A controversial new study—from one of the most successful financial research firms of the past 20 years—is getting a lot of attention…

It’s the story of your enslavement.

This new analysis explains how a very small group of Americans have built vast fortunes—at the expense of the working class.

The truth is, most Americans have become so accustomed to their servitude they no longer recognize the status quo as being profoundly unfair. They simply have no idea how badly they’ve been cheated or how much has been stolen from them.

If you don’t have nearly enough saved for retirement… and still owe money on your house, your car, and your credit cards, this new study explains why.

If you haven’t had a decent raise in years… but are paying more for housing, healthcare, and other basic living expenses… this is something you must read and understand.

Believe me, this was no accident. Slavery never is.

Wake up… and get the facts for yourself today.

Learn more about what has truly gone wrong for the working class in recent years… and what you can do about it.
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AMERICAN CONSEQUENCES

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Ever feel like someone is watching you? Used to be, that was a sure sign of paranoia... Today, it's just common sense.

We’re examining the modern “Surveillance and Security State” in this month’s magazine. We have some familiar characters – and some great stories.

Editor in Chief P.J. O’Rourke starts us off with a tale of what may be most folks’ first experience with the surveillance state... Mom, God, and Santa Claus. (And how the U.S. government has now surpassed all three.)

Former CIA analyst Buck Sexton tells us what really matters when it comes to national security under President Trump.

Bestselling author Turney Duff shares the No. 1 rule on Wall Street.

Cato Institute co-founder Edward H. Crane asks why the government is so obsessed with spying on us... and takes a lesson from the frog and the scorpion.

Financial analyst and retirement hacker Dr. David Eifrig shows several ways to keep Big Brother from putting you in a lineup without your knowledge.

P.J. reads George Orwell’s 1984 novel again with fresh eyes and comes to a disturbing conclusion – both Democrats and Republicans seem determined to make the book come true. It’s a great essay, but it’s also a downer. So we’re following it up with a spread of our favorite cartoons from famed cartoonist Hank Blaustein.

AI researcher Stuart Armstrong takes the other side of the debate and looks at the benefits of living in a surveillance state. Dr. Ron Paul looks at a specific program that threatens everyday Americans. And Christine Rosen talks about what happens when everybody is the center of attention... and why the crowded universe for “normal” attention-seeking behavior will keep on increasing.

P.J. shares a tale of something important that is lost in a world of instant connectivity. (This article is my personal favorite that we’re publishing this month. Read it with your spouse.)

Then we share a video report from Tucker Carlson, who scares the worldwide web out of us. Alice Lloyd details the contraption covering her laptop’s webcam. And Doug Casey wonders what happens after the next 9/11 disaster... explaining why a police state is absolutely possible in the U.S.

And don’t miss investigative reporter Peter Byrne’s feature story on the complicated Rosneft energy deal... He questions who got paid and how much. If you’ve ever wondered why the Russia investigation was so focused on Carter Page, read this article.

Finally, we end with a conversation with business leader Steve Forbes.

Enjoy the issue. And tell us what you think at feedback@americanconsequences.com.

Regards,
Steven Longenecker
Managing Editor, American Consequences
Major Opportunity:

Will this one ‘weird’ tech invention make you rich? *

* One financial expert believes it’s like buying Amazon stock below $40 in 2007.

See those ‘jumper’ cables above?

Don’t be mistaken...

This tiny device is actually an “optical transceiver...” and it may be crucial to enjoying the retirement of your dreams.

Here’s the thing...

You’ll find at least one of these devices inside every data center in the world.

All 8.6 million of them!

Right now, some 3,000 specially trained scientists and technicians are toiling away, day and night...

Inside a cavernous facility one financial expert has dubbed "The Texas Silo".

This secretive company happens to be the premier manufacturer of these optical transceivers for data centers.

In terms of having a roster of blue chip clients with a need for serious speed, no one comes close.

According to Forbes magazine, Amazon is their #1 customer.

Amazon’s plan to conquer the world requires “quantum power...”

Unprecedented levels of speed, storage and web streaming capability like we’ve never witnessed before.

And every bit of data must go through those funny looking cables.

The “Texas Silo” makes a whopping 71% of its revenues from three major customers: Facebook, Microsoft and Amazon.

The “Texas Silo” practically owns that market. And it’s available today for about 1/1000th the market cap of those giants.

One financial analyst says this is a rare opportunity for early-stage investors to get a realistic shot at turning a tiny stake into $25,000, $75,000 -- even $150,000 or more. And while nothing in the market is guaranteed...

It could be the best way for you to tap into the success of Amazon... Netflix... Microsoft... and Facebook...

For pennies on the dollar. Click to see how >>
WHERE EVERYBODY KNOWS YOUR NAME

AND YOUR SOCIAL SECURITY NUMBER, COMPUTER PASSWORDS, FINANCIAL STATUS, DEBIT-CARD PIN, CREDIT RATING, PHYSICAL ADDRESS, PRESENT WHEREABOUTS, ETC...
We’re on our way to a new life in a Security-and-Surveillance State. Everything about us will be seen and known. And my greatest fear is that when we arrive in this place of universal visibility and ubiquitous public knowledge of all our private thoughts and deeds... we’ll like it.

A Security-and-Surveillance State that is all-seeing and all-knowing could replace religion. Something will. According to the Pew Research Center on Religion and Public Life, only about half of Americans age 18-29 are certain that they believe in any kind of God at all.

Central to the concept of God (or gods) in every faith is that He (or They) know exactly what we’re up to at all times and why. This should be terrifying, but most people who are religious – myself included – seem more comforted than frightened by God’s omniscience. Our original Security-and-Surveillance State was a state of grace – a oneness with God. Maybe a oneness with TSA will be just as good. Most Americans pass through airport security more often than they go to church.

Comfort with Security-and-Surveillance runs even deeper in the human psyche than religion. There’s Mom.

She always knew what I was thinking. “Don’t you even think about it,” she’d say about the fresh-baked cookies before I’d caught a whiff of them. And she always knew what I was doing. She had eyes in the back of her head. She also had all the other eyes of all the other moms in the neighborhood. I’d come home
from a jolly Saturday afternoon tormenting cats and tipping over birdbaths with my pals, and, before I was halfway up the front walk, I’d hear: “No TV for a week!”

It hardly came as a shock when they taught us in Sunday school that “God is watching.” Mom had gotten there before Him. Yes, God might – in some future too distant to be imagined – send us to hell. But He never smacked us on the butt with a wooden kitchen spoon. Much less did God wait until our fathers got home and tell them our sins so that we got a real whooping.

Plus we were also taught in Sunday school that “God is Love.” And that He would “forgive us our trespasses,” certainly including the foray into Mrs. Pulaski’s yard where we cracked the head off her garden gnome with our Wham-O slingshots. And Mom, of course, was nothing but love. Can anything be as secure as a mother’s love? Whatever we’d done, she got over it. Dad, too. By the time he’d had his second highball he’d forgotten all about giving us a real whooping and was out in the kitchen saying to Mom, “Boys will be boys... “

Then – to further muddle our attitudes about Security-and-Surveillance – there was Santa Claus.

You better watch out, you better not cry,
Better not pout, I’m telling you why.
Santa Claus is coming to town.
He’s making a list and checking it twice.  
Gonna find out who’s naughty and nice.  
Santa Claus is coming to town.

He sees you when you’re sleeping.  
He knows when you’re awake  
He knows if you’ve been bad or good,  
So be good for goodness sake.

And yet, after 364 days of my being a peevish brat, the Erector Set was under the Christmas tree anyway.

Due to our instincts and our formative experiences, it is all too easy to confuse a Security-and-Surveillance State with Mom, God, and Santa Claus.

The U.S. government is Santa Claus. Federal government annual per capita spending is $21,875. Everybody in America gets almost 22 grand apiece. Meanwhile what the average individual taxpayer gives to the federal government is only $9,655 a year.

Making up the difference must keep those elves at the North Pole busy.

The U.S. government is also Mom. There are a multitudinous of “eat your vegetables” federal laws on the books. All of them intended to make us healthy and safe, to give us “Security.”

I’m not talking about what really gives us security. The Army, Navy, Air Force, and Marines go begging. (According to a DOD report about 23,000 active-duty members of the armed services receive food stamps.)

I’m talking about things like the Occupational Safety and Health Act of 1970. The act, as signed by President Richard Nixon, was 39 pages of What’s-Good-For-You that spawned a myriad of federal regulations and bureaucracies. A PDF of the “Occupational Safety and Health Administration Field Safety and Health Manual” is 265 pages long.

But that’s barely a note under a refrigerator magnet by federal Good-For-You regulatory standards. The PDF for the U.S. Department of Health and Human Service’s Food and Drug Administration’s Public Health Service “Food Code” is 768 pages long. “Don’t put that in your mouth!”

Due to our instincts and our formative experiences, it is all too easy to confuse a Security-and-Surveillance State with Mom, God, and Santa Claus.

The government has a vast apparatus to secure us. And an even vaster apparatus to surveil us.

It’s not just the CIA, NSA, FBI, and Homeland Security. When it comes to U.S. intelligence and investigative agencies, their name is “Legion.”

(I have printed the following list in very small type so that you won’t read it all and experience a horrible fit of paranoia.)


But if the government wants to know our wickedest thoughts and most dastardly plans, none of this intelligence-gathering and investigation is necessary. We’ve posted those thoughts and plans on social media.

And if we’ve followed through on our stupidest ideas and put them into idiotic action, then we’ve got a video on YouTube with a million views.

Add our Social Media State to the Santa State and the Mommy State and we’ve already arrived at the Security-and-Surveillance State.

We want everyone to know everything about us. (And take care of everything for us while they’re at it.) Even the most secretive terrorists can’t resist the opportunity to gurgle and coo – or bawl and wail – to attract attention.

The Security-and-Surveillance State makes us feel like we’re the center of the universe again. It puts us back in the crib, without worry or responsibility. America used to need liberty and Fourth and fifth Amendment privacy. Now America needs diapers.
Automatic Portfolio Analysis, Optimization & Assistance.

What’s the truth about a “HOT” stock? How do you remove the emotion? What’s the right time to get out? When should I get in?

TRUST the MATH

At Your Fingertips

- Targeted buy, hold & sell action alerts, based on volatility & stock signal algorithms for precision timing
- Access to research, reports, articles, webinars and editorials packed with insightful analysis
- Perfect amount, investment size calculators to help you decide the exact amount to invest in any stock
- Portfolio Risk Rebalancing based on your stocks’ volatility quotient (VQ) to manage risk like a pro
Market Turbulence Continued to Be in Focus in March.

Equity markets bottomed out after the short-volatility trade ran its course, with many institutions removing exchange-traded volatility products altogether.

The “pain trade” in equities also continued. Equity markets had not seen double-digit losses in well over a year, and investors were spooked when media pundits added to the hype. But interest rates steadied and the positive economic numbers paved the way for an upside in stocks.

The Nasdaq Composite Index also returned to make new all-time highs, and the usual suspects led the way... Amazon (AMZN), Apple (AAPL), and Netflix (NFLX) all made record highs.

The February jobs report blew away expectations, with 313,00 jobs added versus an expected 205,000. And the prior jobs number from January was revised to 239,000 from 200,000. Inflation remained in check – creating a “Goldilocks” scenario for equity markets.

New Federal Reserve Chairman Jerome Powell faced his first testimony as Fed chair and reiterated the Fed’s target of three to four rate hikes this year. The markets initially misinterpreted his language regarding inflation and interest rates, causing some wild equity price swings in recent sessions. However, upon analysis, he toed the line his predecessors followed the past nine years: full employment and stable pricing.

Earnings for the first quarter have concluded, and the results were excellent. The expected S&P 500 earnings growth rate is now projected to be 17.8%. The price-to-earnings multiple on the index is 18.

The key for equities going forward is the 10-year bond yield. A move above 3% will trigger a move out of stocks and, presumably, into bonds.

In fact, self-anointed “Bond God” Jeffrey Gundlach of DoubleLine Capital said that he expects an explosive move up in bond yields and a subsequent sell-off in equities and high-yield bonds. He hates the estimated $1.1 trillion increase in the deficit because of tax cuts and increased spending. He expects the dollar to move lower against the Japanese yen, euro, British pound, and the Swiss franc.

He concludes his missive on the cheery note that equities will be down in 2018...

The Tariff Tweet Storm Continues to Rage.

The facts are that China runs a $350 billion surplus with the United States. The country dumps goods, controls wages, manipulates its currency, and keeps a lot of its markets closed to outsiders. Americans buy cheap goods from Walmart (WMT) and Target (TGT) and China stashes the dollars. This is clearly
not a level playing field, and valid arguments can be made that the U.S. has lost millions of jobs since China entered the World Trade Organization in 2001.

But China is the largest buyer of American sovereign debt. Because the Federal Reserve is normalizing policy and letting the federal balance sheet run off, the U.S. needs China’s buying power to keep rates low so debt payments don’t skyrocket. Interest rates will move higher if the Chinese change their buying habits!

