultivation in 2000. Opium production declined by more than 90 per cent in 2001. In fact the surge in opium cultivation production coincided with the onslaught of the US-led military operation and the downfall of the Taliban regime. From October through December 2001, farmers started to replant poppy on an extensive basis.

The success of Afghanistan’s 2000 drug eradication program under the Taliban had been acknowledged at the October 2001 session of the UN General Assembly (which took place barely a few days after the beginning of the 2001 bombing raids). No other UNODC member country was able to implement a comparable program:

“Turning first to drug control, I had expected to concentrate my remarks on the implications of the Taliban’s ban on opium poppy cultivation in areas under their control… We now have the results of our annual ground survey of poppy cultivation in Afghanistan. This year’s production [2001] is around 185 tons. This is down from the 3300 tons last year [2000], a decrease of over 94 per cent. Compared to the record harvest of 4700 tons two years ago, the decrease is well over 97 per cent.

Any decrease in illicit cultivation is welcomed, especially in cases like this when no displacement, locally or in other countries, took place to weaken the achievement”

(Remarks on behalf of UNODC Executive Director at the UN General Assembly, Oct 2001, <http://www.unodc.org/unodc/en/speech_2001-10-12_1.html>)

### ****United Nations’ Coverup****

In the wake of the US invasion, shift in rhetoric. UNODC is now acting as if the 2000 opium ban had never happened:

“the battle against narcotics cultivation has been fought and won in other countries and it [is] possible to do so here [in Afghanistan], with strong, democratic governance, international assistance and improved security and integrity.”

( Statement of the UNODC Representative in Afghanistan at the :February 2004  International Counter Narcotics Conference, <http://www.unodc.org/pdf/afg/afg_intl_counter_narcotics_conf_2004.pdf>, p. 5).

In fact, both Washington and the UNODC now claim that the objective of the Taliban in 2000 was not really “drug eradication” but a devious scheme to trigger “an artificial shortfall in supply”, which would drive up World prices of heroin.

Ironically, this twisted logic, which now forms part of a new “UN consensus”, is refuted by a report of the UNODC office in Pakistan, which confirmed, at the time, that there was no evidence of stockpiling by the Taliban. (Deseret News, Salt Lake City, Utah. 5 October 2003)

### ****Washington’s Hidden Agenda: Restore the Drug Trade****

In the wake of the 2001 US bombing of Afghanistan, the British government of Tony Blair was entrusted by the G-8 Group of leading industrial nations to carry out a drug eradication program, which would, in theory, allow Afghan farmers to switch out of poppy cultivation into alternative crops. The British were working out of Kabul in close liaison with the US DEA’s “Operation Containment”.

The UK sponsored crop eradication program is an obvious smokescreen. Since October 2001, opium poppy cultivation has skyrocketed.   The presence of occupation forces in Afghanistan did not result in the eradication of poppy cultivation. Quite the opposite.

The Taliban prohibition had indeed caused “the beginning of a heroin shortage in Europe by the end of 2001”, as acknowledged by the UNODC.

Heroin is a multibillion dollar business supported by powerful interests, which requires a steady and secure commodity flow. One of the “hidden” objectives of the war was precisely to restore the CIA sponsored drug trade to its historical levels and exert direct control over the drug routes.

Immediately following the October 2001 invasion, opium markets were restored. Opium prices spiraled. By early 2002, the opium price (in dollars/kg) was almost 10 times higher than in 2000.

In 2001, under the Taliban opiate production stood at 185 tons, increasing  to 3400 tons in 2002 under the US sponsored puppet regime of President Hamid Karzai.

While highlighting Karzai’s patriotic struggle against the Taliban, the media fails to mention that Karzai collaborated with the Taliban. He had also been on the payroll of a major US oil company, UNOCAL. In fact, since the mid-1990s, Hamid Karzai had acted as a consultant and lobbyist for UNOCAL in negotiations with the Taliban. According to the Saudi newspaper Al-Watan:

“Karzai has been a Central Intelligence Agency covert operator since the 1980s. He collaborated with the CIA in funneling U.S. aid to the Taliban as of 1994 when the Americans had secretly and through the Pakistanis [specifically the ISI] supported the Taliban’s assumption of power.” (quoted in Karen Talbot, U.S. Energy Giant Unocal Appoints Interim Government in Kabul, Global Outlook, No. 1, Spring 2002. p. 70. See also  BBC Monitoring Service, 15 December 2001)

### ****History of the Golden Crescent Drug trade****

It is worth recalling the history of  the Golden Crescent drug trade, which is intimately related to the CIA’s covert operations in the region since the onslaught of the Soviet-Afghan war and its aftermath.

