

Is It Time for Law Abiding American Citizens to Stop Paying Their Taxes and Start a New Government?

By David DeGraw, [AmpedStatus Report](#)

The evidence is now overwhelming. The United States government has facilitated the theft of trillions of dollars of national wealth and 99% of the US population no longer has political representation.

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Now that I have your attention, I want to make it clear to you that I am being rational and serious when I ask this question: Is it time for law abiding American citizens to stop paying their taxes and start a new government?

Before you roll your eyes and dismiss me as some "extremist," let me explain the situation to those who are unfamiliar with my past reports. In my report on the [Economic Elite Vs. The People of the United States](#), I lay out the case proving that our economy and tax system has become an

organized criminal operation. I defy anyone who spends time researching and analyzing the facts and overwhelming evidence to support this claim to prove otherwise. I invite anyone who thinks I'm wrong to a debate on national television. I'm talking to you, Tim Geithner, Ben Bernanke, Larry Summers, Lloyd Blankfein, Jamie Dimon and President Obama!

I torturously spend 60 plus hours a week researching this and the torrent of devastating news and evidence is mounting by the minute. The staggering level of theft continues unabated. As I am watching this unfold, I am horrified thinking about the severe consequences that have only just begun to reap their toll. Our nation is being raped and pillaged. Our future is going up in flames and our government isn't even making the slightest effort to put out the fire. In fact, they are purposely pouring gasoline all over it.

"There's a time when the operation of the machine becomes so odious—makes you so sick at heart—that you can't take part. You can't even passively take part. And you've got to put your bodies upon the gears and upon the wheels, upon the levers, upon all the apparatus, and you've got to make it stop. And you've got to indicate to the people who run it, to the people who own it that... the machine will be prevented from working at all." – [Mario Savio](#)

So let me take a deep breath and back up for a minute... and explain the urgent gravity of our current crisis.

I: The Ongoing Theft of Trillions

The first thing people need to understand is that the economic crash wasn't a crash for the people who caused it. In fact, these financial terrorists are now doing better than ever. In a recent report, titled "[Social Inequality in America: Widening Income Disparities](#)," more evidence of the unprecedented transfer of wealth was revealed:



"As of late 2009, the number of billionaires soared from 793 to 1,011, and their total fortunes from \$2.4 trillion to \$3.6 trillion.... Despite the crisis, the list of billionaires has grown by 218 people and their aggregate capital has expanded by 50%. This may seem paradoxical, but only at first glance. This result was predictable, if we recall how governments all over the world have dealt with the economic crisis."

The inequality of wealth in the United States between the economic top 0.5% and the remaining 99.5% of the population is [now at an all-time high](#). The economic top 1% of the population now controls a [record 70%](#) of all financial assets. The point here is that while the economic crisis has been devastating for 99% of America, the Wall Street elite are awash in record breaking profits. The most profitable firm in Wall Street history, Goldman Sachs, just had their most profitable quarter in their 140-year history and Wall Street firms issued an all-time record breaking amount in bonuses.

All of this is occurring after giving these firms **\$14 TRILLION** in taxpayer support - that works out to be \$46,662 of your hard-earned money. That's \$46,662 for every man, woman and child in this country. If you have a family of four, sorry, your future just got robbed and you and your children just lost \$186,648!

So what are all these firms doing with these record-breaking profits? Are they returning them into the tax system in which they came from, the tax system that was looted just to keep their scam running?

No!

Let's start with Wells Fargo. After being bailed out with our money in 2008, their top five executives DOUBLED their compensation and each one of them made over \$11 million in 2009. Wells Fargo CEO John Stumpf made off with a cool **\$21.3 million** last year.

And now comes news that Bank of America and Wells Fargo **will pay zero**, yes ZERO in federal taxes for 2009. Bank of America will net a \$3.6 BILLION benefit from the federal government in 2009. Wells Fargo, after \$8 BILLION in earnings for 2009, will net \$4 BILLION from the federal government.

So you and I are working our asses off just to make ends meet, paying 30% of our limited income in taxes, and gizillionaire John Stumpf's company is paying ZERO in taxes so that he can personally swipe another \$21.3 million of tax payer funds.

Al Capone is a dime store thief compared to this guy!

Well, to be fair, Mr. Stumpf is just a small-timer himself in this all-time greatest heist.

JP Morgan Chase made \$12 BILLION in profit in 2009, as a direct result of our tax money - yes, I need to keep repeating this fact. These are profits that would not exist if it weren't for our tax dollars.

It's also important to point out that this is just the level of theft that has already occurred. However, as I also can't stress enough, the theft still continues without any let-up.

Now comes news that JP Morgan is on the verge of getting a **\$1.4 BILLION tax refund!** Yes, you heard me right, a \$1.4 BILLION TAX REFUND. But JP is not alone in this latest theft. In total, the financial terrorists are due to receive **\$33 BILLION IN TAX REFUNDS!**

Do you comprehend how depraved it is to give these people another \$33 billion in tax refunds? I assume that they're thinking that after stealing \$14 TRILLION, another \$33 billion really isn't all that much. After all, last year, Goldman Sachs, the most profitable firm Wall Street history, only paid 1% in taxes, so what's another \$33 billion kickback among friends?

Let's be clear about this latest \$33 billion of which the US tax system is being robbed. What could we do with \$33 billion?

For one, we could put over one million unemployed people back to work and pay them the average national median wage for the next year. Add the record-breaking \$150 billion in bonuses (our tax money) that Wall Street handed out this past year to the \$33 billion and guess what? We can now put over six million people back to work making the average annual wage! Do you think that would stimulate the economy? Green shots galore.

But why do that? Jamie Dimon needs another new 40,000 square foot mansion and Goldman Sachs needs to upgrade their fleet of luxury jets filled with the finest wine, champagne, cigars and hot tubs.

Maybe we could use that \$33 billion to save some of the hundreds of schools that are being forced to close this year due to devastating State budget deficits. Or maybe pay the thousands of teachers who just found out that their jobs have been cut. How about using that money to feed the [50% of US children](#) who need to use food stamps during their childhood to eat? How about using it to give a raise to the 15 million US workers who work 40 hours or more a week and still fall [below the poverty line](#).

Wait, I know, how about helping the millions of Americans who have been foreclosed upon due to JP Morgan's predatory lending schemes and illegal subprime "liar's loans."

And don't even get me started again on how we can [better use the \\$14 TRILLION](#) that Wall Street made off with...

People of the United States to Obama: Hello! This is happening on your watch!

Change We Can Believe In!

Oh, but wait... it gets even better. This just in from the Roosevelt Institute:

["De facto bailout for Freddie and Fannie](#)

Did the Fed and the Treasury orchestrate a de facto bailout of Fannie Mae and Freddie Mac — at public expense and sans Congressional approval? John Hussman thinks so. He provides a detailed account of just how 1.5 trillion dollars got diverted to Freddie and Fannie — money that we can all kiss goodbye. American taxpayers, it seems, have gotten the middle finger once again."

And then in comes this little known, highly underreported news item: [U.S. Taxpayers on Hook for \\$5 Trillion of Fannie, Freddie Debt](#)

"After years of winks and nods, there's no doubt that Fannie and Freddie now enjoy an explicit guarantee, according to most observers. The U.S. government placed Fannie Mae and Freddie Mac in conservatorship in September 2008: 'This means that the U.S. Taxpayer now stands behind \$5 trillion of GSE debt,' according to the Congressional Research Service."