**TARIFFS CHANGE THE MATH ON STOCKS.**

The losers – companies that use steel and aluminum for production purposes – are autos, defense, and machinery. But the worry extends to retaliatory moves. Could Asian competition jack tariffs on phones, laptops, and flatscreens? Higher prices for goods we take for granted could be the catalyst for inflation, and equity investors would vote with their feet and hit the sell button.

**March 21**
The Federal Reserve interest rate decision. This will be Powell’s first meeting as Fed Chair. Expectations will be for a 25 basis-point hike.

**March 23**
New home sales. Home sales (along with homebuilding companies) have declined of late due to the substantial rise in interest rates.

**March 28**
Fourth-quarter GDP results. 2.5% was the last print. Have rising interest rates taken a toll on the economy or are these rates a positive sign of global growth?

**April 6**
Payroll numbers. The February print blew away expectations by more than 100,000 jobs. Keep an eye on market reaction on a similar report for March.

For more market analysis from the NewsWire team, check out its podcast.

The Investors MarketCast is your direct access to the latest events and forces shaping the world’s financial markets. Each week veteran market analysts and traders Scott Garliss, Greg Diamond, and John Gillin talk trends, investment ideas, and developing economic news to give you the information edge you need to make money in today’s stock market and avoid unnecessary risk.

Scott, Greg, and John have more than 60 years of combined experience trading stocks, bonds, commodities, options, and currencies with some of the biggest Wall Street firms in existence.

The MarketCast reveals what’s really going on behind the scenes on Wall Street, so you can profit on Main Street.

Download the FREE podcast for Android and iOS.
WHAT COULD POSSIBLY GO WRONG?

Financial follies and disaster in the making

Same tariffs, different day?

On March 1, President Donald Trump tweeted that the U.S. would impose a 25% tariff on imported steel, and a 10% tariff on imported aluminum. He also made the dubious claim that “trade wars are good, and easy to win.”

What could possibly go wrong?

In March 2002, the Bush administration tried something similar...

Blaming an “import surge” of foreign steel, President George W. Bush announced a plan imposing tariffs as high as 30% on most types of imported steel. The belief was that the tariff would create domestic demand for U.S. steel, create jobs, and boost U.S. steel production.

Back then, most steel-consuming manufacturers in the U.S. were small businesses – often fewer than 500 workers. So when the Bush tariffs were announced, these businesses quickly canceled foreign orders and bought up American steel.

One month later, the demand for steel was so high that the U.S. steel industry was running near 100% capacity. Some steel-rolling mills were even booked through June. The industry was supplying over 90% of the U.S. steel market when roughly 80% was the norm. And four months later steel prices had soared – spot prices were up more than 60%.

In the year-and-a-half life of the Bush steel tariffs, roughly 200,000 Americans lost jobs due to higher steel prices. That’s an estimated $4 billion in lost wages. And in three years the price of steel and iron rose 68%.

So how do the Trump tariffs compare?

Today, U.S. steelmakers supply about two-thirds of U.S. demand. And much of imported steel comes in the form of products U.S. factories are unable to produce. So any major shift to domestic steel would require costly upgrades to existing facilities. There’s also the risk that the tariffs would make imported steel cheaper outside of the U.S., creating price pressure on steel-reliant American exporters, like car manufacturers.
Then there’s Trump’s “trade war”...

With the recent exemptions for Canada and Mexico, the tariff’s main target becomes China. But due to an equally problematic Obama-era steel tariff, China doesn’t export much steel to the U.S. today. So the tariff is likely to hurt our trade allies more than its intended target. It’s also likely to trigger similarly political tariffs against U.S. exports.

From trade wars to ground wars...

Did the Olympic Winter Games cool tensions with North Korea?

As recently as last summer it appeared that we were inching closer to a military conflict – perhaps even nuclear. President Trump and North Korean leader Kim Jong Un hurled insults and exchanged threats.

But now the tune appears to have changed...

Last week, Trump agreed to be the first U.S. president to meet with a North Korean leader... a decision that surprised even South Korean officials at the time. And with Secretary of State Rex Tillerson’s recent firing, we’re not holding our breath for a brokered peace deal any time soon.

Elsewhere, populist movements continue to make inroads into mainstream politics...

About half of the voters in Italy’s parliamentary elections earlier this month cast their ballots for populist parties that were once considered fringe platforms. The anti-establishment “Five Star Movement” didn’t exist a decade ago... But it marched to a definitive victory with more than 30% of the nationwide vote, securing its position in the country’s political landscape.

Other nationalist parties have risen around Europe... These movements aren’t going away and may eventually splinter the European Union. People feel disenchanted with the establishment and hopeless about their future. More folks are getting left behind. Younger voters can’t find jobs and older voters have seen a decline in living standards.

They channel their blame into fear and distrust of governments and immigrants. As the divide grows between the “haves” and the “have-nots,” this civil unrest will spread.

We’ve seen protests around the world getting increasingly violent. And it’s likely only a matter of time before we expect a Jubilee-like event to occur.

Something to read...

American Consequences contributor Porter Stansberry has been warning readers about the exploding national debt for a while now... and he’s just finished what could become the most important book in America over the next few years.

The American Jubilee explains much more about America’s biggest problem today... and what you MUST do to survive and prosper in the years to come.

Read The American Jubilee. It will be the best $19 you ever spent. You can get your copy here.
Re: Our Newest Readers Weigh In

This is right in my wheelhouse. I am a 60-year-old man who has been mostly retired for a little over a year. A little too much tin foil hat in some of the comments from readers, but otherwise good. I will complain about the illustration on the MEN WITHOUT WORK article (January issue). I almost always wear pants in the mornings. – Harold Thomas

P.J. O’Rourke comment: Not me! I’m 70 and mostly retired, and I do as I darn well please! (Or I do until my wife tells me to quit walking around in my boxer shorts.) Anyway, a tip of the tin foil hat to you, Harold.

Is there a paper version of this journal? That just works better for me than pads and phones. Just asking! – James Tooley

P.J. O’Rourke comment: James, I wish! A paper version works better for me too. Unfortunately, the cost of paper, printing, and postage is what’s driven most good magazines out of business. We’re trying to be a good magazine. That means spending our money, first and foremost, on good writing. (Plus the stuff I do.) Therefore, we have to go with the most cost-efficient means of getting the magazine to you.

However, per your request, I did ask our Tech Department if there was anything we could do to fix this. They told me: “Please point James to our archive page with PDFs if he wants to print out all 100-plus pages on his own”... That’s right here: https://americanconsequences.com/archive/. Sorry. Hope your printer (and your ink cartridge budget) is better than mine!

I’m looking forward to your humor and to learn! More Power To YOU, Mr. O’Rourke – Kathryn Guillaum

P.J. O’Rourke comment: Dear Kathryn, Bless your heart! (And I hope it’s really you who’s writing, not my agent using an alias.)

Re: Two ‘Solutions’ You Won’t Like

(February 21, 2018 issue of American Weekly Consequences)

It was interesting reading the diatribe against UBI, until I came to the part where the $1,000 monthly stipend was assumed would be spent on drugs; drugs, and the various hedonistic materials the author claimed he would spend the money on. I read the remainder, but with the fact in mind that the author couldn’t be trusted with the public’s money at all.

And here I was, reading his advice on how the public’s money should be spent for everyone’s benefit. Well, somebody’s benefit. After trusting Republicans to reduce debt, only to see them and their Democrat
cohorts enrich themselves by their warfare policies, creating even worse debt, on the taxpayer dime, then have the utter gall to cast aspersions on the people’s declining incomes and negligible tax contribution, we are treated to an offer of extreme austerity. No offer to reduce the ridiculous military wastage problem, not to mention new wastage programs, literally walling people apart from their own money. – Pat Day

**P.J. O’Rourke comment:** Pat, of course I can’t be trusted with the public’s money. I don’t trust you with it either. Nobody can be trusted with the public’s money, especially not the public (as embodied in the government that you so rightly point out wastes money all the time). This does not mean that decent people shouldn’t try to help the unfortunate. It just means that we have to think carefully about how to help. And I think a Universal Basic Income would do more harm than good.

Ask ol’ P.J. if he’s EVER BEEN ON ANY KIND of Government assistance. – John Reinhardt

**P.J. O’Rourke comment:** Sure I have, John! I’m on Medicare and collecting Social Security right now. More to the point, my dad died when I was eight and my mother and sisters and I would have starved if it weren’t for Social Security and VA benefits. Furthermore, I went to college on federal and state scholarships.

I’m not *against* government assistance. I’m just worried about how our government assistance programs are funded and how that assistance is allocated. For instance, we currently spend more on federal poverty programs than it would cost to eliminate poverty in America. (And by the way, that would give Pat Day, above, a pretty good argument against my stand on UBI... Just give people the money!)

**Re: The American Jubilee**
(November 2017 issue of *American Consequences*)

I would forgive student debt under two conditions:
1. No new student debt guaranteed or financed federally
2. The universities be forced to return 25% of debt amount

This way everyone will suffer. No free lunch, especially the education-government complex. – Tim Parker

**P.J. O’Rourke comment:** Tim, I agree. The current student debt is not going to be repaid anyway. I don’t mind kids coming out of college a few grand in debt – makes them go get a job. But why should taxpayers guarantee that debt? And why should that debt be allowed to reach ridiculous risk levels? As to your second point, I’d make it a lot more that 25% for colleges with bloated endowments.
The way to bust up the education-government complex is to use the free market. First, with K-12 school choice. Then, if we want to help good college prospects, give them modest scholarships based on merit and let them (and their parents) determine which schools offer value for money.

Re: The Mystery of Government
(October 2017 issue of American Consequences)

Your comment on majority rule doesn’t square with the Constitution or the facts on the ground. The membership of the Senate was intentionally not based on Majority Rule. The House which was designed to represent the majority has been perverted by gerrymandering. Since we have had two minority presidents within the past 20 years one would have to assume that the electoral college ain’t no place of higher learning, and you can attain the highest office in the land without bothering to win the most votes.

With that said, I don’t know if government would work any better with majority rule. I do know that my countrymen like to feel they are being heard. So here is my prediction... If this goes on for another 30 or 40 years (maybe less, maybe more) there will be a significant increase in political violence. – Jeff Smith

P.J. O’Rourke comment: Jeff, as I’ve remarked before in these “Inbox” comments, “Hope you’re wrong. Fear you’re right.”

Majority rule without majoritarian dictatorship is the central paradox of democracy. Our Founding Fathers did their best to protect some of America’s minorities (such as pioneer farmers) from being crushed by the majority. But their best wasn’t very good – as their lack of protection for blacks and Native Americans proves. However, the way things are now, the Electoral College is about all that protects us Middle Americans from rule by the flakey “Coastals.”

Historical note: Since 1960, we have elected presidents who gained less than 50% of the popular vote six times. And no matter whether you are a Democrat or a Republican, this list of presidents probably includes at least one of almost everybody’s “worst ever.”

<table>
<thead>
<tr>
<th>Year</th>
<th>President</th>
<th>Popular Vote</th>
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<tbody>
<tr>
<td>1960</td>
<td>J.F.K.</td>
<td>49.72%</td>
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<tr>
<td>1968</td>
<td>Nixon</td>
<td>43.42%</td>
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<tr>
<td>1992</td>
<td>Clinton</td>
<td>43.01%</td>
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<tr>
<td>1996</td>
<td>Clinton</td>
<td>49.23%</td>
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<td>2000</td>
<td>George W.</td>
<td>47.87%</td>
</tr>
<tr>
<td>2016</td>
<td>Trump</td>
<td>45.98%</td>
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</tbody>
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A gentleman never cuts corners.

Age may make you a man. But being a gentleman is up to you.

Shave like a gentleman | onebladeshave.com
THE TRUMP WORLD ORDER
t’s too early in his first term to judge Trump’s security approach, but we have seen some initial trends. Judged strictly on a policy basis, the first year of Trump’s national security strategy fell largely within the standard GOP playbook. He kept the Iran deal in place, reassured NATO of his commitment to the alliance, and left U.S. troops in Afghanistan.

His most senior and seasoned advisors in the national security sphere, notably Gen. James Mattis as secretary of defense and Gen. H.R. McMaster as his national security advisor, provide expert counsel and a tempering influence. These Cabinet members, among other confidantes, pushed Trump to maintain some policy continuity with previous administrations. That may well have helped reassure allies and stabilize markets.

But Donald Trump is in many ways the ultimate non-traditional president. His seat-of-the-pants approach to issues ranging from trade tariffs to handling a hostile press is unprecedented.

That the Donald plays by his own rules delights his base... and keeps his detractors up at night. Nowhere is his style more of a shock to expected norms than national security – and paradoxically because of that, national security may end up being the greatest arena of success for his presidency.

Trump’s tone, however, has been a radical departure from previous presidents, and could indicate some high-stakes policy maneuvers are forthcoming. It is in the realm of national security that Trump’s shoot-from-the-hip rhetorical style most worries his Democratic opposition. While their concerns of a Trump-based creeping fascism at home have faded, the anti-Trump Left still frets over a possible Twitter-induced nuclear exchange.