Prior to the Soviet-Afghan war (1979-1989), opium production in Afghanistan and Pakistan was directed to small regional markets. There was no local production of heroin. (Alfred McCoy, Drug Fallout: the CIA’s Forty Year Complicity in the Narcotics Trade. The Progressive, 1 August 1997).

The Afghan narcotics economy was a carefully designed project of the CIA, supported by US foreign policy.

As revealed in the Iran-Contra and Bank of Commerce and Credit  International (BCCI) scandals, CIA covert operations in support of the Afghan Mujahideen had been funded through the laundering of drug money.  “Dirty money” was recycled –through a number of banking institutions (in the Middle East) as well as through anonymous CIA shell companies–, into  “covert money,” used to finance various insurgent groups during the Soviet-Afghan war, and its aftermath:

“Because the US wanted to supply the Mujahideen rebels in Afghanistan with stinger missiles and other military hardware it needed the full cooperation of Pakistan. By the mid-1980s, the CIA operation in Islamabad was one of the largest US intelligence stations in the World. `If BCCI is such an embarrassment to the US that forthright investigations are not being pursued it has a lot to do with the blind eye the US turned to the heroin trafficking in Pakistan’, said a US intelligence officer. (“The Dirtiest Bank of All,” Time, July 29, 1991, p. 22.)

Researcher Alfred McCoy’s study confirms that within two years of the onslaught of the CIA’s covert operation in Afghanistan in 1979,

“the Pakistan-Afghanistan borderlands became the world’s top heroin producer, supplying 60 per cent of U.S. demand. In Pakistan, the heroin-addict population went from near zero in 1979  to 1.2 million by 1985, a much steeper rise than in any other nation.”

“CIA assets again controlled this heroin trade. As the Mujahideen guerrillas seized territory inside Afghanistan, they ordered peasants to plant opium as a revolutionary tax. Across the border in Pakistan, Afghan leaders and local syndicates under the protection of Pakistan Intelligence operated hundreds of heroin laboratories. During this decade of wide-open drug-dealing, the U.S. Drug Enforcement Agency in Islamabad failed to instigate major seizures or arrests.

U.S. officials had refused to investigate charges of heroin dealing by its Afghan allies because U.S. narcotics policy in Afghanistan has been subordinated to the war against Soviet influence there.  In 1995, the former CIA director of the Afghan operation, Charles Cogan, admitted the CIA had indeed sacrificed the drug war to fight the Cold War. ‘Our main mission was to do as much damage as possible to the Soviets. We didn’t really have the resources or the time to devote to an investigation of the drug trade,’ I don’t think that we need to apologize for this. Every situation has its fallout.  There was fallout in terms of drugs, yes. But the main objective was accomplished. The Soviets left Afghanistan.’”(McCoy, op cit)

The role of the CIA, which is amply documented, is not mentioned in official UNODC publications, which focus on internal social and political factors. Needless to say, the historical roots of the opium trade have been grossly distorted.

(See UNODC [http://www.unodc.org/pdf/publications/afg\_opium\_economy\_www.pdf)](http://www.unodc.org/pdf/publications/afg_opium_economy_www.pdf)

According to the UNODC, Afghanistan’s opium production has increased, more than 15-fold since 1979. In the wake of the Soviet-Afghan war, the growth of the narcotics economy has continued unabated. The Taliban, which were supported by the US, were initially instrumental in the further growth of opiate production until the 2000 opium ban.

(See UNODC [http://www.unodc.org/pdf/publications/afg\_opium\_economy\_www.pdf)](http://www.unodc.org/pdf/publications/afg_opium_economy_www.pdf)

This recycling of drug money was used to finance the post-Cold War insurgencies in Central Asia and the Balkans including Al Qaeda. (For details, see Michel Chossudovsky, War and Globalization, The Truth behind September 11, Global Outlook, 2002,  [http://globalresearch.ca/globaloutlook/truth911.html](http://globalresearch.ca/globaloutlook/truth911.html" \o "http://globalresearch.ca/globaloutlook/truth911.html" \t "_blank))

### ****Narcotics: Second to Oil and the Arms Trade****

The revenues generated from the CIA sponsored Afghan drug trade are sizeable. The Afghan trade in opiates constitutes a large share of the worldwide annual turnover of narcotics, which was estimated by the United Nations to be of the order of $400-500 billion. (Douglas Keh, Drug Money in a Changing World, Technical document No. 4, 1998, Vienna UNDCP, p. 4. See also United Nations Drug Control Program, Report of the International Narcotics Control Board for 1999, E/INCB/1999/1 United Nations, Vienna 1999, p. 49-51, and Richard Lapper, UN Fears Growth of Heroin Trade, Financial Times, 24 February 2000). At the time these UN figures were first brought out (1994), the (estimated) global trade in drugs was of the same order of magnitude as the global trade in oil.