Hank “Pentagon-Sachs” Paulson’s right-hand man Tim Geithner, now Obama’s hand-picked Treasury Secretary and point man for the continued looting, [recently assured](#) his friends on the Financial Services Committee: “We will do everything necessary to ensure these institutions have the capital they need to meet their commitments.” Geithner then acknowledged that US taxpayers will take “very substantial” losses on this bailout.

Yep, Obama’s Chief-of-Theft, Rahm “Freddie Mac Daddy” Emanuel’s former company now has unlimited ability to rob taxpayer money and is making off with \$5 TRILLION. And I thought Cheney’s Halliburton was as bad as it could get.

Yes We Can... Get Robbed Even More!

But don’t worry, if you thought the past two years were bad, the history books will recall them as a walk in the park compared to what is coming our way. You don’t have trillions looted from the economy and continue to just keep going about your life business as usual. I wish I was wrong, and I wish this was just my opinion, but facts are facts and every societal and economic indicator says things are going to get worse, MUCH WORSE.

II: Off-the-Books, Off-the-Record

Did you happen to catch the underreported news about the Lehman Brothers’ bankruptcy? Turns out that Lehman Brothers’ was playing Enron-style accounting games and hid BILLIONS of dollars of debt using a “gimmick” called “repo 105” to keep losses off their balance sheet.



If you haven’t read the 2000 page report yet, you might want to, because the Lehman Brothers scandal is not an isolated incident by any means. It is a revealing look into “standard” and “routine” accounting practices used by all the large politically-connected Wall Street firms. It is [standard operating procedure](#) in this organized criminal enterprise that poses as free enterprise - a rigged market that pretends to be a free market.

The theory that people didn’t know about Lehman’s accounting scam is, to put it kindly, not based in reality. Financial reporter Max Keiser revealed Wall Street’s accounting scams, back in July of 2008, in a report titled, [“Peek-A-Boo Accounting and the Crash of Financial Stocks on Wall Street.”](#) Here’s how Max put it almost two years ago:

“Since it was discovered that Enron was hiding debt off their balance sheet to make their earnings, stock and stock options go up, Wall Street has decided they can’t get enough of this neat trick and every quarter we see more of it.

It’s peek-a-boo accounting where debts are removed from the balance sheet during the period when disclosure is needed (for quarterly earnings reports) and the debt is temporarily parked back onto the company’s balance sheet, or parked on another bank’s balance sheet with an implied reciprocal agreement. (Enron had hundreds of

shell companies that served as 'debt parking lots' to avoid having to include any liabilities on their quarterly earnings statement).

Lehman Brothers looks like they are trying to out-Enron Enron in the peek-a-boo accounting department.”

Eliot Spitzer, once known as the Sheriff of Wall Street, and white-collar crime expert William Black released a report calling the accounting tricks on Wall Street a three card Monte scam for suckers. While calling for an “immediate Congressional investigation,” they explained:

“Our investigations have shown for years that accounting is the ‘weapon of choice’ for financial deception.... As our December co-author Frank Partnoy recently explained as part of a major report of the Roosevelt Institute, ‘Make Markets Be Markets’, such abusive off-balance accounting was and is endemic. It was a major cause of the financial crisis, and it will lead to future crises....

The Valukas report also exposes the dysfunctional relationship between the country’s main regulatory bodies and the systemically dangerous institutions (SDIs) they are supposed to be policing. The NY Fed, the regulatory agency led by then FRBNY President Geithner, has a clear statutory mission to promote the safety and soundness of the banking system and compliance with the law. Yet it stood by while Lehman deceived the public through a scheme that FRBNY officials likened to a ‘three card monte routine’....

The FRBNY remained willing to lend to an institution with misleading accounting and neither remedied the accounting nor notified other regulators who may have had the opportunity to do so.

The Fed wanted to maintain a fiction that toxic mortgage products were simply misunderstood assets, so it allowed Lehman to maintain the false pretense of its accounting.”

Here’s another highly important fact that has been left out of media reports concerning Lehman’s scam: The Federal Reserve not only hid the information on the massive scam, they most likely taught these companies how to do it! A very important piece of this puzzle was revealed to me in a discussion I had with Larry Park, the founder of [The Foundation for the Advancement of Monetary Education \(FAME\)](#). Former Federal Reserve Chairman Paul Volcker wrote a book called “[Changing Fortunes](#)” back in 1993. In the book, Volcker talks about inventing this same scam by manipulating the Bank of Mexico’s books:

“... it was a matter of buying time. In an effort to hold things together psychologically, we agreed with considerable unease to extend overnight swap credits once or twice to the Bank of Mexico to bolster the month end figures for their dollar reserves. We would transfer the money each month on the day before the reserves were added up, and take it back the next day. Our unease did not arise from any fear of financial loss, but because the ‘window dressing’ disguised the full extent of the pressures on Mexico from the bank lenders and from the Mexicans themselves.”

So there you have it, another devil child spawn from the Federal Reserve... “peek-a-boo” voodoo accounting.

By the way, Bank of (Zero Taxes) America also used “peek-a-boo” voodoo to [hide debt](#). So to sum this up in plain English, the government looks the other way as they illegally hide massive debt and then doesn't even bother collecting any taxes from them. Did you get that, people? Just burn your mortgage and credit card bills, get one of your close friends (Ernst and Young) to say the debt on them doesn't exist and then you won't have to pay off any of your debt or have to pay any taxes. In fact, just incorporate yourself and tell the government to give you a couple billion in tax dollars. *It works for the thieves on Wall Street!*

Before moving on, I must also mention that Bank of (Zero Taxes) America has been caught robbing people and committing fraud repeatedly, as [Gary Null revealed](#), they have spent “\$14.9 billion to settle 15 [court] cases.” Which is just part of the “over \$430 billion [that] has been paid to parties by Wall Street firms in over 1500 cases.”

III: Osama bin Bank of America

Let's also not forget that Bank of America kept pumping money into the terrorist financing bank, Bank of Credit and Commerce International (BCCI), as I [detailed in a report](#) I put together back in 2004. Bank of America single-handedly kept BCCI alive by secretly funneling them a BILLION dollars a DAY, even after BCCI was caught funding Pakistan's nuclear weapon's project, Saddam Hussein's chemical weapons, Osama bin Laden's al Qaeda network, the Palestinian Liberation Organization, Manuel Noriega's drug trade, the drug war in Nicaragua, the Iran-Contra Affair, along with the vast majority of the world's largest drug dealers and terrorists. BCCI also pioneered most of the tricks used on Wall Street that led to the economic crisis. They were a significant player in the Savings and Loan scandal as well, and were the financing arm for the largest covert operations in the CIA's history.



The harsh truth is that most of today's biggest terrorist networks wouldn't even exist if it wasn't for Bank of America's support of BCCI. In "[The Outlaw Bank](#)," investigative reporters Jonathan Beaty & S.C. Gwynne revealed the significant role Bank of America played:

“Five of Bank of America's senior officers were either on BCCI's board of directors or helped to manage Abedi's bank. For the next decade the two banks would move billions of dollars a week through each other's international offices, and the Bank of America would be an invaluable, if hidden, ally, since it would continue to accept BCCI's letter-of-credit business after virtually no other Western bank would touch it. Indeed, it could be argued that Bank of America became the single most important financial institution helping BCCI stay afloat.