Scorned, still-recovering Hillary supporters can console themselves that a trade war would be reversible. A real war would not.

Of course, President Trump could care less what his detractors (“haters,” in Trumpian parlance) think. Never one to shy away from blunt-force discourse, Trump dials up the rhetoric on security matters. He is the leader of the free world, but he doesn’t shy away from calling transnational Latino gang members “bad hombres” or taking to Twitter to refer to trade deals as “very stupid.”

Nowhere has this tendency been more...
apparent than on Trump’s dealing with North Korea. In 2017, he referred to Kim Jong Un, the diminutive dictator of Pyongyang, as “a sick puppy” and dubbed him “little rocket man,” a nickname that has shown surprising staying power. It is certainly unusual for a U.S. president to openly mock a foreign head of state in this way – especially, as is the case with Kim, when the leader in question is the murderous capo of a crime family in charge of a glorified prison camp with nuclear missiles.

But does that make Trump’s approach wrong?

As of this writing, North Korea is making diplomatic overtures to the U.S. that would have been unthinkable in the Obama era. It may be a ruse, but Kim Jong Un has told South Korean envoys that the North is willing to negotiate over its nuclear weapons program. If this (still highly suspicious) outreach results in a diplomatic breakthrough and the denuclearization of the Korean peninsula, Trump will have achieved the greatest American national security win in the post-Soviet era. And he will have done it while the “experts” seemed to think the immolation of Honolulu was imminent unless the White House staff seized control of Trump’s Twitter account.

This instinct-based approach to complex international policy is either the secret weapon – or the Achilles heel – of Trump on the world stage. He is unpredictable, impetuous, and surreally confident.

Traditionally, national security wonks place a high premium on stability in a leader’s words and actions. With Trump, national security policy becomes whatever he wants it to be on any given day. Whether that is best described as adaptive or mercurial is in the eyes of the beholder.

Though there are obvious risks to this approach, at the year-one mark it appears there has been a method to the madness. Breaking through stalemates and escaping quagmires requires new thinking. Say what one may about the Trump presidency, it is taking a fresh approach.

Based on the major security challenges that face the administration (with some topics taken directly from Trump’s on 2017 National Security Strategy) here’s a quick overview of how the Trumpian way could play out in 2018 and beyond.

PROTECT OUR PEOPLE FIRST

If there is a fundamental organizing principle for the Trump administration, this is it.

More commonly referred to as “America First,” this is where Trump unabashedly breaks away from the philosophy of his predecessor. The Obama administration always favored a multilateral, U.N.-style consensus-building approach to security challenges. In Trump’s vision, the American government should always prioritize the interests of the American people.

Trump’s full-throated embrace of security policy that recognizes the primary obligation of the U.S. to its own people is a needed course correction. It is also a rejection of the delusional cosmopolitanism that has seized the Democratic party and infected much of the GOP establishment as well.
**BORDERS**

Illegal immigration crosses over into many different realms. It is simultaneously a domestic and foreign policy issue, an economic as well as national security issue.

If there is any one challenge that will define Trump’s success or failure, it is solving the problem of mass illegal immigration. Trump promised to secure our borders, restore sovereignty, and enforce immigration laws, and even his most ardent supporters are likely to abandon him if he gives up on this fight.

Congress, however, is another matter. The recent debacle over the Deferred Action for Childhood Arrivals “DACA” program, is instructive here. Inertia is their preferred option. It is becoming increasingly clear that neither Democrats nor Republicans in the Senate want to take any meaningful action on immigration, preferring instead to use it as a fundraising tool for the 2018 midterms. How Trump can get around this legislative logjam is anybody’s guess right now.

**DEFEAT JIHADISTS**

One of the least touted successes of Trump’s term in office has been the accelerated defeat of the Islamic State in Iraq and Syria. Trump expanded the target set for airstrikes against ISIS and gave control of those decisions to the commanders on the ground. The result was that the slow degradation of ISIS turned into an all-out rout.

What has been left behind in Syria, however, is a viper pit. Warring factions continue to hammer each other inside Syria’s borders, and external actors including Iran, Russia, and Turkey pursue their own interests in zero-sum fashion.

The circumstances in Afghanistan aren’t much better. Trump has decided to stay the course with a relatively small commitment of U.S. troops, but the security situation continues to deteriorate. In counterinsurgency, if you’re not winning, you’re losing, and unless Trump and his commanders have an unforeseen trick up their sleeves, all the Taliban has to do now is wait us out.

**REBUILD MILITARY**

Trump has signed the bill for a 13% increase in the military budget from 2017 for 2018. It is only set to go higher after that. With this, he is following through on his campaign promises to rebuild the military after decades of punishing deployment schedules to Iraq and Afghanistan.

That Trump seems to have fallen into the bipartisan trap of spending the government further into debt is an issue that will have to wait for another time... and perhaps another administration.

**RUSSIA COLLUSION**

The Trump national security strategy document does not address the “Russia issue,” but it has become one of the greatest vulnerabilities the administration faces.

With Robert Mueller’s special counsel probe...
grinding on, the issue of Russian meddling in the 2016 election remains politically damaging. And looking forward, there is the ongoing threat of further Russian interference in the next election for which Trump must prepare the nation.

Trump fires off Twitter messages that call the entire special counsel investigation a “Witch Hunt,” and there is ample reporting on the deep frustration the entire debacle has caused the White House. But how Trump and his team handle Russia – and the media’s accusations of 2016 election collusion with Putin’s government – could make or break Trump’s time in office.

When Mueller handed down his first indictment of foreign nationals last month, the outrage was predictably partisan. Most Americans, at least those who care about the ongoing Russia collusion probe, viewed the charges against 13 Russian nationals through the prism of their political tribe.

Scorned Hillary supporters saw more evidence of Kremlin-sponsored election shenanigans that must, they hope, reach all the way up to President Trump himself.

For those who take the pro-Trump position, Mueller’s indictment was overblown. Here was a prosecutor handed the vast resources of the Department of Justice, and he found the time to bring charges against a campaign of glorified Twitter trolls and Facebook sock puppets.

Russia was never going to extradite the named defendants, and the conspiracy they conducted involved such unremarkable propaganda as sharing tweets with “Make American Great Again” and “Never Hillary” hashtags.

On page six of Mueller’s indictment, however, a remarkable term entered the national lexicon...

The Department of Justice formally accused the cabal of 13 Russians of waging “information warfare” against the United States. Although there are no specific references to the Kremlin or Vladimir Putin in the charging document, it is widely believed that the Russian government effectively ran the Internet Research Agency that was behind the effort to spread disinformation and dissent in America during the election. This would mean that the information warfare Mueller cited was an attack by one nation state on another.

To be sure, one should be very cautious about throwing the term “warfare” around when the discussion involves two states that have enough nuclear weapons to end all life on the planet.

Russian social media meddling during an election cycle is disrespectful and irritating, but it is not tantamount to Pearl Harbor, no matter how much some members of the media and Democrat establishment insist otherwise.

But the Russia election interference and collusion probe has brought home an uncomfortable truth: Anyone connected to the Internet could, wittingly or not, become a pawn in a foreign “psy op” against the U.S. This is a battlefield with no boundaries.

And the outcry to counteract the scourge of
info ops and fake-news meddling is growing louder.

One of the “remedies” demanded from the public – and the government – is for online information to be vetted for accuracy. Silicon Valley giants like Google say they feel an obligation to eliminate falsehoods from gaining traction on the web, while Facebook and Twitter are taking more active roles in policing content their users share.

Inevitably, this will lead to partisan censorship if it hasn’t already. The major search and social media platforms are ideologically left of center.

And if Google, Facebook, and Twitter want to censor content, there is nothing to stop them. They can do it under the rubric of combating foreign “information warfare,” and if challenged, blame whatever algorithms they have in place at the time.

More disturbing than this, however, is the role of government in combating foreign propaganda operations. Can any individual’s communication now be subject to government snooping if there is a chance that some Russians are engaged in an online campaign of political catfishing? Will private citizens who come into contact with Russian – or perhaps, Chinese or other – information operations be the subject of criminal inquiries?

None of this is clear. The U.S. government claims that it will fight back against Russian election meddling. But it remains hazy on the details of just how.

Meanwhile, most of the news media has taken the position that any attempt to influence our election via information operations is a threat to the integrity of our elections. This makes it far too easy for any foreign actor to have the appearance of undermining our institutions, no matter how ineffective the attempt.

There are no easy answers. As long as the Internet is a global exchange of information, foreign governments will be in a position to place their thumbs on the scale. That doesn’t mean that we can allow our own government to play idea police or use the legal system to single out fake news.

Information warfare has reached a new phase in the 21st century. Our best defense against it is transparency, truth, and the recognition that the marketplace of ideas is better understood as the battlefield of ideas.

WHERE WE ARE TODAY

While the national security smart set prefers predictability in decision makers, world events take even the most seasoned presidents by surprise.

Trump will be faced with a great test of his commander-in-chief skills at some point over the next three years. And from what we have seen so far, nobody has any idea how Trump would react to such a challenge, including the president himself. He will go with his gut.

Whether that is a blessing or a curse – the world will have to wait and see.
BRO... E-MAIL IS FOREVER

YOU SHOULD ALWAYS ASSUME SOMEONE IS WATCHING
Investigators focused on a golden rule for years: Follow the money.

It’s a line popularized in the 1976 film All the President’s Men, which tells the story of the Watergate scandal. The catchphrase simply meant that if you were trying to break a case, your best lead was to track the cash – that’s how you’d catch the criminal.

There’s a new rule today on Wall Street...

One thread ties together nearly all of Wall Street’s past decade of scandals, schemes, and misdeeds. From insider-trading convictions, high-profile divorce proceedings, Ponzi schemes, sexual harassment cases, pay-to-play ethics violations, misleading stock recommendations based on banking relationships, mortgage fraud, and rate-rigging scams... follow the electronic communication.

In each of these exposed improprieties, e-mails, instant messages, and text messages played an integral part in the investigations. They helped open cases, filled gaps, or were themselves the damning evidence that ultimately resulted in proving guilt.

Wall Street has learned this lesson the hard way. And as the world watched the 2016 campaigns, the election, and ongoing political investigations, it’s left many in the financial industry shaking their heads. How could they be so stupid to write it in an e-mail?

The idea that the rest of the world hadn’t gotten the metaphorical memo – Write It Like Ya Mama’s Gonna Read It – was shocking to most. The rule is: Never put anything in print.

Some on the Street take this to an extreme, never using any form of electronic communication. But for most it’s simply a mental precaution taken every time their fingers hit the keyboard. While typing an e-mail, assume it can end up on the front page of the New York Times.

And yet, that caution didn’t happen overnight.

After most of corporate America put e-mail onto its employees’ desks in the mid-’90s, it took a few years to realize it could be weaponized against you. But once those dots started to connect, the concept of avoiding self-incrimination began to catch on. Perhaps Wall Street is the older brother paving the way for everyone else in corporate America and Washington, D.C. – whatever you do, don’t incriminate yourself unnecessarily.

Never put anything in print.

It’s a lesson I learned early on in my career. In the early 2000s, I got a phone call from a friend who worked at Credit Suisse First Boston. He told me he needed to talk to me outside of work. That typically meant one thing – he didn’t want to share what he needed to say on a recorded line.

That night, we met at happy hour. I pulled up the barstool next to his at Mexican Radio, a divey dark restaurant and we ordered a couple of tequilas on the rocks.

By Turney Duff
“Bro,” he said. “E-mail is forever.”

He explained that he had recently gone down to Washington to give testimony. He sat there across from the authorities struggling to give straight answers... that is, until they pulled out paper copies of his e-mails he thought had long been deleted.

“It’s much harder to lie when they know the truth,” he said.

The people I know working in finance today assume somebody is always watching.

His firm was at the center of an investigation on charges related to giving kickbacks in the allocation of initial public offerings (IPOs). At the time, it was common for IPOs to skyrocket on the first day of trading. It was cash cow for big banks. And since Wall Street was a backscratching industry – I help you, you help me – and there didn’t seem to be anything wrong with a little quid pro quo.

It’s how business was done during the Internet boom. There didn’t seem to be anything wrong with it – unless you admitted to it in print. In my friend’s case, the feds had proof that side deals were made – a very large allocation – in return for a promise of the client to buy more shares in the immediate aftermarket. The reason was to boost the share price, which would create the impression that the stock was hotter than it was. That would allow insiders to profit when they sold their shares.

“We’re probably going to get a slap on the wrist,” my friend said. “$100 million fine. But remember... E-mail is forever, bro.”

I never forgot those words.

Of course, sometimes not only do you not want a paper trail; sometimes you want a fake paper trail.

Around the same time my friend warned me about e-mail, my former boss Raj Rajaratnam received inside information that had the potential to take down the entire market when it became public. If you’re into inside information, this is the best kind. Rajaratnam was the founder of the Galleon Group, and is currently serving an 11-year sentence for insider trading.