The IMF estimated global money laundering to be between 590 billion and 1.5 trillion dollars a year, representing 2-5 percent of global GDP. (Asian Banker, 15 August 2003). A large share of global money laundering as estimated by the IMF is linked to the trade in narcotics.

Based on recent figures (2003), drug trafficking  constitutes “the third biggest global commodity in cash terms after oil and the arms trade.” (The Independent, 29 February 2004).

Moreover, the above figures including those on money laundering, confirm that the bulk of the revenues associated with the global trade in narcotics are not appropriated by terrorist groups and warlords, as suggested by the UNODC report.

There are powerful business and financial interests behind narcotics. From this standpoint, geopolitical and military control over  the drug routes is as strategic as oil and oil pipelines.

However, what distinguishes narcotics from legal commodity trade is that narcotics constitutes a major source of wealth formation not only for organized crime but also for the US intelligence apparatus, which increasingly constitutes a powerful actor in the spheres of finance and banking.

In turn, the CIA, which protects the drug trade, has developed complex business and undercover links to major criminal syndicates involved in the drug trade.

In other words, intelligence agencies and powerful business syndicates allied with organized crime, are competing for the strategic control over the heroin routes. The multi-billion dollar revenues of narcotics are deposited in the Western banking system. Most of the large international banks together with their affiliates in the offshore banking havens launder large amounts of narco-dollars.

This trade can only prosper if the main actors involved in narcotics have “political friends in high places.”  Legal and illegal undertakings are increasingly intertwined, the dividing line between “businesspeople” and criminals is blurred. In turn, the relationship among criminals, politicians and members of the intelligence establishment has tainted the structures of the state and the role of its institutions.

### ****Where does the money go?  Who benefits from the Afghan opium trade?****

This trade is characterized by a complex web of intermediaries. There are various stages of the drug trade, several interlocked markets, from the impoverished poppy farmer in Afghanistan to the wholesale and retail heroin markets in Western countries. In other words, there is a “hierarchy of prices” for opiates.

This hierarchy of prices is acknowledged by the US administration:

“Afghan heroin sells on the international narcotics market for 100 times the price farmers get for their opium right out of the field”.(US State Department quoted by the Voice of America (VOA), 27 February 2004).

According to the UNODC, opium in Afghanistan generated in 2003 “an income of one billion US dollars for farmers and US$ 1.3 billion for traffickers, equivalent to over half of its national income.”

Consistent with these UNODC estimates, the average price for fresh opium was $350 a kg. (2002); the 2002 production was 3400 tons.  (<http://www.poppies.org/news/104267739031389.shtml>).

The UNDOC estimate, based on local farmgate and wholesale prices constitutes, however, a very small percentage of the total turnover of the multibillion dollar Afghan drug trade. The UNODC, estimates “the total annual turn-over of international trade” in Afghan opiates at US$ 30 billion. An examination of the wholesale and retail prices for heroin in the Western countries suggests, however, that the total revenues generated, including those at the retail level, are substantially higher.

### Wholesale Prices of Heroin in Western Countries

It is estimated that one kilo of opium produces approximately 100 grams of (pure) heroin. The US DEA confirms that “SWA [South West Asia meaning Afghanistan] heroin in New York City was selling in the late 1990s for $85,000 to $190,000 per kilogram wholesale with a 75 percent purity ratio (National Drug Intelligence Center, <http://www.usdoj.gov/ndic/pubs/648/ny_econ.htm>).

According to the US Drug Enforcement Administration (DEA) “the price of SEA [South East Asian] heroin ranges from $70,000 to $100,000 per unit (700 grams) and the purity of SEA heroin ranges from 85 to 90 percent” (ibid). The SEA unit of 700 gr (85-90 % purity) translates  into a wholesale price per kg. for pure heroin ranging between $115,000 and $163,000.

The DEA figures quoted above, while reflecting the situation in the 1990s, are broadly consistent with recent British figures. According to a report published in the Guardian (11 August 2002), the wholesale price of (pure) heroin in London (UK) was of the order of 50,000 pounds sterling, approximately $80,000 (2002).