In the United States alone, Bank of America *transferred more than \$1 billion a day for BCCI until the moment of BCCI's global seizure in July 1991.*

Thus Bank of America acted as a sort of global vacuum cleaner, sucking up many BCCI branch deposits and thereby providing the fuel Abedi needed to keep his Ponzi scheme alive....”

Most everyone on the planet, thanks to a “news” system that has no memory of these issues, seems to have conveniently forgotten that BCCI was, literally, al Qaeda. How is it that our multi-million dollar “news” operations can’t seem to connect these dots and don’t have any memory of this highly significant chapter in US history? This proves that these media companies are in the business of propaganda, not informing the public as they are legally obligated to do. Bank of America surrogate, Khalid bin Mahfouz, who is a Saudi and was known as the most powerful banker in the Middle East, also was business partners with Dick Cheney, George Bush, [Enron's Ken Lay](#) and 9/11 Commission Chairman Thomas Kean - so it’s not surprising that this was all left out of the 9/11 commissions report.

Here’s some more significant information that seems to have been redacted from the history book...

Mahfouz was BCCI’s Chief Operating Officer and also Bin Laden’s main money man. He was intimately involved with James Baker and Dick Cheney’s “Strategy of the Silk Route” plan to build an oil pipeline through Afghanistan in a joint venture called CentGas. Hamid Karzai, Afghanistan’s current Prime Minister, was a lobbyist for the CentGas venture with close ties to the Pakistani ISI and was a key CIA asset at the time. When the US-funded Taliban was unable to gain control of the region by force, which is what Ken Lay’s feasibility study demanded, the CentGas pipeline deal fell through. Cheney knew control of the Caspian oil basin was of the highest geo-strategic value in securing control of the earth’s remaining oil supply, so he drew up plans for an invasion of Afghanistan. Then, of course, 9/11 happened, and all of this significant history was buried in the rubble of the World Trade Center.

I don’t want to get side-tracked into Bank of America’s scandalous past involvement in US intelligence, so I’ll get back to the current Wall Street accounting racket.

As Max Keiser’s report makes clear, the accounting scam works by keeping massive losses off-the-books. This way, they can report huge profits, which of course leads to them being able to give themselves huge bonuses. There is still well over a [trillion more in hidden off-the-books](#) losses, “toxic” debt yet to fall and be made public. The first debt bomb went off in 2008, the second BIGGER one is ticking away right now, and it will be a much more devastating blast when it goes off. This global Ponzi scam has gone on for years with no one regulating or enforcing the law to stop them. It’s going to blow and take us all down with it. That’s why they are dishing out record bonuses now, they know we are on the Titanic and they are stepping on us and jumping into the lifeboats.

IV: New Mafia World Order

But wait, I hear skeptics say, “How is it possible that they could steal trillions and not get caught or be held



accountable?" Which is a very logical question. Well, when you have trillions of dollars you can easily grease the wheels, fund political campaigns at every level, and buy off all the regulators. The SEC knew about Bernie Madoff for years, but didn't do anything about it, and he was a small-timer. The SEC and The Federal Reserve also obviously [knew about Lehman's accounting games](#) long before they went bankrupt and actively worked to hide the information from the public.

For another current example of how the wheels are greased, let's look at this, just in off the AP wire... "[Government rewarded bank auditors with big bonuses.](#)"

"As banks gambled on the risky mortgages that helped create the worst financial crisis in generations, the U.S. government handed out millions of dollars in bonuses to regulators at agencies that missed or ignored warning signs that the system was on the verge of a meltdown.

The bonuses, detailed in payroll data released to The Associated Press, are the latest evidence of the government's false sense of security during the go-go days of the financial boom. Just as bank executives got bonuses despite taking on dangerous amounts of risk, regulators got taxpayer-funded bonuses for doing "superior" work monitoring the banks.

The bonuses, released in response to a Freedom of Information Act request, were part of a reward program little known outside the government. Some government regulators got tens of thousands of dollars in perks, boosting their salaries by almost 25 percent."

Do you see this? Major bonuses for looking the other way! What the New Mafia World Order calls "superior work."

To get a further understanding of how this banking cartel operates and handles people who are in a position to stop their plunder, consider the case of American hero Bradley Birkenfeld. Democracy Now covered his case with [this report](#):

"Why Is the Whistleblower Who Exposed the Massive UBS Tax Evasion Scheme the Only One Heading to Prison?"

A former banker for the Swiss giant UBS who blew the whistle on the biggest tax-evasion scheme in US history is preparing to head to prison tomorrow to begin serving a forty-month federal sentence. Bradley Birkenfeld first came forward to US authorities in 2007 and began providing inside information on how UBS was helping thousands of Americans hide assets in secret Swiss accounts."

As Jesselyn Radack wrote on [Common Dreams](#), "Birkenfeld is the only person in the scandal (which resulted in the Treasury's recouping \$780 million) to be sentenced to prison. Not a single one of the 52,000 American tax cheats who had UBS accounts faces jail time." In other words, as this case demonstrates, if you're rich enough, it's legal to steal tax money, but illegal to point out

that the money was stolen. How is that for sending out a message to let the world know who is in charge? Welcome to the New Mafia World Order.

And to think, this theft is peanuts compared to the trillions stolen through [market manipulation](#) and the bailout, but as [National Whistleblowers Center](#) summed it up: “Mr. Birkenfeld’s voluntary disclosures also led to: The shutdown of the entire \$20 billion UBS program that existed to solicit and encourage wealthy Americans to hide their money in secret, offshore accounts.”

Well, the billionaire pirates who looted our economy can’t have something like this happen, so send that confused servant who thinks laws apply to them to jail!

V: The Goldman Sachs Obama Illusion

We all seem to forget that President Barack “[Business International](#)” Obama was hand-picked and funded by Goldman Sachs just before he sprung to popularity when he won the Iowa caucus. There is no question, these are some highly intelligent, mastermind criminals we are dealing with. Goldman Sachs knew a great communicator when they saw one. Obama is a masterful propagandist. I know many Democratic friends of mine get upset when their beloved Obama is implicated in all this. And I completely understand why a record-breaking number of people came out and gave him time they didn’t have and money they couldn’t afford, and worked tirelessly on his campaign, giving all to support the man who was going to bring change and economic justice. If he was working on the issues he campaigned on, I would be supportive too. However, the evidence is now clear and the jury is in, as I explained in more detail in my [Financial Coup d-Etat](#) and [Af-Pak War Racket](#) reports, Obama and Congress are the ones allowing this to happen and are absolutely vital in facilitating the greatest theft of wealth in history.



Just to quickly sum up, to this day, John Dugan, the most powerful bank lobbyist alive, who played a pivotal role in the theft of trillions is STILL running the federal Office of the Comptroller of the Currency. As Zach Carter wrote in a [recent report](#), “as the chief regulator for the largest US banks, Dugan and his staff are one of the most powerful engines of economic policy in the world.... given Dugan’s record, it’s hard to see why he has been allowed to stay on the job for Obama’s first year.” Zach is putting this very politely, given Dugan’s record it is hard to see how he is not serving a life sentence in prison. On top of this, Obama put Tim Geithner IN CHARGE of the US Treasury! In the most pivotal moments of the bailout (coup), Geithner served as Hank “Pentagon-Sachs” Paulson’s covert operations director as the head of the NY Federal Reserve. And the icing on the cake, Obama boldly backed the reconfirmation of Ben Bernanke as Federal Reserve Chairman. The list of criminals who remain in power with the direct blessing of Obama is long.