After Raj analyzed the illegal information, our hedge fund was furiously liquidating every stock we owned, even though it was a raging bull market. I wasn’t sure why we were selling and then shorting everything. Then Raj stepped out of his office, cupped his left hand on the side of his mouth as if he’s about to whisper something, and yelled over to an analyst: “Send me an e-mail with some fundamental reasons to sell Nortel,” he said. “And make sure you put something in it about them canceling from the Robertson Stephens conference.”

We sold every single stock we owned in a matter of hours. And then we went short those same stocks. Our portfolio went from 100% long to 100% short in the same trading day. At the time, I called it the billion-dollar flip.

Two minutes after the closing bell that day, Nortel Networks reported a terrible earnings
number. And its future earnings guidance was even worse. At the height of the dot-com tech bubble, the company grew faster than its expertise. The headlines coming across the tape were so bad that regulators halted the stock. This was not only bad for Nortel, but catastrophic for the entire market... The bubble was about to burst and we were going to make a boatload of money the next few days.

Over the next few weeks, the atmosphere in the office was tense and suspicious. A couple of my fellow traders talked about lawyering up. An investigator with the U.S. Securities and Exchange Commission (SEC) called Raj and wanted to know why he had sold all of his tech stocks. Raj told them he did it because Nortel was pulling out of the Robertson Stephens conference, then listed a couple of generic fundamental reasons that were in the e-mail he had sent himself. Raj had created a paper trail to support his alibi. And it worked. Raj’s excuse was good enough for the SEC.

It would take another eight years for electronic communication to catch up with Raj. By 2006, he became one of the FBI’s main focuses. They spent years collecting evidence by reviewing Rajaratnam’s instant messages. And then the feds built their case with wire taps.

In court, they used his own voice against him. Raj was accused of making more than $72 million on non-public information (sounded light to me) and then convicted after a trial including more than 2,400 recorded phone calls. In many of those conversations he received information that was considered inside (illegal). And they would compare his trading records to his phone conversations.

But wiretaps on Wall Street aren’t only useful for providing direct evidence; they’re also used as a recruiting tool to find cooperating witnesses. Many people are far more willing to talk after hearing their own voices on wiretaps. When FBI agents have evidence against you, it becomes a much easier decision to work with them. And by the end of 2012, there were 75 people charged in a three-year span, primarily by using tools such as wiretaps, informants and cooperators.

The people I know working in finance today assume somebody is always watching.

Today, almost everyone left on the Street who used to play fast and loose now operates in a totally different manner. Everyone is a liar until proven otherwise. But this isn’t a blueprint on how to get away with improprieties.

The best way to avoid getting caught doing something illegal – don’t do something illegal.

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**Turney Duff** is a former trader at one of the biggest hedge funds in the world, the Galleon Group, where its founder and several Galleon employees were found guilty of insider trading. Turney rose through the ranks and then fell prey to the trappings of Wall Street: money, sex, drugs, alcohol, and power. Turney chronicles his spectacular rise and fall in his bestselling book, *The Buy Side: A Wall Street Trader’s Tale of Spectacular Excess.*
So, you may ask, why is the government so obsessed with spying on Americans – apparently virtually all of us? The answer is found in the well-known fable of the frog and the scorpion. The scorpion, who cannot swim, asks the frog for a ride on his back across a river. The frog expresses concern that the scorpion will sting him, killing him in midstream. The scorpion says, “But then I would die too,” thereby convincing the clueless frog to trust him. In midstream the frog is fatally stung. “Why?” the frog exclaims as he begins sinking, to which the scorpion replies, “It is my nature.”
In a like manner, spying is in the DNA of politicians and government bureaucrats. Ever since the first government was formed, some bureaucrat has been reading our mail. In terms of our English heritage, the first government post was created by Edward IV back in 1481. Oliver Cromwell established the first postal monopoly in 1654. According to historian James I. Campbell, Jr., “A primary reason for the monopoly was to permit surveillance of the citizenry.” In 1657, the first act of Parliament to establish a Post Office declared that the new office would “discover and prevent many dangerous and wicked designs, which have been, and are daily contrived against the Peace and Welfare of this Commonwealth, and the intelligence whereof cannot be well Communicated but by letter.” Or e-mail.

And so it goes today at the National Security Agency (NSA), the CIA, the FBI, and the myriad alphabet agencies tasked with getting Americans to the other side of the river. It is in their nature to spy on us. Also, to lie to us. Pretty much constantly. The credulous frog was lied to. Our national security network lies to us about spying on us. Take former Director of National Intelligence James Clapper, please. In October of 2013 when Clapper was asked by Sen. Ron Wyden (D-OR) if the NSA collected data on millions—even hundreds of millions—of Americans, the NSA chief gave a classic poker tell that he was bluffing by nervously rubbing his shiny dome and replying, “No sir. Not wittingly.” Indeed, he held no inside straight, later admitting he had told “the least untruthful” answer.

The American Founders were remarkably sophisticated in the ways of the world and in the nature of governance. When a woman outside the courthouse in Philadelphia asked Ben Franklin what kind of government the Framers had given us, he replied, “A republic, if you can keep it.” While the Declaration of Independence provided the spirit of liberty and limited government and the Constitution provided the structure for maintaining it, it is likely most of these remarkable individuals would have been amazed at how long their handiwork survived and how successful it turned out to be. But they would not have been surprised at the growth of state power and the loss of so much personal and economic liberty over the past 80 years. To be
sure, there have been huge gains for women, blacks, gays, and other minorities, but they, too, have been swept up in the arbitrary diktats of the state, whether being spied upon, forced to support a bloated military budget, denied due process in the criminal justice system, or putting up with sophomoric political correctness on college campuses.

The surveillance state is not what the Framers had in mind. In 1789 Jefferson wrote to a friend, “There are rights which it is useless to surrender to the government, and which yet, governments have always been fond to invade. These are the rights of thinking, and publishing our thoughts by speaking or writing... the right of personal freedom.” The so-called Patriot Act and the Foreign Intelligence Surveillance Act (FISA) are unconstitutional without repealing the Fourth Amendment to the Constitution, which pretty much anticipated what the political class would be up to down the road. The infamous Section 702 of FISA grants the feds the right to spy on foreign communications that cross into the United States, and to do so without a warrant or the approval of a judge if a broadly-defined claim of “foreign intelligence” investigation is attached. Those communications often include U.S. citizens who are then swept into an enormous database to be used (illegally) for “backdoor searches” whenever the feds feel the urge.

The urge seems to come more frequently these days. It has been estimated that as recently as 2016 the CIA and NSA used that database to conduct some 30,000 searches for information on U.S. citizens. The actual number is possibly an order of magnitude higher. For “security” reasons no one in Congress or the agencies will say. Sen. Rand Paul (R-KY), who has access to the number of searches but is legally not permitted to reveal that number, estimates it to be in the “gazillions,” thereby giving a sense of the magnitude without risking jail since, as he points out, gazillion is not a real number.

Truth is, when you use your car, make a call on your smart phone, or use your toaster (for all I know) massive amounts of your personal data are collected by the private sector.

There is no doubt that the CIA and NSA need tools to undertake legitimate surveillance activities. The intersection of technology, philosophy, and policy is complex, to say the least. Seek out tech-savvy analysts who have a primary focus on liberty. (I like Patrick Eddington at Cato, and Jim Harper at the Competitive Enterprise Institute.) Truth is, when you use your car, make a call on your smart phone, or use your toaster (for all I know) massive amounts of your personal data are collected by the private sector. Facebook and Google are threats to privacy, but primarily through their willingness to cooperate with government. Still, if North Korea can hack a major movie studio and Russia can hack into the Winter Olympics (not to mention U.S. elections) we’re dealing with a serious problem. One thing we do know is that the solution is unlikely to come from government. Or, for that matter, Google or Facebook. Right now some socially
retarded (er, challenged) teenager in a garage somewhere in Odebolt, Iowa is working on a very cool solution to some of these issues.

That said, the federal government’s insatiable thirst for spying on us demands immediate attention. Liberty requires respect for our individual sovereignty – for our dignity. The abuses of FISA and the notorious malleability of FISA Courts make a mockery of the Fourth Amendment:

> The right of the people 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, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

The Fifth Amendment is very much along the same lines with its emphasis on due process before the feds can take anything away from us. Ignoring these critical amendments and the spirit of the Declaration has led directly to the rise of the rule of man over the rule of law in our nation. As a result, the concept of a republic has given way to a kind of untrammeled majoritarianism.

Populism, whether on the Left or the Right, appears disdainful of constitutional constraints on the political passions of the moment. This decline in the rule of law manifests itself in the contempt high-ranking federal authorities demonstrate to Congress when forced to account for their agency’s actions. That attitude was best exemplified by former (thank god) IRS chief John Koskinen. In his appearances before oversight committees in both the House and the Senate, Koskinen’s face dripped with disdain for those who questioned what in the world the IRS was thinking when it denied tax-exempt status for conservative and libertarian organizations that clearly qualified. He denied the IRS deleted any material related the tax-exempt scandal. He was lying. He was covering up for Lois Lerner who had spent most of her government career trying to undermine individuals and groups favoring limited, constitutional government – first at the Federal Election Commission, later at the IRS. Ironically, Lerner’s display of contempt came in her refusal to answer any questions from Congress, citing her Fifth Amendment rights against self-incrimination.

I always admired Mae West’s answer in the old W.C. Fields movie when the judge admonished her, “Are you trying to show contempt for this court?” and she replied, “I was doin’ my best to hide it.” In today’s political environment, senior bureaucrats have little interest in hiding their contempt for the American public. Say what you will about the clueless narcissist in the White House. He has attracted tens of millions of Americans who believe they’ve been lied to for too long. There are millions on the Left who also seem willing to reassess their slavish support for more and more government. Who knows? Maybe there is hope. Let’s ask Google.

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Edward H. Crane is co-founder of the Cato Institute and president of the Purple PAC, a political action committee supporting candidates who favor free markets, social tolerance, and a non-interventionist foreign policy.
DO YOU TRUST THE GOVERNMENT WITH YOUR FACE?

MAYBE YOU SHOULDN’T...
You’re likely part of a criminal lineup...

Even if you’ve never set foot in a police station... been suspected of a crime... or had your mug shot taken... the cops may still be keeping your photo on file.

A basic right of every American citizen is to refuse to participate in any sort of lineup. But more and more of us no longer have that option.

A report from Georgetown Law’s Center onPrivacy and Technology shows that one out of every two Americans is in a police face-recognition database.

You read that right... 50% of us have our photos in a police-controlled database. As the authors explained...

*The Government Accountability Office revealed that close to 64 million Americans do not have a say in the matter: 16 states let the FBI use face recognition technology to compare the faces of suspected criminals to their driver’s license and ID photos, creating a virtual lineup of their state residents. In this lineup, it’s not a human that points to the suspect – it’s an algorithm.*

Perhaps you trust what your “public servants” in government are doing with your private data... And proponents of the databases say that facial recognition can help law enforcement.

But a mountain of data on every citizen presents an enticing target for all who would harm you.

These huge databases are largely made up of innocent folks – according to the report, 80% of the photos in the FBI’s network are of people without any criminal history.

Some complain that extreme uses, such as real-time surveillance using the database as a
comparison, violate the Fourth Amendment – your protection against unreasonable searches and seizures by the government.

For example, during the 2015 Baltimore riots, police scanned faces in the protest crowd and matched them in real time against the facial database. They used it to “monitor” the situation.

That kind of surveillance makes us uneasy.

And adding to that mistrust of what Big Brother is doing with all of this info is the fact that many agencies lack any kind of oversight or regulation with these databases.

For example, some states, like Alabama and Tennessee, only allow the FBI to run facial-recognition searches. Other states, like Ohio and Florida, allow hundreds of state agencies to run these searches.

You can’t get yourself out of a database. For many of us, the necessity of having a driver’s license puts us in the database whether we like it or not. But you can know and understand exactly who can use your face in a search and how.

There are three things to do...

1. **Understand what’s going on in your state.** You can find your state on the interactive map, [here](#). Make sure you understand exactly who can see your face in the database and look into instances of misuse. Also look for the last audit on the database procedures. Maryland, for instance, has not conducted an audit since the system launched in 2011.

2. **Write to your representatives.** Point them to [this report](#) and urge them to regulate these databases and protect our privacy. You can look up how to get in touch with your state officials as well as your senators and representatives [right here](#). Refer them to the Wiretap Act as a guideline for how to protect our privacy.

3. **Guard your privacy when it comes to real-time facial recognition.** Even if you’re already in one database, these steps can help keep the government from putting you in another one...