Whereas as there is competition between different sources of heroin supply, it should be emphasized that Afghan heroin represents a rather small percentage of the US heroin market, which is largely supplied out of Colombia.

### Retail Prices

**US**

“The NYPD notes that retail heroin prices are down and purity is relatively high. Heroin previously sold for about $90 per gram but now sells for $65 to $70 per gram or less. Anecdotal information from the NYPD indicates that purity for a bag of heroin commonly ranges from 50 to 80 percent but can be as low as 30 percent. Information as of June 2000 indicates that bundles (10 bags) purchased by Dominican buyers from Dominican sellers in larger quantities (about 150 bundles) sold for as little as $40 each, or $55 each in Central Park. DEA reports that an ounce of heroin usually sells for $2,500 to $5,000, a gram for $70 to $95, a bundle for $80 to $90, and a bag for $10. The DMP reports that the average heroin purity at the street level in 1999 was about 62 percent.”  (National Drug Intelligence Center, <http://www.usdoj.gov/ndic/pubs/648/ny_econ.htm>).

The NYPD and DEA retail price figures seem consistent. The DEA price of $70-$95, with a purity of 62 percent translates into $112 to $153 per gram of pure heroin. The NYPD figures are roughly similar with perhaps lower estimates for purity.

It should be noted that when heroin is purchased in very small quantities,  the retail price tends to be much higher. In the US, purchase is often by “the bag”; the typical bag according to Rocheleau and Boyum contains 25 milligrams of pure heroin.

(<http://www.whitehousedrugpolicy.gov/publications/drugfact/american_users_spend/appc.html>)

A $10 dollar bag in NYC (according to the DEA figure quoted above) would convert into a price of $400 per gram, each bag containing 0.025gr. of pure heroin. (op cit). In other words, for very small purchases marketed by street pushers, the retail margin tends to be significantly higher. In the case of the $10 bag purchase, it is roughly 3 to 4 times the corresponding retail price per gram.($112-$153)

**UK**

In Britain, the retail street price per gram of heroin, according to British Police sources, “has fallen from £74 in 1997 to £61 [in 2004].” [i.e. from approximately $133 to $110, based on the 2004 rate of exchange] (Independent, 3 March 2004). In some cities it was as low as £30-40 per gram with a low level of purity. (AAP News, 3 March 2004). According to Drugscope (<http://www.drugscope.org.uk/> ), the average price for a gram of heroin in Britain is between £40 and £90 ($72- $162 per gram) (The report does not mention purity). The street price of heroin was £60 per gram in April 2002 according to the National Criminal Intelligence Service.

(See: <http://www.drugscope.org.uk/druginfo/drugsearch/ds_results.asp?file=%5Cwip%5C11%5C1%5C1%5Cheroin_opiates.html>)

### ****The Hierarchy of Prices****

We are dealing with a hierarchy  of prices, from the farmgate price in the producing country, upwards, to the final retail street price. The latter is often 80-100 times the price paid to the farmer.

In other words, the opiate product transits through several markets from the producing country to the transshipment country(ies), to the consuming countries. In the latter, there are wide margins between “the landing price” at the point of entry, demanded by the drug cartels and the wholesale prices and the retail street prices, protected by Western organized crime.

### ****The Global Proceeds of the Afghan Narcotics Trade****

In Afghanistan, the reported production of 3600 tons of opium in 2003 would allow for the production of approximately 360,000 kg of pure heroin. Gross revenues accruing to Afghan farmers are roughly estimated by the UNODC to be of the order of $1 billion, with 1.3 billion accruing to local traffickers.

When sold in Western markets at a heroin wholesale price of the order of $100,000 a kg (with a 70 percent purity ratio), the global wholesale proceeds (corresponding to 3600 tons of Afghan opium) would be of the order of 51.4 billion dollars. The latter constitutes a conservative estimate based on the various figures for wholesale prices in the previous section.

The total proceeds of the Afghan narcotics trade (in terms of total value added) is estimated using the final heroin retail price. In other words, the retail value of the trade is ultimately the criterion for measuring the importance of the drug trade in terms of revenue generation and wealth formation.

A meaningful estimate of the retail value, however, is almost impossible to ascertain due to the fact that retail prices vary considerably within urban areas, from one city to another and between consuming countries, not to mention variations in purity and quality (see above).

The evidence on retail margins, namely the difference between wholesale and retail values in the consuming countries, nonetheless, suggests that a large share of the total (money) proceeds of the drug trade are generated at the retail level.

In other words, a significant portion of the proceeds of the drug trade accrues to criminal and business syndicates in Western countries involved in the local wholesale and retail narcotics markets. And the various criminal gangs involved in retail trade are invariably protected by the “corporate” crime syndicates.