Given this very obvious information, the argument that Obama is just naïve to all this doesn’t hold water, not even a single drop.

I understand that fixing an economy that has been systematically built on theft and corruption is an incredibly difficult task, but there are obvious first steps that need to be taken. Being that Obama loves to name Czars, how about naming white-collar crime expert William K. Black as the Czar of Economic Security. Black released a very short statement detailing his “[Top Ten Ways to Crack Down on Corporate Financial Crime](#).”

“Number one: Fire Treasury Secretary Timothy Geithner, Office of Thrift Supervision chief John Bowman, Fed chief regulator Patrick Parkinson, and Office of the Comptroller of the Currency Chief John Dugan.

Number two: Create a consumer financial protection agency headed by Harvard Law School professor Elizabeth Warren.

Number three: Get rid of too big to fail.

Number four: Get rid of Ben Bernanke as chair of the Fed. Replace him with Nobel prize winner Joseph Stiglitz.

Number five: Bust up the FBI partnership with the Mortgage Bankers Association.

Number six: Regulate first.

Number seven: Target the top 100 corporate criminals.

Number eight: Fix executive compensation.

Number nine: Appoint a chief criminologist at each of the financial regulatory agencies.

Number ten: Hire 1,000 FBI agents."

Looking at William Black's last point, consider what he had to say in an [interview with Bill Moyers](#) about Bush and Obama's stunning lack of investigation and enforcement:

"After 9/11, the attacks, the Justice Department transfers 500 white-collar specialists in the FBI to national terrorism. Well, we can all understand that. But then, the Bush administration refused to replace the missing 500 agents. So even today, again, as you say, this crisis is 1000 times worse, perhaps, certainly 100 times worse, than the Savings and Loan crisis. There are one-fifth as many FBI agents as worked the Savings and Loan crisis."

VI: American Heroes Speak Out on the Financial Reform Ruse

If you think the new "financial reform" bill about to be rushed through Congress and signed by Obama is going to do anything to change the game, you need to turn off your propaganda machine (television), put down the Kool-Aid and WAKE UP. This is not some political abstraction that you can avoid thinking about. This is a direct attack on us. Our future is being ripped away from us and destroyed while we watch American Idol and sit back hoping and waiting for change. There is major change coming, no question about that, but the change is going to be for the worse, much worse.



The Obama-Summers-Bernanke-Geithner doctrine has been to keep hiding debt and losses, and allow continued theft, by just kicking the can further down the road. This is only going to make things worse in the long run. The fat lady has already sung, they're just delaying the inevitable and stealing everything they can still get their hands on in the meantime.

The corrupt SEC is still trying to [further ease any remaining regulations](#) on the major banks, and the sham that is being called “historic financial reform” is a massive con job. Even though you don’t see it on your nightly “news” or the 24 hour propaganda outlets, experts have been bravely speaking out about it and reporting their findings. TARP Congressional Oversight Panel Chairwoman Elizabeth Warren has been tirelessly fighting for a Consumer Protection Agency that is now going to be tossed aside into the Federal Reserve. Putting the Consumer Protection Agency in the Federal Reserve is like saying you are going to protect children by locking them in a room with a serial child molester. Apologies for making these vulgar analogies, but people need to understand the depravity of what is happening here. Dodd’s entire bill gives even more power to the thugs who are running the heist. As Andy Kroll wrote in a recent report called, [“The Fed’s Spectacular Comeback:”](#)

“When Sen. Chris Dodd (D-Conn.) unveiled his long-awaited version of a Wall Street reform bill on Monday, two unlikely winners emerged: the Federal Reserve and its chairman, Ben Bernanke. The Fed, according to Dodd’s plan, would retain some of its most crucial regulatory powers, like overseeing the 40 or so big banks with more than \$50 billion in assets. But it would also gain more regulatory muscle. A new consumer-protection agency would be housed within its walls, and the Fed chairman would sit on a council of regulators created to tackle banks that are too big or too interconnected to fail. Bernanke and his team would also be empowered to regulate large non-banking financial firms—like subprime mortgage companies—if the council of regulators deem that they threaten the economy.”

That’s right, let’s put the thieves in charge of policing the thieves. Sounds like a brilliant, mentally sound plan, doesn’t it? But their extraordinary audacity and arrogance doesn’t stop there!

Another person to bravely speak out, FDIC Chairman Sheila Bair, revealed her “serious concerns” that the Senate’s new bill will allow [“backdoor bailouts of the largest financial firms.”](#) Yep, “backdoor bailouts,” very aptly titled. The Wall Street elite, knowing that there are still massive debts/liabilities to be placed on the books, want to continue to give themselves huge bonuses and keep their scam rolling along, so they want to keep the already plundered taxpayer lifeline open. They are like heroin junkies trying to tap the vein just one more time. And that vein isn’t theirs; it’s yours!

Former IMF chief economist Simon Johnson has testified before Congress stating that the bill is a sham, and has released many reports exposing the bill to be a mere charade. He recently [raised this alarm](#): “The indications are that some version of the Dodd bill will be presented to Democrats and Republicans alike as a fait accompli – this is what we are going to do, so are you with us or against us in the final recorded vote? And, whatever you do – they say to the Democrats – don’t rock the boat with any strengthening amendments.”

Johnson followed that report up with this one: [“Senator: Which Part Of ‘Too Big To Fail’ Do You Not Understand?”](#) Mike Konczal of the Roosevelt Institute also went through the bill looking for things a Goldman Sachs lobbyist [might object to](#) and didn’t find any reason for Goldman Sachs to not support it. Even the Troubled Assets Relief Program (TARP) Inspector General Neil Barofsky has been courageously railing against the [“lack of any meaningful reform.”](#) And these people are hardly radicals. They are all American heroes who are risking their careers and livelihoods to blow the whistle on this sham.

The fact that this has all happened is beyond comprehension. The only thing that is more mind-boggling is that all-out plunder continues to escalate.

VII: Economic Weapon of Mass Destruction (WMDs)

Even the most lethal financial Weapon of Mass Destruction, as Warren Buffet called derivatives and Credit Default Swaps, haven't been banned. They continue to grow even more ominous. Goldman Sachs, the ultimate terrorist, has a "derivative liability equal to [33,823% of assets](#)." That, my friends, is an atomic bomb sitting on the backbone of the global economy. In total, there is an astounding [\\$610 TRILLION](#) in derivatives just ticking away, waiting to blow. Shockingly, two years after the [tip of the derivative iceberg](#) was hit and blew major holes into the economy that we are still reeling from, current legislation STILL does little to address this. On [Bank Watch](#), Colin Henderson reported:



"The data on derivatives is impressive.

JPMorgan Chase, for example, held derivatives worth 6,072 percent of its assets at the peak of the bubble in 2007. The other two giants, Citigroup and Bank of America, although still far behind Chase, had 2,022 percent and 2,486 percent respectively. Goldman Sachs, the other giant, had an astonishing amount of derivatives on its balance sheets: 25,284 percent of assets in 2008 and 33,823 percent as of June 2009. Citigroup and BOA now have more of this risk on their books than before the crisis (FDIC SDI database)....

This simply adds to the point that despite all the histrionics and efforts in Washington, nothing has been learned and the American Banking system is now at least at as much risk now as in 2007, pre crash."