Facial-recognition technology measures the distance between features like the eyes, nose, and mouth. And we’re not talking about just

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**Dr. David Eifrig** worked in arbitrage and trading groups with major Wall Street investment banks, including Goldman Sachs, Chase Manhattan, and Yamaichi in Japan. In 1995, Dr. Eifrig retired from Wall Street, went to UNC-Chapel Hill medical school, and became an ophthalmologist. Today, he publishes a free daily letter on health and wealth that shows readers how to live a millionaire lifestyle at [http://healthandwealthbulletin.com](http://healthandwealthbulletin.com).

Protecting privacy is so important to him that he dedicated a full section to it in his book, *The Big Book of Retirement Secrets*. In it, Doc shares more tips for safeguarding your family’s privacy as well as hundreds of other tips on health and wealth. To order your copy, simply [click here](#).
a few key points... Most programs compare around 45,000 unique points on the face. The average system then cross-checks this biometric data with the profiles of 13 million other faces... all in the blink of an eye.

Most people make the task of facial recognition even easier... They flood the web with their pictures. Social media websites like (the aptly named) Facebook and LinkedIn are chock-full of “mug shots.”

If you want more privacy, there is a solution...

The technology is not foolproof. But to the right are some ways to thwart facial recognition.

Now, some of these techniques will attract quite a bit of attention. They may even single you out for closer scrutiny. But on second glance, many of these techniques are more innocuous than they appear...

Some of these techniques try to cover up facial features. Beards and dark glasses do this without garnering extra attention. Other techniques attempt to distort the distances between measured facial points. A smiling face is markedly different from a deadpan facial structure. That’s why you’re not allowed to smile when taking ID photos.

I think the most ingenious technique of all is to utilize infrared lights. One nine-volt battery can power these for days on end. The bulbs are pea-sized and emit no visual light... but to a facial-recognition camera, bright streams of infrared light will cloud out a person’s face.

WAYS TO AVOID FACIAL RECOGNITION

- Wear a low-lying hat
- Grow out facial hair
- Wear big, dark glasses
- Wear a clear plastic mask
- Put on dark eyeliner or “eye black” used by some athletes
- Comb hair strands down into your face
- Tilt your head more than 15 degrees to the side
- Smile
- Attach LED infrared lights to eyeglasses or headwear

80% of the photos in the FBI’s network are of people without any criminal history.
I wrote about George Orwell’s novel 1984 in the September 2017 “Innovation” issue of American Consequences – in an article where I surveyed various “futurist” authors of the past to see how accurate their predictions about the future were.

I’m afraid I gave Orwell short shrift. “Yeah, yeah,” I said, “a ‘telescreen’ that watches us while we watch it is where you’re reading this now.”

I forgot what a powerful, terrifying, and tragic novel 1984 is. I forgot because I had read the book a couple of times and was under the impression that I understood it.

1984 tells the story of a totalitarianism so total that it’s not satisfied with eliminating Winston Smith, a decent, conscientious individual. It must also eliminate his decency, his conscience, and his individuality first.
When I read *1984* in high school I thought, “This is what the Commies are doing in the Soviet Union.”

When I read *1984* in college I thought, “This is what ‘The Man’ is doing in AmeriKKKa.”

But when I read it as a mature (that is to say, old and worried) adult I was shocked. I realized, “This is what we’re doing to ourselves!”

In *1984*, Winston Smith *can’t* turn off the spying, intrusive telescreen. Our situation is much worse. Winston had only one telescreen. We have dozens of the things – desktops, laptops, iPads, iPhones, game consoles. And we, of our own free will, *refuse* to turn them off.

We don’t live in Winston Smith’s horrible world – yet. But we seem to be doing
everything that Orwell foresaw to create that world.

Everything and more. The nation of “Oceania” where Winston lives is a one-party state like Nazi Germany or the U.S.S.R. We’ve topped that. We’ve got two parties in our one-party state.

Both the “progressive” Democrats and the “conservative” Republicans are intent on making 1984 come true.

The “Leftright” Party is the party that really rules America. Members of the Leftright Party practice the “doublethink” that Big Brother demands in 1984. As Orwell explains it, doublethink is “to hold simultaneously two opinions which canceled out, knowing them to be contradictory and believing in both of them.” (Ask Attorney General Jeff Sessions about the dueling Republican/Democratic House Intelligence Committee memos on the Mueller Russia probe.)

Orwell captures totalitarianism’s interference in every aspect of existence in the first sentence of his book: “...the clocks were striking thirteen.” Whenever “the authorities” start meddling with ancient and customary traditions, something is wrong. So it was when President Jimmy Carter tried to put America on the metric system. And so it is today with an ancient and customary tradition we used to have... that the President of the United States was someone you would welcome into your home.

1984 has a “Two Minutes Hate” where everyone has to stop what they’re doing and despise Emmanuel Goldstein, “Enemy of the People.” We voluntarily stop what we’re doing and spend much more than two minutes despising Donald Trump on MSNBC. Or, if that doesn’t suit us, we despise Nancy Pelosi for hours on Fox News.

Winston Smith “set his features into the expression of quiet optimism which it was advisable to wear when facing the telescreen.” This is nothing compared to the expression of smug and idiotic blow-hard certainty which it is advisable to wear when facing the cameras on MSNBC and Fox.

Our situation is much worse... We have dozens of the things – desktops, laptops, iPads, iPhones, game consoles. And we, of our own free will, refuse to turn them off.

Winston works in the Ministry of Truth where his job is to rewrite history. He obeys the Party slogan, “Who controls the past controls the future: who controls the present controls the past.” Some Leftright Party members tear down monuments to Civil War soldiers who died bravely having no idea they were wrong, while other Leftright Party members dress in red baseball caps that declare they’ll make America what it always has been.

In 1984 a language has been invented to replace English, “Newspeak.” The purpose of Newspeak is “to limit the range of thought” by removing all previous mental associations and nuances of meaning from the vocabulary. The people of Oceania will be forced to use
this language. Members of the Leftright Party have been much more creative. They’ve invented not one but several languages that limit the range of thought. And they have gotten people to speak those languages without using force. Thus no one is crippled or blind or deaf anymore, much less a moron. They are all “differently-abled.” And no one even tries to discover the truth because the “lamestream media” is full of “fake news.”

Orwell has a Party member say, “Orthodoxy means not thinking.” Members of our Leftright Party aren’t thinking twice as much.

“The heresy of heresies was common sense,” thinks Winston Smith. With double the heresies we have half as much sense.

In 1984, the Party teaches that “Sexual intercourse is to be looked on as a slightly disgusting minor operation, like having an enema.” But now we’ve got both #MeToo and public-school curriculum abstinence education.

Orwell described life in the year 1984 as “...decaying, dingy cities where underfed people shuffled to and fro in leaky shoes, in patched-up nineteenth-century houses that smelt always of cabbage...” A fair description of Portland, Oregon, or hip, artisanal Brooklyn. On the other hand, it’s also not too different from the shanties and trailer parks from which the alt-right pours forth.

“We make the laws of nature,” the Inner Party interrogator and torturer, O’Brien, tells Winston. That sure sounds to me like both sides of the Leftright climate change debate.

Likewise we have doubled our Thought Police forces, with one squadron apprehending visiting lecturers who fail to address college students in Newspeak and another squad circulating among Republicans in the House of Representatives arresting any notion that they can be reelected without Trumppthink.

But what is the goal, what is the objective of the Leftright Party? Why do they oppress and overpower us? (Or, rather, why do they trick us into oppressing and overpowering ourselves?)

Orwell goes straight to the point.

O’Brien tells Winston, “Power is not a means, it is an end... The object of power is power.”

What the Leftright Party wants is power. And what will the Leftright Party do to us with its power?

Again, Orwell is clear. O’Brien asks...

“How does one man assert his power over another, Winston?”

Winston thought. “By making him suffer,” he said.

“Exactly. By making him suffer. Unless he is suffering, how can you know that he is obeying your will and not his own? Power is inflicting pain and humiliation.”

The “Leftright” Party is the party that really rules America. Members of the Leftright Party practice the “doublethink” that Big Brother demands in 1984.
HANK BLAUSTEIN ON SECURITY, SURVEILLANCE, AND TECH

Hank Blaustein is our favorite cartoonist. There’s too much funny stuff going on in business and economics and too few people being funny about it. Plus Mr. Blaustein is – as you can tell from his deft line – a celebrated fine artist in pencil, ink, and watercolor.

“I’m not a teller. I’m with the government. Why are you withdrawing $50?”

“All in favor of fewer people?”

“I don’t like this one bit.”
"Only the N.S.A. knows."

"He called me the FBI."

"Hello, I’m Ms. Lawson from compliance. What did you eat for lunch today?"
SAFE IN THE FISHE
IN THE FUTURE, MOST PEOPLE WILL LIVE IN A TOTAL SURVEILLANCE STATE – AND SOME OF US MIGHT EVEN LIKE IT

By Stuart Armstrong and edited by Brigid Hains
Often put forward by surveillance proponents today. The evidence as to whether current surveillance achieves this is ambiguous; cameras, for instance, seem to have an effect on property crime, but not on incidences of violence. But today’s world is very different from a panopticon full of automatically analyzed surveillance devices that leave few zones of darkness.

If calibrated properly, total surveillance might eradicate certain types of crime almost entirely. People respond well to inevitable consequences, especially those that follow swiftly on the heels of their conduct. Few would commit easily monitored crimes such as assault or breaking and entering, if it meant being handcuffed within minutes. This kind of ultra-efficient police capability would require not only sensors capable of recording crimes, but also advanced computer vision and recognition algorithms capable of detecting crimes quickly. There has been some recent progress on such algorithms, with further improvements expected. In theory, they would be able to alert the police in real time, while the crime was still ongoing. Prompt police responses would

You know this because you live in the future where surveillance is universal, ubiquitous and unavoidable. Governments and large corporations have spread cameras, microphones, and other tracking devices all across the globe, and they also have the capacity to store and process oceans of surveillance data in real time. Big Brother not only watches your sex life, he analyses it. It sounds nightmarish – but it might be inevitable. So far, attempts to control surveillance have generally failed. We could be headed straight for the panopticon, and if recent news developments are any indication, it might not take that long to get there.

Maybe we should start preparing. And not just by wringing our hands or mounting attempts to defeat surveillance. For if there’s a chance that the panopticon is inevitable, we ought to do some hard thinking about its positive aspects. Cataloguing the downsides of mass surveillance is important, essential even. But we have a whole literature devoted to that. Instead, let’s explore its potential benefits.

The first, and most obvious, advantage of mass surveillance is a drastic reduction in crime. Indeed, this is the advantage most often put forward by surveillance proponents today. The evidence as to whether current surveillance achieves this is ambiguous; cameras, for instance, seem to have an effect on property crime, but not on incidences of violence. But today’s world is very different from a panopticon full of automatically analyzed surveillance devices that leave few zones of darkness.

If calibrated properly, total surveillance might eradicate certain types of crime almost entirely. People respond well to inevitable consequences, especially those that follow swiftly on the heels of their conduct. Few would commit easily monitored crimes such as assault or breaking and entering, if it meant being handcuffed within minutes. This kind of ultra-efficient police capability would require not only sensors capable of recording crimes, but also advanced computer vision and recognition algorithms capable of detecting crimes quickly. There has been some recent progress on such algorithms, with further improvements expected. In theory, they would be able to alert the police in real time, while the crime was still ongoing. Prompt police responses would

Suppose you’re walking home one night, alone, and you decide to take a shortcut through a dark alley. You make it halfway through, when suddenly you hear some drunks stumbling behind you. Some of them are shouting curses. They look large and powerful, and there are several of them. Nonetheless, you feel safe, because you know someone is watching.
It sounds nightmarish – but it might be inevitable.

create near-perfect deterrence, and violent crime would be reduced to a few remaining incidents of overwhelming passion or extreme irrationality.

If surveillance recordings were stored for later analysis, other types of crimes could be eradicated as well, because perpetrators would fear later discovery and punishment. We could expect crimes such as low-level corruption to vanish, because bribes would become perilous (to demand or receive) for those who are constantly under watch. We would likely see a similar reduction in police brutality. There might be an initial spike in detected cases of police brutality under a total surveillance regime, as incidents that would previously have gone unnoticed came to light, but then, after a short while, the numbers would tumble. Ubiquitous video recording, mobile and otherwise, has already begun to expose such incidents.

On a smaller scale, mass surveillance would combat all kinds of abuses that currently go unreported because the abuser has power over the abused. You see this dynamic in a variety of scenarios, from the dramatic (child abuse) to the more mundane (line managers insisting on illegal, unpaid overtime). Even if the victim is too scared to report the crime, the simple fact that the recordings existed would go a long way towards equalizing existing power differentials. There would be the constant risk of some auditor or analyst stumbling on the recording, and once the abused was out of the abuser’s control (grown up, in another job) they could retaliate and complain, proof in hand. The possibility of deferred vengeance would make abuse much less likely to occur in the first place.