90 percent of heroin consumed in the UK is from Afghanistan. Using the British retail price figure from UK police sources of $110 a gram (with an assumed 50 percent purity level), the total retail value of the Afghan narcotics trade  in 2003 (3600 tons of opium) would be the order of 79.2 billion dollars. The latter should be considered as a simulation rather than an estimate.

Under this assumption (simulation), a billion dollars gross revenue to the farmers in Afghanistan (2003) would generate global narcotics earnings, –accruing at various stages and in various markets– of the order of 79.2 billion dollars. These global proceeds accrue to business syndicates, intelligence agencies, organized crime, financial institutions, wholesalers, retailers, etc. involved directly or indirectly in the drug trade.

In turn, the proceeds of this lucrative trade are deposited in Western banks, which constitute an essential mechanism in the laundering of dirty money.

A very small percentage accrues to farmers and traders in the producing country. Bear in mind that the net income accruing to Afghan farmers is but a fraction of the estimated 1 billion dollar amount. The latter does not include payments of farm inputs, interest on loans to money lenders, political protection, etc.

(See also UNODC, The Opium Economy in Afghanistan,  [http://www.unodc.org/pdf/publications/afg\_opium\_economy\_www.pdf](http://www.unodc.org/pdf/publications/afg_opium_economy_www.pdf" \o "http://www.unodc.org/pdf/publications/afg_opium_economy_www.pdf" \t "_blank) , Vienna, 2003, p. 7-8)

### The Share of the Afghan Heroin in the Global Drug Market

Afghanistan produces over 70 percent of the global supply of heroin and heroin represents a sizeable fraction of the global narcotics market, estimated by the UN to be of the order of $400-500 billion.

There are no reliable estimates on the distribution of the global narcotics trade between the main categories: Cocaine, Opium/Heroin, Cannabis, Amphetamine Type Stimulants (ATS), Other Drugs.

### The Laundering of Drug Money

The proceeds of the drug trade are deposited in the banking system. Drug money is laundered in the numerous offshore banking havens in Switzerland, Luxembourg, the British Channel Islands, the Cayman Islands and some 50 other locations around the globe.  It is here that the criminal syndicates involved in the drug trade and the representatives of the world’s largest commercial banks interact. Dirty money is deposited in these offshore havens, which are controlled by the major Western commercial banks. The latter have a vested interest in maintaining and sustaining the drug trade. (For further details, see Michel Chossudovsky, The Crimes of Business and the Business of Crimes, Covert Action Quarterly, Fall 1996)

Once the money has been laundered, it can be recycled into bona fide investments not only in real estate, hotels, etc, but also in other areas such as the services economy and manufacturing. Dirty and covert money is also funneled into various financial instruments including the trade in derivatives, primary commodities, stocks, and government bonds.

### Concluding Remarks: Criminalization of US Foreign Policy

US foreign policy supports the workings of a thriving criminal economy in which the demarcation between organized capital and organized crime has become increasingly blurred.

The heroin business is not  “filling the coffers of the Taliban” as claimed by US government and the international community: quite the opposite! The proceeds of this illegal trade are the source of wealth formation, largely reaped by powerful business/criminal interests within the Western countries. These interests are sustained by US foreign policy.

Decision-making in the US State Department, the CIA and the Pentagon is instrumental in supporting this highly profitable multibillion dollar trade, third in commodity value after oil and the arms trade.

The Afghan drug economy is “protected”.

The heroin trade was part of the war agenda. What this war has achieved is to restore a compliant narco-State, headed by a US appointed puppet.

The powerful financial interests behind narcotics are supported by the militarisation of the world’s major drug triangles (and transshipment routes), including the Golden Crescent and the Andean region of South America (under the so-called Andean Initiative).

**Table 1**

**Opium Poppy Cultivation in Afghanistan**

Year                         Cultivation in hectares               Production (tons)

1994                                 71,470                                    3,400

1995                                 53,759                                    2,300

1996                                 56,824                                    2,200

1997                                 58,416                                    2,800

1998                                 63,674                                    2,700

1999                                 90,983                                    4,600

2000                                 82,172                                    3,300

2001                                   7,606                                       185

2002                                 74 000                                    3400

2003                                 80 000                                    3600

So**urce: UNDCP,** Afghanistan, Opium Poppy Survey, 2001, UNOCD, Opium Poppy Survey, 2002. <http://www.unodc.org/pdf/afg/afg_opium_survey_2002.pdf>