Let me put this in a way that is easy to understand. Imagine if Osama bin Laden went to Congress and the President and said, "I know 9/11 was bad, but to remedy the situation, how about you let me put some nuclear weapons in Times Square? Don't worry, I promise I won't set them off." This is exactly what Goldman Sachs did with derivatives, aka financial WMDs. How insane do you have to be to let this happen?

To back up for a minute for a little recent history lesson, let's get some background insight on the economic crash and severe danger posed by derivatives from [Columbia Law Professor John Coffee](#):

"When the SEC relaxed its net capital rule in 2004 and gave the industry—that is, the big 5 investment banks—an alternative net capital rule that had no ceiling on debt-to-equity ratios, this meant that overnight the major investment banks were freed of the

traditional net capital rule's requirement of a basically 12-1 debt-to-equity ratio. Instead, the investment banks were able to leverage up to their eyeballs, so long as they could point to Basel II-style internal models that arguably demonstrated that they were sufficiently diversified. Now that's a game at which the industry is much faster and better than the regulators. The investment banks were miles ahead of the SEC in developing computer models with all their Monte Carlo simulations, showing that these assets were never going to deteriorate in value. But of course they failed.

The regulators—basically the SEC—never really had the capacity to stay even with the industry once they moved from a world of simple prophylactic rules (such as a fixed leverage ratio) to a model in which you employ computer simulations to determine how much was at risk. So we have a regulatory failure here. The real lesson is that the optimal regulatory model for risk management will not work if it is too complex for regulators to implement. We also have a Congressional failure. A lot of these problems go back to decisions Congress made back in 2000 when Congress deregulated over-the-counter derivatives in the Commodities Modernization Act.”

VIII: Hank “Pentagon Sachs” Paulson

To be sure, there is a list of about 50 pivotal players in all who had a significant hand in the creation of these fraudulent and deceptive trading schemes and the removal of laws and oversight to keep these financial WMDs developing to the point where they were able to steal trillions of dollars. After all, this is not about a few individuals, this is about a systemic organized criminal operation on a massive scale. However, in my analysis, the one person who has the most smoke around him is Hank Paulson. People need to look at the 50 pivotal players who caused the crash of the economy, and then benefited greatly from it, as a Wall Street al Qaeda network with Paulson being the equivalent of Bin Laden. Actually, Paulson is much worse than Bin Laden. Analyzing the devastation from the economic attack thus far, it has been equivalent to a 9/11 attack every single week. And these attacks continue unabated.



Evidence shows that Paulson was the mastermind behind this engineered crisis. As I detail in my [Financial Coup d'Etat](#) report, this is demonstrated by some of the pivotal and unilateral moves that Paulson made in the run-up to the crisis and during the bailout.

When Paulson became CEO of Goldman Sachs in 1999, one of his first orders of business was to come out strongly in favor of the Commodities Modernization Act, which, as Professor Coffee stated, “deregulated over-the-counter derivatives.” In 2000, Paulson’s next move was to have Goldman Sachs, along with the largest Wall Street firms, join with the largest oil companies to form the [InterContinental Exchange \(ICE\)](#). ICE “is an American financial company that operates Internet-based marketplaces which trade futures and over-the-counter (OTC) energy and commodity contracts as well as [derivative financial products](#).” Since ICE was started, the price of oil has skyrocketed and profits have exploded for the oil companies and firms trading on this exchange. For an example, in 2000, when ICE was formed, the average American family spent 7% of their income on food and fuel. Today, under the pricing set by ICE, the average American family now spends a record 20% of income on food and fuel. As I wrote in my [Af-Pak War Racket: Masters of War](#) report:

“A [Congressional investigation into this exchange](#) found that these companies were fraudulently inflating the price of oil by executing ‘round-trip’ trades where one company would sell shares in oil to another company who would then sell the shares right back. This would drive the price of oil to however high they wanted it to go to. ‘No commodity ever changes hands. But when done on an exchange, these transactions send a price signal to the market and they artificially boost revenue for the company. This is nothing more than a [massive fraud](#), pure and simple.’

So when oil was selling at \$147 a barrel, the actual worth was most likely closer to half that price.”

After establishing ICE, in 2004, Paulson led the infamous “Gang of Five CEOs” who demanded that the SEC get rid of the Net Capital Rule. This further opened the derivative floodgates and eventually

unleashed the first financial WMD upon the US economy. Paulson personally made \$700 million while building his ticking time bomb. After cashing out, he then moved to the US Treasury, where he was conveniently placed, just as his bomb went off, to have the lead role and almost complete control of the US economy when it all crashed.

With military precision, he maneuvered his operatives into key positions, often former employees of his at Goldman Sachs. His moves were so riddled with egregious conflicts of interest, it'll make your head spin. The assassinations of his key rivals, Bear Stearns and Lehman Brothers, the unilateral decision to put Goldman's Audit Committee Chairman Edward Liddy in charge of the AIG, placing Goldman's Dan Jester and Neel Kashkari in pivotal bailout roles, turning Goldman Sachs into a bank holding company - this list goes on and on.

For another history lesson that the "news" media seems to have forgotten, we have to look further into Paulson's background. Paulson began his career in the Pentagon and worked for former Defense Secretary Melvin Laird. Laird is at the top of the food chain when it comes to the military industrial complex and US intelligence. There are a lot more details here that I will follow up with at another time, but to quickly get to the point: if you understand how US intelligence works, you don't just work hand-in-hand with Melvin Laird and then cut ties, and independently end up as CEO of Goldman Sachs, and then (what do you know?) just before the economy is about to blow, Paulson is appointed Czar of the Bailout by Bush/Cheney.

On top of this, we also need to remember that Paulson was intimately involved in Watergate. Yes, you heard me right... Watergate. Working for the Nixon Administration, Paulson was the assistant to [John Ehrlichman](#) during the Watergate scandal. Ehrlichman was "convicted of conspiracy, perjury, and obstruction of justice for his part in the Watergate [break-in and cover-up](#)." Just to add one more layer to Paulson's shady background, another highly unreported fact is that while leading Goldman Sachs, Paulson developed very intimate relations with [members of the Chinese elite](#), visiting the country over 70 times.

For now, I am going to leave my Paulson detour and get back to Goldman's current shenanigans.

The two terrorists with the biggest derivative bombs are now throwing their ever-growing power around like drug addicts on a bender. As Bloomberg recently reported:

["Goldman Sachs Demands Collateral It Won't Dish Out](#)

Goldman Sachs Group Inc. and JPMorgan Chase & Co., two of the biggest traders of over-the-counter derivatives, are exploiting their growing clout in that market to secure cheap funding in addition to billions in revenue from the business. Both New York-based banks are demanding unequal arrangements with hedge-fund firms, forcing them to post more cash collateral to offset risks on trades while putting up less on their own wagers."

As an ironic side note, in Italy, the birth place of Mafia rule, they are taking the lead in fighting back by charging JP Morgan and co-conspirators with [derivatives fraud](#). They fraudulently robbed the city of Milan by misleading them, as [Bloomberg put it](#), "over swaps that adjusted interest payments on

1.7 billion euros (\$2.3 billion) of bonds sold in 2005.” This is just a tiny drop in the global theft bucket. I mention it just because it is nice to see a country actually making an effort to recoup some of the theft.