With reduced crime, we could also expect a significant reduction in police work and, by extension, police numbers. Beyond a rapid-reaction force tasked with responding to rare crimes of passion, there would be no need to keep a large police force on hand. And there would also be no need for them to enjoy the special rights they do today. Police officers can, on mere suspicion, detain you, search your person, interrogate you, and sometimes enter your home. They can also arrest you on suspicion of vague “crimes” such as “loitering with intent.” Our present police force is given these powers because it needs to be able to investigate. Police officers can’t be expected to know who committed what crime, and when, so they need extra powers to be able to figure this out, and still more special powers to protect themselves while they do so. But in a total-surveillance world, there would be no need for humans to have such extensive powers of investigation. For most crimes, guilt or innocence would be obvious and easy to establish from the recordings. The police’s role could be reduced to arresting specific individuals, who have violated specific laws.

If all goes well, there might be fewer laws for the police to enforce. Most countries currently have an excess of laws, criminalizing all sorts of behavior. This is only tolerated because of selective enforcement; the laws are enforced very rarely, or only against marginalized groups. But if everyone was
attack. If intelligence agencies were to use all the new data to become more sophisticated observers, countries might develop a better understanding of each other. Not in the hand-holding, peace-and-love sense, but in knowing what is a genuine threat and what is bluster or posturing. Freed from fear of surprising new weapons, and surprise attacks, countries could safely shrink their militaries. And with reduced armies, we should be able to expect reduced warfare, continuing the historical trend in conflict reduction since the end of the Second World War.

Of course, these considerations pale when compared with the potential for mass surveillance to help prevent global catastrophic risks, and other huge disasters. Pandemics, to name just one example, are among the deadliest dangers facing the human race. The Black Death killed a third of Europe’s population in the 14th century and, in the early 20th century, the Spanish Flu killed off between 50 and 100 million people. In addition, smallpox buried more people than the two world wars combined. There is no reason to think that great pandemics are a thing of the past, and in fact there are reasons to think that another plague could be due soon. There is also the possibility that a pandemic could arise from synthetic biology, the human manipulation of microbes to perform specific tasks. Experts are divided as to the risks involved in this new technology, but they could be tremendous, especially if someone were to release, accidentally or malevolently, infectious agents deliberately engineered for high transmissibility and deadliness.

The military is another arm of state power that is ripe for a surveillance-inspired shrinking. If cross-border surveillance becomes ubiquitous and effective, we could see a reduction in the $1.7 trillion that the world spends on the military each year. Previous attempts to reduce armaments have ultimately been stymied by a lack of reliable verification. Countries can never trust that their enemies aren’t cheating, and that encourages them to cheat themselves. Arms races are also made worse by a psychological phenomenon, whereby each side interprets the actions of the other as a dangerous provocation, while interpreting its own as purely defensive or reactive. With cross-border mass surveillance, countries could check that others are abiding by the rules, and that they weren’t covertly preparing for an
Mass surveillance could help greatly here, by catching lethal pandemics in their earliest stages, or beforehand, if we were to see one being created artificially. It could also expose lax safety standards or dangerous practices in legitimate organizations. Surveillance could allow for quicker quarantines, and more effective treatment of pandemics. Medicines and doctors could be rushed to exactly the right places, and micro-quarantines could be instituted. More dramatic measures, such as airport closures, are hard to implement on a large scale, but these quick-response tactics could be implemented narrowly and selectively. Most importantly, those infected could be rapidly informed of their condition, allowing them to seek prompt treatment.

With proper procedures and perfect surveillance, we could avoid pandemics altogether. Infections would be quickly isolated and eliminated, and eradication campaigns would be shockingly efficient. Tracking the movements and actions of those who fell ill would make it much easier to research the causes and pathology of diseases. You can imagine how many lives would have been saved had AIDS been sniffed out by epidemiologists more swiftly.

Likewise, mass surveillance could prevent the terrorist use of nukes, dirty bombs, or other futuristic weapons. Instead of blanket bans in dangerous research areas, we could allow research to proceed and use surveillance to catch bad actors and bad practices. We might even see an increase in academic freedom.

Surveillance could also be useful in smaller, more conventional disasters. Knowing where everyone in a city was at the moment an earthquake struck would make rescue services much more effective, and the more cameras around when hurricanes hit, the better. Over time, all of this footage would increase our understanding of disasters, and help us to mitigate their effects.

Indeed, there are whole new bodies of research that could emerge from the data provided by mass surveillance. Instead of formulating theories and laboriously recruiting a biased and sometimes unwilling group for testing, social scientists, economists, and epidemiologists could use surveillance data to test their ideas. And they could do it from home, immediately, and have access to the world’s entire population. Many theories could be rapidly confirmed or discarded, with great benefit to society. The panopticon would be a research nirvana.

Mass surveillance could also make our lives more convenient, by eliminating the need for passwords. The surveillance system itself could be used for identification, provided the algorithms were sufficiently effective. Instead of Mr. John Smith typing in “passw0rd!!” to access his computer or “2345” to access his money, the system could simply track where he was at all times, and grant him access to any computers and money he had the right to. Long security lines at airports could also be eliminated. If surveillance can detect prohibited items, then searches are a waste of time. Effective crime detection and deterrence would mean that people would have little reason to lock their cars or their doors.

Doing business in a mass surveillance society would be smoother, too. Outdoor festivals and concerts would no longer need high
to – passing the music on to others – would be detected and tagged separately. Every time you bought a song, a book, or even a movie, you’d do so knowing that it would be with you wherever you went for the rest of your life.

The virtues and vices of surveillance are the imagined virtues and vices of small villages, which tend to be safe and neighborly, but prejudiced and judgmental. With the whole world as the village, we can hope that the multiplicity of cultures and lifestyles would reduce a global surveillance culture’s built-in potential for prejudice and judgment. With people more trusting, and less fearful, of each other, we could become more willing to help out, more willing to take part in common projects, more pro-social and more considerate. Yes, these potential benefits aren’t the whole story on mass surveillance, and I would never argue that they outweigh the potential downsides. But if we’re headed into a future panopticon, we’d better brush up on the possible upsides. Because governments might not bestow these benefits willingly – we will have to make sure to demand them.

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In addition to funding for a border wall and other border security measures, immigration hardliners are sure to push to include mandatory E-Verify in any immigration legislation considered by Congress. E-Verify is a (currently) voluntary program where businesses check job applicants’ Social Security numbers and other information – potentially including “biometric” identifiers like fingerprints – against information stored in a federal database to determine if the job applicants are legally in the United States.

Imagine how much time would be diverted from serving consumers and growing the economy if every U.S. business had to comply with E-Verify. Also, collecting the relevant information and operating the mandatory...
E-Verify system will prove costly to taxpayers. Millions of Americans could be denied jobs because E-Verify mistakenly identifies them as illegal immigrants. These Americans would be forced to go through a costly and time-consuming process to force the government to correct its mistakes. It is doubtful employers could afford to keep jobs open while potential hires went through this process.

A federal database with Social Security numbers and other identifying information is an identity thief’s dream. Given the federal government’s poor track record for protecting personal information, is there any doubt mandatory E-Verify would put millions of Americans at risk for identity theft?

Some supporters of E-Verify deny the program poses any threat to civil liberties, as it will only be used to verify citizenship or legal residency. They even claim a system forcing individuals to have their identities certified by the government is not a national ID system. These individuals are ignoring the history of government programs sold as only affecting a particular group or being used for a limited purpose being expanded beyond initial targets. For example, Americans were promised that only the wealthiest Americans would ever pay income taxes. And some of the Patriot Act’s worst provisions that we were told would only be used against terrorists are routinely used to investigate drug crimes.

E-Verify almost certainly will be used for purposes unrelated to immigration. One potential use of E-Verify is to limit the job prospects of anyone whose lifestyle displeases the government. This could include those accused of failing to pay their fair share in taxes, those who homeschool or do not vaccinate their children, or those who own firearms.

Unscrupulous government officials could use E-Verify against those who practice anti-war, anti-tax, anti-surveillance, and anti-Federal Reserve activism. Those who consider this unlikely should remember the long history of the IRS targeting the political enemies of those in power and the use of anti-terrorism laws to harass antiwar activists. They should also consider the current moves to outlaw certain types of “politically incorrect” speech, such as disputing the alleged “consensus” regarding climate change.

Claiming that mandatory E-Verify is necessary to stop illegal immigration does not make it constitutional. Furthermore, having to ask the federal government for permission before obtaining a job is a characteristic of authoritarian societies, not free ones. History shows that mandatory E-Verify’s use will expand beyond immigration enforcement and could be used as a tool of political repression. All those who value liberty should oppose mandatory E-Verify.

This article originally appeared at the Ron Paul Institute for Peace and Prosperity. Copyright © 2018 by Ron Paul Institute.
EVEYBODY IS THE CENTER OF ATTENTION

BIG BROTHER MIGHT NOT BE WATCHING, BUT BIG TECH IS

If your knowledge of surveillance and security issues came entirely from popular culture, you could be forgiven for assuming that Americans live in a dystopian world of ubiquitous monitoring. Movie and television screens are filled with ominous scenes that depict a near-future of Panopticon-level observation by sinister government agencies and nefarious corporations. The shadowy campiness of the 1990s-era television show *The X-Files* has given way to the panicky tones of Netflix’s *Black Mirror*, where episodes frequently feature a range of plausible surveillance technologies that relentlessly track people both inside and outside their homes.
After all, you need not reach the highest office in the land to be a potential target of government surveillance. Local law enforcement agencies in the U.S. have for years monitored citizens using sophisticated technology such as Stingray cell phone tower simulators, which are used to track down suspects without getting a warrant, often gathering the data of thousands of innocent Americans in the process. As the privacy watchdog group Electronic Frontier Foundation has noted, Stingrays “allow the police to conduct indiscriminate, dragnet searches – in some cases on up to 10,000 phones at one time. They are also able to locate people inside traditionally-protected private spaces like homes, doctors’ offices, or places of worship and can be configured to capture the content of communications.”

In some countries, ubiquitous surveillance is already a reality. As Anna Mitchell and Larry Diamond recently described in The Atlantic, China is “racing to become the first to implement a pervasive system of algorithmic surveillance.” Using a combination of cameras, data mining, and artificial intelligence, Chinese government officials are constructing individual profiles of the country’s citizens, ostensibly to protect against terrorism or crime. The Chinese are innovative about the potential uses of these profiles once they are gathered. Officials are creating “citizen scores,” crafted using information they have gathered about what people buy, how they behave in public, or whether or not they have unpaid parking tickets. Why? The promise of such scoring, according to The Atlantic, is to encourage good behavior by rigorously ranking citizens:

How likely is such science fiction to become a reality? And should Americans be concerned about the likely growth of a surveillance state that could threaten freedom and privacy?

For many Americans, the 2016 election reignited anxieties about the possibility of government surveillance; these anxieties haven’t abated, fueled as they are by conspiracy theories online and Donald Trump’s many outraged tweets about the supposed “wiretapping” of Trump Tower. Stories about wiretaps, Foreign Intelligence Surveillance Act procedures, and other forms of government-sponsored snooping are now constant features of our 24/7 news cycle, as Special Counsel Robert Mueller continues to investigate Russian meddling in U.S. elections. No wonder people are feeling slightly paranoid.
Consider the new field of “digital phenotyping,” whose practitioners use data from a person’s social media activity, phone use, and other digital exhaust to craft a picture of your physical health and mental well-being. As the New York Times recently noted, digital phenotyping is hardly an exact science. “If a sociable person suddenly stopped texting friends, for instance, it might indicate that he or she had become depressed,” the Times reported. Or it could just mean they’d gone on vacation, or succumbed to their significant other’s entreaties to put their phones away. But that hasn’t stopped technology companies from wading into people’s lives – sometimes literally. Facebook is using artificial intelligence “to scan posts and live video streams on its social network for signs of possible suicidal thoughts. If the system detects certain language patterns,” the Times notes, “it may assign a certain algorithmic score to the post and alert a Facebook review team” which then contacts the person (or, in some cases, calls the police). Big Brother might not be watching, but Big Tech is.

Some observers have praised these efforts by tech companies, arguing that they serve an important community function, kind of like a concerned (albeit virtual) neighbor. Perhaps. But a larger question remains unaddressed: What does the future of privacy and freedom look like in a world where much of everyday life – including private life – is performed online and always monitored? Already, for many people today, their most deeply intimate relationship – at least if judged by time spent and care and attention lavished – is with their smartphone. We talk with them and to them; we play games and buy things…
on them; we stay in constant touch with friends and family thanks to them. One study found that we touch our phones about 2,617 times every day. You don’t have to be paranoid to acknowledge that this is a pretty effective form of self-wiretapping.

Previous eras worried that the all-seeing eye of surveillance (whether practiced by the state or by an authoritarian leader) would inevitably dehumanize everyone within its reach. Today, thanks to social media and the Internet, we are both the watchers and the watched. Our world resembles a funhouse mirror more than it resembles Jeremy Bentham’s 18th-century Panopticon – the infamous “all-seeing” prison design that placed a single law enforcement officer at its center, able to monitor many prisoners at once (which French theorist Michel Foucault later made a centerpiece of his analysis of prisons and social order in his 1975 book, Discipline and Punish).