While we are in Europe... Greece, which was looted and plundered by Goldman Sachs and friends, now faces draconian austerity measures and major cuts in social programs with drastically increased taxes. The people are taking to the streets and fighting back. They have been rioting and storming Parliament, they even blew up a JP Morgan office and tried to blow up several Citigroup banks. Unfortunately, Greece is a canary in the coal mine when it comes to the future of the United States.

And guess what, passive US taxpayers? With the people in Greece and Europe actually standing up to their governments, Greece will be bailed out, not by Europeans, but by... us... yes, the US taxpayer. Uncle Sam's economic imperialism arm, the International Monetary Fund (IMF), is [riding in to the rescue](#). Of course, the Greek public would be wise to rebel against this idea as well, because any country that makes a deal with the IMF ultimately ends up as a debt-slave nation.

Getting back to the derivatives scheme, a recent McClatchy report titled, "[Enabling Wall Street's secret gambling problem](#)" explained how Wall Street firms spent \$200 million of *our own tax dollars* to fend off any regulation and summed it up this way:

“If you'd just driven the economy off a cliff, wouldn't you be embarrassed to show your face on Capitol Hill? And surely, I thought, these firms wouldn't spend their taxpayer bailout money on high-priced lobbyists.

Boy, was I naive. Last year alone, Wall Street spent more than \$200 million to block efforts to rein in their recklessness. And the investment is paying off. The financial reform bills moving through Congress are full of holes for greedy bankers to exploit.

Just look at the Senate Democrats' new bill. One place you can see the Wall Street lobbyists' handiwork is in all the exemptions for derivatives, the complicated financial instruments blamed for accelerating the crisis.

Analysts say the bill would exempt up to 40 percent of derivatives from being traded on open exchanges. This means that high flyers could still do their riskiest gambling in secret - far from the eyes of any regulator cops.

This type of over-the-counter trading is kind of like backroom poker. In most cases, it adds no value to the real economy, so it's exactly like betting. Except if the game goes really badly, it's not one unlucky gambler who stands to lose his shirt - it's the entire economy.”

When the derivatives bell tolls, which is inevitable, the stock market will not only plummet, it will cease to exist. The derivatives market is the biggest Ponzi scheme in history, and we all know what eventually happens in Ponzi schemes. Speaking of backroom poker and Ponzi schemes, have you seen the latest news...

IX: \$5.4 Trillion a Year Bullion Market Ponzi Scheme

Similar to the Inter Continental Exchange, the [London Bullion Market](#) (LBMA), also known as the precious metal market (PM), is a multi-trillion over-the-counter (OTC) market for gold and silver. Also similar to the hundreds of billions, possibly trillions, stolen through fraudulent transactions on the ICE market, a whistleblower named [Andrew Maguire](#) just came forward to expose JP Morgan's manipulation of the PM market. As Tyler Durden put it on his brilliant website [Zero Hedge](#):



“At this point none of this should be at all shocking, and the only thing that matters is when CFTC's ex-Goldmanite Gary Gensler will be fired for allowing hundreds of billions of dollars to be sucked out of the PM market on behalf of such major market manipulating entities as JP Morgan and the New York Federal Reserve, for whom it transacts. Don't worry - the answer to that rhetorical question is 'never', as it is the administration's goal to make all the millionaires among the bulge bracket firms billionaires, via legalized theft from honest investors.”

Patrick A. Heller, writing on the NumisMaster website, [summed it up this way](#):

"CFTC Gets Facts of Bullion Manipulation

... On March 23, 2010, GATA Director Adrian Douglas was contacted by a whistleblower by the name of Andrew Maguire. Maguire is a metals trader in London. He has been told first-hand by traders working for JPMorganChase that JPMorganChase manipulates the precious metals markets, and they have bragged to how they make money doing so.

In November 2009 Maguire contacted the CFTC enforcement division to report this criminal activity. He described in detail the way JPMorgan Chase signals to the market its intention to take down the precious metals. Traders recognize these signals and make money shorting the metals alongside JPM. Maguire explained how there are routine market manipulations at the time of option expiry, non-farm payroll data releases, and COMEX contract rollover, as well as ad-hoc events....

Now that this information about silver price manipulation and about the massive shortage of physical gold and silver on the London exchange is part of the official record, I expect huge fallout. Remember, after the five men were arrested for breaking into the Democratic headquarters in Watergate in June 1972, it took more than two years for President Nixon to resign. I don't think it will take anywhere near this long for last Thursday's revelations to blow back against the U.S. government and the U.S. dollar. Once the public realizes the extent of the manipulation, gold and silver prices are likely to skyrocket.

I think this hearing will be the beginning of the end for those trying to suppress gold and silver prices....”

Adrian Douglas, director of the Gold Anti-Trust Action Committee (GATA) recently described this Ponzi scheme:

“LBMA trades over 100 times the amount of gold it actually has to back the trades.... the giant Ponzi trading of gold ledger entries can be sustained only if there is never a liquidity crisis in the REAL physical market. If someone asks for gold and there isn't any the default would trigger the biggest 'bank run' and default in history.... Almost every day we hear of a new financial fraud that has been exposed. The gold and silver market fraud is likely to be bigger than all of them. Investors in their droves, who have purchased gold in good faith in 'unallocated accounts', are going to demand delivery of their metal. They will then discover that there is only one ounce for every one hundred ounces claimed. They will find out they are 'unsecured creditors'.... It is, as I asserted before the Commission, a giant Ponzi Scheme.”

So you better hurry up and claim your gold, because everyone knows what happens to the last people in on a Ponzi scheme, they always get screwed and lose everything.

X: Ponzi Nation: Welcome to America, Sucker

And when it comes to the Ponzi US economy, the last people in are American taxpayers, you and I. As Andy Kroll correctly put it in his Tom's Dispatch report, "[Ponzi Nation: Welcome to America, Sucker.](#)"



"Ours is now a Ponzi nation. There is a new mood in the land. Just how it will play out is unknown, but a sense of having been conned is still spreading — as if not just surprising numbers of investors, but the whole country had experienced the last days of a giant Ponzi scheme. With it goes a feeling that what we've been living through, even in "the best of times," wasn't an American dream, but pure nightmare. Welcome to America, sucker."

Knowing now how the market has been rigged to loot taxpayers and honest investors, let's view these recent news items:

[Public Pension Funds Are Adding Risk to Raise Returns](#)

"States and companies have started investing very differently when it comes to the billions of dollars they are safeguarding for workers' retirement.... states and other bodies of government are seeking higher returns for their pension funds, to make up for ground lost in the last couple of years and to pay all the benefits promised to present and future retirees. Higher returns come with more risk.... public pension funds are trying a wide range of investments: commodity futures, junk bonds, foreign stocks, deeply discounted mortgage-backed securities and margin investing. And some states that previously shunned hedge funds are trying them now."

[Steep Losses Pose Crisis for Pensions](#)

"The financial crisis has blown a hole in the rosy forecasts of pension funds that cover teachers, police officers and other government employees, casting into doubt as never before whether these public systems will be able to keep their promises to future generations of retirees.

The upheaval on Wall Street has deluged public pension systems with losses that government officials and consultants increasingly say are insurmountable unless pension managers fundamentally rethink how they pay out benefits or make money or both....

After losing about \$1 trillion in the markets, state and local governments are facing a devil's choice: Either slash retirement benefits or pursue high-return investments that come with high risk."

[FDIC wants pension funds to prop up failed banks](#)

“Over 140 U.S. lenders folded in 2009 alone. To remedy the financial void left in their wake, the Federal Deposit Insurance Corporation wants public pension funds, which safeguard the retirement funds of millions, to buy in part or in whole the banks that couldn’t manage to keep their depositors’ funds...