And yet, the proliferation of surveillance and security technologies has not made us feel safer and more secure. And the ability to openly watch (rather than spy) on each other’s lives hasn’t brought us together as a people; on the contrary, if Twitter is any guide, it’s further divided us.

It is human nature to want to watch what others are doing (and not just other people; consider the popularity of live-feed “animal cams” available on websites such as explore.org). But as more and more people seek attention in a crowded online universe, the bar for normal attention-seeking will continue to be raised. (As reality television demonstrates, even our home makeovers must now be extreme.) And people will continue to erode the boundary between their public and private selves by performing the most intimate details of their lives online. The fact that we haven’t slid into dystopian authoritarian state monitoring doesn’t mean we’ve escaped danger. It just means we’ve traded one threat for another.

To me the saddest part of living a security-and-surveillance life is that we’re never far, far away anymore. We’re always in view. We’re always connected. We’re never in an unknown place. There is no Middle-of-Nowhere left, no “it’s not the end of the world but you can see it from here,” no “To-Hell-and-Gone.” A contemporary person on a solitary ski trek to the South Pole is blogging about it.

The romance of being lost is... lost.

The romance of being remote, isolated, and incommunicado used to be my career. I was a foreign correspondent from 1984, during the civil war in Lebanon, until the Iraq War in 2003. (When I decided I was too old to be scared stiff and too stiff to sleep on the ground).

During those two decades I spent a lot of time in “to hell and gone” – the deserts of Saudi Arabia, Kuwait, Egypt, and Iraq... the jungles of Mindanao, El Salvador, Honduras, and Peru... the mountains of Chiapas, Kyrgyzstan, and Himachal Pradesh... the chaos of Bosnia, Kosovo, and Albania... Peshawar, the Swat Valley, the tribal areas of North-West Frontier Pakistan... Apartheid-era Soweto, Transkei, and KwaZulu... with Palestinians in locked-down West Bank refugee camps, with Israeli troops on West Bank patrols, on the Trans-Siberian Railroad, at the barbed wire fence around Chernobyl, in East Berlin during The Spy Who Came in From the Cold era, and again when the Wall was coming down.

There was no way for the outside world to get in touch with me and almost no way for me to get in touch with it. This was very romantic. (When I wasn’t wetting myself.)

But the most romantic part of being to-hell-and-gone was an actual romance.

At the end of November 1992, I was sitting at a bar in Washington, D.C., and a beautiful woman approached. She said, “Are you P.J. O’Rourke?”

I said, “Yes!”

My heart leapt.

She said, “You covered the Gulf War for Rolling Stone?”

I said, “Yes!”

She said, “I’m here with an Army officer who fought in the Gulf War. He’d really like to meet you.”

I said, “Ummm... yes...”

My heart sank.

But, as it turned out, the Army officer, Mike, an infantry captain, (now a retired colonel and my good friend) was also with his girlfriend (now his wife) who was the beautiful woman’s good friend.

Capt. Mike had IDed me. He had a copy of my book about the Kuwait liberation, Give
machine guns, mortars, cannons and – to judge by the look of Mogadishu – wads of filth. In the old town not one stone stood upon another. In the new part of the city everything was built out of concrete, and the concrete had been blasted back into piles of aggregate, rebar, and Portland cement.

There was no public supply of water or electricity. At night the only illumination was from artillery blasts and tracer bullets. Every tree and bush had been snatched for firewood. Sewage welled up through what pavement was left. Mounds of sand blew through the streets. Rubbish was dumped atop wreckage and goats grazed on the offal.

Everything that guns can accomplish had been achieved in Mogadishu.

It was impossible for us to go outside our walls without a truck full of “security” (as the Somali mercenaries liked to be called). Even with our gunmen along there were always people massing up to beg, gape, and thieve. Hands tugged at wallet pockets. Fingers nipped at wristwatch bands. No foreigner could make a move without attracting a hornet’s nest of attention – demanding, grasping, pushing mobs of cursing, whining, sneering people.
Young men waving AK-47 assault rifles pushed among the crowd. Rusted, dent-covered, windshield-less pickup trucks with machine-gun mounts welded into their beds sputtered by on predatory errands.

We spent Christmas Eve on the roof of our mansion. ABC’s London Bureau had shipped us bottles of whiskey in camera tripod case tubes. We broke into the medical supplies and handed out the pain pills. Somali gunfire provided a light show.

Bush, on his final foreign trip as president, arrived in Somalia December 31. He spent the day visiting American troops. We’d found out, through military sources, that the president was planning on a New Year’s visit to an orphanage in Baidoa, a small famine-gripped city 160 miles of bad road away from Mogadishu.

The president would travel by helicopter. We were not so lucky.

On the last day of 1992 we set out to get to Baidoa before the president did.

We went in a four-vehicle convoy. There was a Land Rover full of reporters and another full of satellite technicians and a camera crew. Each Land Rover hauled a trailer, one carrying a satellite dish and the other loaded with a generator and fuel. Somali “security” were needed to guard us – one stake bed truck full of them in front and a second truckload behind.

Along the road to Baidoa, a dozen or more impromptu roadblocks had been set up. These were lengths of iron pipe balanced on an oil drum and counterweighted with a chunk of concrete. One harmless-looking old fellow squatted at each roadblock. He was not asking for a toll. You could see what the deal was when you stood on the Land Rover seat and looked out the sunroof at the surrounding thornbush. Armed creeps lurked.

If you had more guns than the creeps, the harmless-looking old fellow raised the pole and obsequiously waved you through. If you didn’t have more guns, you were robbed and shot. We had more guns.

We arrived outside Baidoa in the middle of the night and found a crappy, but defensible, place to stay. It was a roadside restaurant with a wall around it. In Somalia everything has a wall around it.

That must have been around 1 in the morning – 9 a.m. New Year’s Day back in the States. We’d brought a bottle of whiskey from the Mogadishu compound. We had a couple of drinks. I was thinking about the beautiful woman.

I said to the reporters, technicians, and camera crew, “I met this beautiful woman right before I left. I’m crazy about her. I’d like to call and wish her a Happy New Year. We’ve got to set up the dish first thing in the morning anyway.”

“Ohoo... A beautiful woman half a world away,” said everyone. (We foreign correspondents of yore were a sentimental bunch.) “Let’s do it.”

The Somali “security” was on the restaurant floor, sleeping off overindulgence in Somalia’s national dish. (Which is, of all things, spaghetti – due to Italian occupation from the 1920s until the end of World War II.) Not that they would have been much help.
The eight of us, with flashlights in our teeth, muscled the TV dish off the trailer and unfolded it. In those days the things were the size of beach cabanas. We did the same with the bulky generator and got it wired up and running. Then we needed to “find the bird.” This was before civilian GPS and the satellite location had to be eyeballed by azimuth and elevation.

Later the beautiful woman told me, “That was the most romantic thing I’ve ever heard.” She must have meant it because we’re married now and have three children.

By 2 a.m. we were ready. And then I realized I didn’t have the phone number. The beautiful woman had told me she was going to her parents’ house in Westport, Connecticut, for the holidays. But I didn’t know her father’s first name. I called 411.

Back then you got a person on the line – a kind, polite, and patient person. I said, “Hi, I’m in Somalia...” and explained the situation to the 411 lady. She read me all the listings under that last name (a not-uncommon Irish one) in the Westport phone book. “Edward!” I said, “I think she told me her dad’s name was Ed.” The kindly 411 lady tried the number and I got through.

I figure it only cost ABC about $200,000 in equipment, vehicles, supplies, payroll, and payoffs to Somali gunmen.

I said, “Hi, I’m in Somalia...”

“Oh my gosh!” said the beautiful woman, “Are you all right?”

“I’m happy!” I said, “And Happy New Year!”

“That’s so sweet!” she said. “How on earth did you get through?”

“Well, I’m out in the middle of the Somali desert in someplace called Baidoa with these other reporters and we set up the satellite dish and...”

Later the beautiful woman told me, “That was the most romantic thing I’ve ever heard.” She must have meant it because we’re married now and have three children.

But how romantic would that phone call be today?

If it could happen. There are no more kindly 411 ladies sitting with local phone books in their laps.

Besides, contemporary beautiful women (I judge by my 20-year-old daughter) don’t even use the phone. They text, which is something my old, arthritic thumbs can’t do no matter how many expert technicians I have with me.

If her phone rings, my daughter assumes it’s a robo-call and lets it go to message and then never checks her messages. When I want to phone my daughter I have to e-mail her and make an appointment.

She also doesn’t read her e-mails – they’re all spam.

Furthermore, contemporary beautiful women (again, judging by my daughter) aren’t up to
speed on the news the way my wife was 26 years ago. My daughter knows about... A fast among the Kardashians? Yes. A famine among the Somalis? No.

Nor do contemporary beautiful women seem to have much sense of where To-Hell-and-Gone is, or much sense of geography at all.

When my daughter was in prep school one of the international students invited her home for spring break.

**Daughter:** “What’s the big deal? We’re just talking about going to China for a week.”

**Me:** “Where do your friend’s parents live in China?”

**Daughter:** “Oh, I don’t know. Someplace nice.”

**Me:** “China is a big country.”

**Daughter:** “So is Florida. And you let me fly there to see my grandparents.”

Thus, if I were young again, and calling a beautiful woman from To-Hell-and-Gone in the Somali desert, and the call somehow got through, the conversation would probably sound like this:

**Me:** “Hi, I’m in Somalia...”

**Beautiful Woman:** “Uh, that’s nice.”

**Me:** “I’m out in the middle of the Somali desert in someplace called Baidoa...”

**Beautiful Woman:** “Bilbao?”

**Me:** “In Somalia...”

**Beautiful Woman:** “Isn’t Bilbao, like, in Spain?”

**Me:** “With Operation Restore Hope...”

**Beautiful Woman:** “Hope you like it. Sorry, just got a Tweet. Have to go.”

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WHAT DOES GOOGLE GOOGLE? IT GOOGLES YOU!

As Tucker Carlson reported on *Tucker Carlson Tonight*, your phone is a stalker. I’ve known Tucker since he was a kid writing for *The Weekly Standard*. I’m a big fan, but... thanks, Tucker, for scaring the worldwide web out of us.

Fortunately, I hardly ever use my iPhone. If Google is collecting information on me, it’s finding out that “He’s in his cuff link drawer.”

But for those of you who carry “Satan’s spyglass” around the time, I’m turning things over to American Consequences’ younger, more tech-savvy Assistant Editor Chris Gaarde who’ll tell you how to kill “The Beast With a Million Eyes.” – *P.J. O’Rourke*

Here’s where to disable this type of location tracking on your phone...

**On an Android phone:** Settings → Location → Google Location Settings → Choose e-mail account (from dropdown) → Turn Off

**On an iPhone:** Settings → Privacy → Location Services

**On a “dumbphone”:** Do nothing! One of the benefits of not keeping up with the latest and greatest. – *Chris Gaarde*
THINK NO ONE IS WATCHING?
WHAT'S THAT POST-IT ON YOUR LAPTOP?

By Alice Lloyd
OVER, SELF
He – older, amiable, a nerd – had built an app. And in a message he’d just pulled up on his laptop, his sorority-president sister was agreeing to market it to her friends.

But all I could focus on was her picture... a dime-sized image with her laptop open in the background. And stuck over the top of her laptop screen was an electric pink rectangle that, to my eye, did not belong.

(Persnickety as this sounds, the line and color of an open MacBook are so central to the landscape of modern student life that the least aberration jars the senses.)

He, an NSA coder after college, said it was a Band-Aid – and apparently one from the neon line. It was the latest craze, he told me, covering your computer’s built-in webcam to shut out the hackers who might otherwise watch you working, online shopping, or moving idly around your room.

These hackers, he said, could disable the green light that usually comes on when the camera is “live.” You’d never know if someone was watching.

They might have been watching us then, in fact, because his webcam wasn’t covered. He said he wasn’t worried – women are likelier targets, for one thing. The digital voyeur pays many times more for stolen shots of women than men (unless they’re men worth blackmailing). Plus, if he were going to be hacked, he insinuated his hard drive had more valuable cargo than footage of the two of us innocently alone together.

At least the webcam spies knew my value.

For a woman, participating in the webcam privacy panic requires a self-conscious spark: I, too, am a profitable target.

To my knowledge, I’d never had a true stalker follow me home and watch me through my lighted windows. But suddenly I had license to believe there could be thousands of watchers whenever I was in front of my open laptop – which was most of the time – more time than I’m visible through my actual windows. And these webcam hackers had all their paying customers too...

I imagined them peering into my private moments from deep within a Bond-villain base of operations, buried in a cave network in the foothills of some Central Asian mountain chain. Screen after screen of little windows stacked Brady-Bunch-style, each opening into another flickering world full of mundane secrets like mine. Someone could be trading bitcoin for a livestream of me, studying.
The best I had on hand that day was a hot pink mini Post-it note, sized to flag a few lines of reading, and colored to catch the eye. My roommate needed one too, I told her — and so did everyone else who asked what's that covering our webcams.