Bloomberg News notes that pension funds in Oregon, New Jersey, California and New York may participate. The wire service also reported that firms being targeted for the plan control over \$2 trillion in retirement funds.”

Corporate America’s 401(k) Plan Managers: In Bear Market, Shareholders Lost 37%, Managers Gained a Billion

“Perhaps the biggest enemy is your 401(k) plan manager. Wolman and Colamosca say investors are making a huge mistake letting employers, Corporate America, Wall Street and politicians do your thinking for you. Why? Because they’re your enemy, they created and they control the 401(k) for their benefit, not yours. The fact is, 401(k) managers get rich off naïve investors.

How bad is it? A recent Forbes article, ‘Retirement Rip-Off,’ lambasted the industry. Using data from Dr. Mundell’s Center for Retirement Research at Boston College: ‘Even as 401(k) balances grow in size and importance, fees remain high and poorly disclosed.’ There are \$2.9 trillion savings in 401(k)-type accounts. Fees on these 401(k)’s are estimated to exceed those of traditional pension funds by 1%. That means 401(k) savers are paying \$29 billion in excess fees to the fund industry. And in a Bloomberg Markets report, retirement planning consultant Stephen Butler says, ‘Hidden fees of 1% can reduce a workers 401(k) returns by 15% over 30 years.’”

It’s Time to Tap the Empty Social Security Trust Fund

"What it all boils down to is that, in order to pay full benefits this year, Social Security will have to come up with an extra \$29 billion to supplement the inadequate payroll tax revenue. Where will that money come from? It will have to come from increased taxes or from borrowed money. 'Wait a minute!' some readers will say. Hasn't Social Security been receiving surplus revenue ever since the 1983 payroll tax hike? Isn't there supposed to be approximately \$2.5 trillion in the Social Security trust fund? The answer to both questions is yes. But there is a problem. Every dollar of that surplus Social Security revenue has already been spent by the government. Much of it went to fund wars in Afghanistan and Iraq. The rest has been spent on other government programs.

The American people were not supposed to find out about the great Social Security scam for another six years, and the government was hoping to continue to receive surplus money from the Social Security contributions of working Americans for at least that long. But the inevitable day of reckoning has come, six years sooner than anybody expected, because of the severe recession. And the government of the

United States has been caught with its hand still in the empty Social Security cookie jar.

For more than a decade, I have been trying to expose the Social Security scam just like Harry Markopolos was trying to expose the Bernie Madoff scam. But nobody would listen.... If there was any doubt remaining, with regard to whether or not the trust fund contains any real assets, that doubt should have been removed by the following words in the 2009 Social Security Trustees Report:

‘Neither the redemption of trust fund bonds, nor interest paid on those bonds, provides any new net income to the Treasury, which must finance redemptions and interest payments through some combination of increased taxation, reductions in other government spending, or additional borrowing from the public.’

There is nothing ambiguous about the above words.”

IMF Austerity Arriving in America

“It’s not coming. It’s here, being incrementally rolled out, including painful structural adjustments - some legislated, others unavoidable like the possibility suggested in Jonathan Laing’s March 15 Bloomberg.com article, titled “The \$2 Trillion Hole” in public-employee retirement plans....

Washington may impose higher taxes and devalue the dollar, but mostly expect benefit cuts, the idea being to end core ones including Medicare, Social Security, eventually Medicaid, plus others millions rely on but won’t get if tough measures are enacted. Expect them. Some are here. Others are coming through the same structural adjustments imposed on developing countries and just as painful and destructive....

Overall, the effects are devastating, including growing poverty, inequality, the destruction of the middle class and unions, hunger, homelessness, environmental harm, and police state measures to quell dissent - the essence of tyranny showing up in America and arriving at a fast clip.”

The IMF “Structural Adjustment Programs” (SAPs) that have devastated countries worldwide (correctly referenced above by Stephen Lendman) are the very programs that have been launched upon us, as I described in my report on the [Economic Elite](#). We are already seeing the effects of this hostile takeover. I won’t recount all the horrific societal and economic statistics that I have reported on in detail in my report, “[Casualties of Economic Terrorism, Surveying the Damage](#),” but the economic attack on the United States has already resulted in the US having the highest poverty rate in the industrialized world, with a stunning 50 million citizens now living in poverty. It has also given us the highest inequality of wealth in our nation’s history. Step aside Robber Barons! America now has a much more powerful and depraved criminal class. Vi Ransel recently described the bailout-coup-structural-adjustment-program like this:

“This is the result of a deliberate strategy, one Washington has executed many, many times, though usually in ‘Third’ World nations, by using ‘Free’ Trade Agreements (FTAs) and its front groups, the International Monetary Fund, the World Bank, and the World Trade Organization. Purchased politicians plunge their countries into unsustainable debt. Under Structural Adjustment Programs (SAPs), national industries are sold to transnational corporations and privatized. Social programs are cut to the bone or eliminated altogether. Interest rates are ratcheted up and the economy collapses on itself like the World Trade Center while banks and corporate buzzards fight each other to pick the carcass clean.”

On a personal level, we have all been feeling the increased stress and early tightening effects on our own financial situations already. However, on the state and federal levels, we are just beginning to see the utter devastation that lies ahead of us.

XI: Economic Shock and Awe

Here are some recent underreported headlines that you may have missed:

- * [Underemployment Hits 20% in Mid-March](#)
- * [Millions of Unemployed Face Years Without Jobs](#)
- * [As economic fears rise, families on verge of unraveling](#)
- * [Bad economy blamed for high suicide rate in U.S.](#)
- * [Arizona budget cuts education, health care for the poor](#)
- * [Kansas City closing nearly half its schools](#)
- * [Illinois budget crisis sharpens - measures being planned will severely impact students, teachers](#)
- * [US food charities overwhelmed by demand](#)
- * [‘I Borrow Money to Buy Food,’ Says City Employee as Detroit Mayor Prepares for Draconian Pay Cuts](#)
- * [Small town must choose between cops and bankruptcy](#)
- * [Social Security Payout to Exceed Revenue This Year](#)
- * [Are Pension Liabilities Set to Explode?](#)



- * [Obama Packs Debt Commission with Social Security Looters](#)
- * [Nevada budget cuts worsen the social crisis](#)
- * [Vallejo, California struggles to keep city safe during bankruptcy, heavy cuts to police force](#)
- * [More than 40 Detroit schools to close in June](#)
- * [Los Angeles sends layoff notices to 5,200 teachers](#)
- * [Illinois stops payments to university system, mass furloughs result](#)
- * [Boston cuts target community centers, libraries](#)
- * [Florida, nine other states are barreling toward economic disaster, report says](#)
- * [Mountains of Student Debt](#)
- * [Tight job market is squeezing out young workers](#)
- * [Homeowners Facing Foreclosure Take Own Lives](#)
- * [New Foreclosure Initiative Huge Bonanza for Banks](#)
- * [Prison Industry: More African American Slaves in the United States Today Than in 1850](#)
- * [Unemployment on the rise in virtually every US urban area](#)
- * [2.4 Million Jobs Lost to China, New Trade Battle Begins](#)
- * [The Off-Shored Economy: The Ruins of Detroit](#)
- * [Recession hitting returning vets hard](#)
- * [Senator Blocks Jobless-Benefits Extension](#)
- * [Over 5 million homes lost to foreclosure](#)
- * [13 million total foreclosures expected by 2014](#)
- * [Wall Street profit from utility shutoffs](#)
- * [U.S. Risks AAA Rating](#)

- * States' jobless funds are being drained in recession
- * 29 States Now in the red, As Kansas and Vermont Are the Latest Unemployment Insurance Debtors, total to rise to 40 States
- * Budget cuts could cost Texas consumers millions
- * Without more federal help, states might cut Medicaid
- * Half of commercial RE mortgages to be underwater
- * 702 banks with a total \$400 billion in assets could fail, says FDIC
- * State Debt Woes Grow Too Big to Camouflage
- * US Congress allows jobless benefits to expire
- * US now has biggest prison population in the world
- * 180 million Americans now live paycheck to paycheck
- * Economists Predict Cutbacks, Tax Increases That 'Aren't Even Imaginable'

I could go on and on and on with this list of news reports, but let me cut this short and turn to Bob Herbert who recently summed it all up in a NY Times piece titled, "[A Ruinous Meltdown](#)."

"A story that is not getting nearly enough attention is the ruinous fiscal meltdown occurring in state after state, all across the country. Taxes are being raised. Draconian cuts in services are being made. Public employees are being fired. The tissue-thin national economic recovery is being undermined. And in many cases, the most vulnerable populations — the sick, the elderly, the young and the poor — are getting badly hurt."

Are you getting it now? Do you understand what we are facing? This is just the first phase of the economic Shock and Awe campaign being unleashed on an unsuspecting US public.

XII: Time for a Second American Revolution - The 99% Movement

The Economic Elite have seized our economy, tax system and government. These people are the most depraved terrorists on the planet and they have viciously attacked us and launched an all-out economic war on the American



public. We have to get serious about defending ourselves and fighting back.

“This situation continues only because the mass of the people refuse to look facts in the face and prefer to feed on illusions produced and circulated by those in power with a profusion that contrasts with their withholding the necessities of life. The day that the mass of the American people awake to the realities of the situation, that day the restoration of democracy will commence, for power and rule will revert to the people.” — John Dewey

Which brings us back to my original question: Is It Time for Law Abiding American Citizens to Stop Paying Their Taxes and Start a New Government?

When it comes to the overwhelming evidence of unpunished theft, and the process of paying taxes into that organized system of theft, there comes a point when exploited people need to ask the question: Why should hardworking Americans continue to contribute to our own demise?

This is the same question that led to the first American Revolution when Thomas Jefferson wrote the following Declaration:

“Governments are instituted among men, deriving their just powers from the consent of the governed, — That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn that mankind are more disposed to suffer, while evils are sufferable than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security. — Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government.”

And dare I say, with ample evidence to back up this claim, the level of “abuses and usurpations” inflicted upon the American people is much greater today than it was in 1776. Despite an omnipresent propaganda (mainstream media) system — *which is the greatest weapon of oppression humanity has ever known, which has also obscured, isolated and suppressed dissent and understanding of our present tyrannical forces* — recent public opinion polls have produced stunning results:

- * **Only 21%** of American voters believe the government has the consent of the governed.
- * **82% want an aggressive crackdown** on the criminal class that looted our economy.
- * **86% feel the system of government is broken.**
- * **79% think the economy will collapse.**

These are amazingly positive signs, because this means that the propaganda system is collapsing. These results show that only 15-20% of the population is still successfully propagandized, and this number will obviously keep falling as the economic attack continues to escalate.

The Economic Elite are hoping that our propagandized population will just sleepwalk to extinction and passively accept a slow death. Those of us who are aware need to sound the alarm! Where are the modern-day Paul Reveres? We need one on every street corner, at every shopping mall and coffee shop, on every [online social network](#). In our nation's history, the stakes have never been higher.

If you are reading this right now, and understand that what I'm saying is true, how can you continue to remain passive? I know that just ignoring this report is the easy thing to do, but ask yourself, look in the mirror and ask yourself: Will ignoring this today make my future any better? Or will it make things much worse? Paid-off politicians will not protect your future. Your house is on fire and no one is coming to put it out. Are you going to, or are you going to let it burn to the ground?

Only you can protect your future. Your inaction makes you complicit in your own demise.

As the late Howard Zinn once put it: "You can't be neutral on a moving train."

And the train is moving at a quickened pace. Analyzing the devastation from the economic attack thus far, it has been equivalent to a 9/11 attack every single week. And these attacks continue without any significant measures taken to defend against it.

Our politicians won't defend us and exercise the will of the people, so we must. It's time to get moving, start organizing and to form a new government that is, as the Constitution states: of, by and for the people.

We will restore a rule of law. The second America Revolution has now begun!

We are US soldiers, policemen, firemen, teachers, students, business owners, postal workers, transit workers, construction workers, union members, artists, journalists, doctors, nurses, lawyers, social service workers, factory workers, farmers, we are 99% of the population and we will not stand by and let our country be destroyed like this!

We are launching a [99% Movement](#) and all the propaganda and labels that are used to divide us will fall to the wayside. We are not just Republicans and Democrats, or Tea Party and Coffee Party people, we are Americans and we are uniting against our common enemy.

"All men recognize the right of revolution; that is, the right to refuse allegiance to, and to resist, the government, when its tyranny or its inefficiency is great and unendurable. And oppression and robbery are organized, I say; let us not have such a machine any longer. I think that it is not too soon for honest men to rebel and revolutionize."

— Henry David Thoreau, On the Duty of Civil Disobedience

“The civilization may still seem brilliant because it possesses an outward front, the work of a long past, but is in reality an edifice crumbling to ruin and destined to fall in at the first storm.”

– Gustave Le Bon, *The Crowd: A Study of the Popular Mind*

“All countries are basically social arrangements, accommodations to changing circumstances. No matter how permanent and even sacred they may seem at any one time, in fact they are all artificial and temporary.”

– Strobe Talbott

“First Ray of the New Rising Sun”

– Jimi Hendrix

“Rise like Lions after slumber
In unvanquishable number
Shake your chains
to earth like dew
Which in sleep
had fallen on you
Ye are many
they are few”
– Percy Bysshe Shelley

The illusion being thrust upon us, by the mainstream media and current politicians, that leaves us feeling powerless to create change, is crashing down. As millions of Americans begin to realize the power we have in numbers and opt-out of this unconstitutional government that is currently in place, we will restore a rule of law and secure our freedom, liberty and future.

We look forward to proving the criminal misconduct rampant throughout our government and economic system in court. We will prove that the Government has acted against our interests, in an unconstitutional manner on many fronts and has actively facilitated the theft of taxpayer funds. It is beyond any legal doubt, as will be proven in courtrooms across the country. In fact, we are requesting a six-hour block of national primetime television programming to present our evidence directly to the American public. We expect the major networks to comply with our request, as the national broadcast television stations are licensed by the FCC to use the Public airwaves and are required by law to inform and serve the Public interest.



XIII: How You Can Get Involved

**“Are you brave enough to see?
Do you want to change it?”**
Trent Reznor

Anyone with a general interest in taking part in this 99% movement, please [sign up here](#).

If you are a lawyer who would like to participate in this effort, please email Law@AmpedStatus.com.

We are also assembling a production team for our television and film public awareness campaign. If you have skills in this area, or would like to help fund this project, please email Media@AmpedStatus.com.