The adhesive on the Post-it lasted longer than the boyfriend.

And in the world beyond, the tech-privacy panic has ballooned. Facebook founder Mark Zuckerberg — whose messaging app reportedly records users' conversations to better target ads — has tape over his own webcam and headphone jack, as we learned from a photo he posted in 2016.

That was after FBI director Jim Comey admitted to covering his own laptop camera, back when he was still the country's top counterspy. In 2013, federal investigators hacked webcams to track a suspected terrorist in Texas and media coverage of the Bureau's methods of creeping — they call them “network investigative techniques” — probably popularized webcam paranoia more than it deterred crime.

Like trend-obedient college girls, terrorists worthy of the title will have been covering their cameras for years now. Everyone's doing it these days. The conspicuous shields we wore on our webcams in school shouted what's become a commonplace conviction.

But now that we all know they're there, I think we can admit the webcam watchers have their subtle charms, too.

A crude state of nature takes hold when a person thinks no one's watching... Work-from-home types might consider un-taping their cameras. Welcome the webcam hacker, as a reminder to put on a clean shirt, lay off the nose-picking, and think twice before kicking the cat.

For me, it's the only lasting association from a dalliance that feels longer ago than it was. Fluorescent pink will always remind me of this secondhand surveillance-conscious self-confidence, a mix of appropriate paranoia and perverse pride that says: I'm worth spying on — and I know it!

The laptop I'm typing on now has its webcam sealed with an adult-professional version of the same. It's a slim, black, plastic stick-on contraption that opens and closes as needed. The woman to my right at a DuPont coffee shop has the homemade version — Scotch Tape and a scrap of paper. The man on my left side has none.

But it's different for men. They're still less likely to be webcam-hacked for the benefit of voyeurs, and therefore less vulnerable — except, of course, to blackmail. For a man to cover his camera sends the unseemly message that he's a profitable target for a reason he'd rather you not know, some secret proclivity he might pay to keep hidden. To save him the embarrassment, Hewlett Packard's latest laptop comes with a sliding webcam cover built in.

But suddenly I had license to believe there could be thousands of watchers whenever I was in front of my open laptop — which was most of the time — more time than I'm visible through my actual windows.

Alice Lloyd is a staff writer at The Weekly Standard.
WHAT HAPPENS AFTER THE NEXT 9/11

AND EXACTLY WHEN WE’LL FALL OVER THE EDGE...
Is a police state in the U.S. possible? Absolutely.

That’s because people are essentially the same the world over, regardless of their culture, religion, race, or what-have-you. A certain percentage of them are sociopaths.

There is a standard distribution of sociopaths across time and space. It’s a function of Pareto’s Law, better known as the 80-20 rule...

It means 20% of the people do 80% of the work. Another 20% are responsible for 80% of the crime. 20% of the population always winds up with 80% of the wealth. And so forth, through all areas of human endeavor. This observation can be represented by a bell-shaped curve – a “standard distribution” – with a small minority at each extreme, but the large majority in the middle. The people who will take us to a police state are sociopaths – criminal personalities who don’t respect the liberty or property of others. And sociopaths gravitate towards government, and eventually come to control it.

Sociopaths gravitate towards government, and eventually come to control it.

My view is that 80% of human beings are basically decent, get-along, go-along types. 20% are what you might call potential trouble sources, that can go either way. But then you take 20% of that 20% and you’re dealing with the sociopaths.

When social conditions reach a certain stage, these really bad guys come out from under their rocks and take advantage of the situation. We’re seeing that right now in the U.S., across the political spectrum, just as we’ve seen in the past in hundreds of places throughout history.

A major tipping point occurred more than 16 years ago, on September 11, 2001, with the attacks in New York and Washington. They were disastrous. But not nearly as disastrous as the government’s reaction to them.

Among them was the creation of the Department of Homeland Security. Anybody that speaks German knows that a reasonable translation of Homeland Security is Geheime Staatspolizei, which is usually abbreviated to Gestapo. Anybody that goes through airline security these days should ask themselves, “Where the hell did they find these people? Didn’t they have jobs before they went to work for this moronic agency?” The answer is that there are people out there who like wearing costumes, are willing to boss, herd, interrogate, and go through the dirty laundry of their fellow citizens. They take their jobs seriously and you better not even look at them sideways. There’s no reason to believe it’s going to get better as they groove into their jobs, and their employer cements itself into place. More likely the trend will accelerate.

Is America currently a police state? Well, let’s see. You can still get in your car and go anywhere, although you might be stopped by...
the police and you might be detained if your papers aren't in order. Or if the officer thinks you're not properly respectful. Or you have “too much” cash.

Was there any particular day that Germany became a police state in the 1930s? I’m not sure you can put your finger on any one particular day, even after Hitler was legally and democratically elected. It was a progression, with new laws, new regulations, new taxes every day, while more fear and hysteria were worked up among the populace. Kristallnacht didn’t occur the day after the National Socialists took power.

It’s a case of the frog being put in a kettle of water where the temperature is gradually raised to a boil. That’s what’s occurring in the U.S. After 9/11, in addition to Homeland Security, we got the Patriot Act, with, among other things, its suspension of habeas corpus. That means that the government can lock anybody up for any reason and not even have to tell them why. Accuse them of being an “enemy combatant” – a neologism that justifies anything, and is robotically and thoughtlessly accepted by Boobus americanus – and anything is possible. Including a trip to a CIA black site in some Third World hellhole. This is something I thought was settled in Western Civilization with the Magna Carta and King John. But we’re going backwards in most areas of personal freedom. And America, of all places, is leading the way – even while falling behind economically.

I don’t know if I can put my finger on exactly when we’re going to go over the edge, but if I was going to guess I would think the real catalyst is going to be the next 9/11-type event. And I don’t doubt it’s going to happen.

How are we any different than the Germans in the 1930s? This was one of the most civilized, best-educated countries in Europe and they fell into the abyss. I suppose we’re a bit different. Americans are addicted to welfare, anti-depressant drugs, food, and electronic devices. That should certainly give us a better outcome...

There’s a joke I like to tell. Let me ask you this: Which is the gravest danger? Is it the ignorance, or is it the apathy of the average American today?

Stumped? Here’s the answer: I don’t know and I don’t care.

Doug Casey is a true contrarian investor. The founder of Casey Research and one of the most successful natural resource speculators in the world, Doug has also recently began publishing the High Ground series of books – thrilling and provoking stories about speculation, morality, and libertarian ideas. And when we do tumble over the political edge – which will likely happen sooner rather than later – complete economic collapse is sure to follow. That’s why we’re sharing our field guide to Surviving and Thriving During an Economic Collapse. Click here to download your free PDF copy now.
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WHO GOT PAID IN RUSSIAN ENERGY

WHAT’S GOING ON BETWEEN CARTER PAGE, BROKER FEES, REX TILLERSON, GOVERNMENT SANCTIONS, AND RUSSIA’S ROSNEFT ENERGY GIANT...
WHO GOT PAID IN THIS MASSIVE RUSSIAN ENERGY DEAL?

By Peter Byrne
award-winning
investigative reporter

CLICK HERE TO READ THE WEB VERSION

THIS MASSIVE DEAL?
The focus of Manafort’s consulting firm was lobbying Congress to favor Russia’s agenda in Eastern Europe. Russian Federation President Vladimir Putin’s allies in Ukraine reportedly paid Manafort to cajole D.C. to remove economic sanctions against Russian oligarchs and the federation’s key businesses – energy and weapons.

The Steele dossier portrays Page as Manafort’s “intermediary” in a “conspiracy of cooperation” between the Trump campaign and Russian officials – notably Igor Sechin, head of state-controlled oil firm Rosneft.

According to unverified statements in the dossier, in mid-2016, Sechin “was so keen to lift personal and corporate western sanctions imposed on the company, that he offered Page/Trump’s associates the brokerage of up to 19% (privatized) stake in Rosneft in return.” The upcoming sale of Rosneft stock was valued around $11 billion, so even a small brokerage fee could be quite substantial.

And an even bigger carrot was implied, since Rosneft was entwined with oil-and-gas giant ExxonMobil (XOM) in Russia, Africa, and North America. According to Steele’s sources, Sechin desired to advance “future bilateral U.S.-Russia energy cooperation” once the sanctions were removed.

According to the dossier, “Page had expressed interest and confirmed that were Trump Page’s role as a foreign policy adviser during President Donald Trump’s campaign was spotlighted by the media after the explosive publication of former British spy Christopher Steele’s “dossier” on the campaign’s connections to Russia.

Page has been the subject of two congressional investigations and innumerable press reports and conspiracy theories. He plays a starring role in Senate and House Intelligence Committee investigations that are parsing classified information about Page’s purported association with Russian intelligence operatives and his role in the Trump campaign.

The president proclaims that Mueller’s investigation is nothing but a “witch hunt.” In interviews, Page portrays himself as unfairly hunted, and, like Trump, just about every time he opens his mouth, the investigative hounds pick up more bloody spoor to chase.

It is not inconceivable that Mueller will find something juicy with which to charge Page, perhaps intending to flip him as a witness. Already, Mueller has charged Trump’s erstwhile campaign managers Paul Manafort and Rick Gates with laundering tens of millions of dollars through offshore bank accounts. And Gates, widely described as Manafort’s “right-hand man,” appears to have flipped state’s evidence for the steel-nosed prosecutor.

WHO GOT PAID?
elected U.S. president, then sanctions on Russia would be lifted.” And since Page was recognized as a foreign policy adviser by the Trump campaign, such an assurance would not be implausible if it was given.

The president proclaims that Mueller’s investigation is nothing but a “witch hunt.” In interviews, Page portrays himself as unfairly hunted, and, like Trump, just about every time he opens his mouth, the investigative hounds pick up more bloody spoor to chase.

Page later testified to the House Intelligence Committee that he had met in Moscow during the summer of 2016 with Russian Deputy Prime Minister Arkady Dvorkovich and other officials... and that he had shared information about his trip and conversations in Moscow with Trump’s top campaign advisers, including Hope Hicks and Jeff Sessions. He denied meeting with Sechin, but he did tell the committee that he had conferred in Moscow with Andrey Baranov, Rosneft’s head of investor relations. These meetings with officials working for Rosneft – a company subject to U.S. sanctions – were bound to ring a few bells inside the U.S. intelligence apparatus that keeps an eye on such things.

Shortly before Election Day, the Foreign Intelligence Surveillance Court (FISA) granted the FBI a warrant to surveil Page’s electronic communications. The warrant was partly based on information secretly presented to the FBI by Steele.

Steele’s dossier wasn’t the sole inspiration for an investigation of Page, though.

The talkative energy broker had been in the FBI’s crosshairs since 2013 when Russian spies operating on Wall Street attempted to recruit him. Justifications for the FISA warrant were based on multiple sources on information, as disclosed to the FISA court by the Department of Justice.

Not that Page was trying very hard to hide his ongoing dalliance with Rosneft.

A few weeks after Trump was elected, Russian news agency TASS quoted Page, who was visiting Moscow at the time:

“I had the opportunity to meet with some of the top managers of the company Rosneft. The recent Rosneft deal, in which the Qatar Fund and Glencore could take part is unfortunately a good example of how American private companies are limited to a great degree due to the influence of sanctions.”

That is the deal mentioned in the dossier as a potential source of broker’s fees. And Page’s claim that the sanctions were negatively affecting U.S. firms that desired a piece of the massive Rosneft deal was accurate.

The European Union mirrors the U.S. sanctions against Russia. Because the U.S. and the E.U. dominate the operation of the international banking system, Russia’s access to loan capital to fuel corporate expansions
has withered. Counterintuitively, increasing the reach of sanctions on Russian oligarchs and banks and Rosneft may have harmed U.S. energy interests more than Russia’s.

For example, sanctions exploded a major Rosneft deal with ExxonMobil to mine the Arctic that was negotiated by Rex Tillerson a half decade before he resigned as ExxonMobil CEO to join Trump’s cabinet. Sanctions have also caused Rosneft to partner with non-U.S. firms and offshore entities to get around sanctions, although, clearly, Rosneft would have preferred to partner with American companies, as we shall see.

The week before his inauguration, Trump said he was inclined to end the Russia sanctions. And so far, his administration has been lax on enforcing them, claiming that the restrictions are harming the fossil-fuel business that Trump has vowed to support. The administration has issued executive orders weakening regulations protecting the Arctic and other at-risk ecologies. It has repealed a regulation requiring energy and mining companies to disclose payments to foreign governments, a rule created to combat the unfair advantages of bribery. And Trump appointed a sanctions foe, Tillerson, as secretary of state.

There is substantial congressional resistance to repealing the sanctions, however. And Congress can “trump” Trump’s agenda.

The evolving Russia sanctions specifically target Putin-friendly oligarchs, state-run banks, Sechin, and Rosneft. Hungry for foreign capital in the wake of the sanctions, it appears that Rosneft is attempting to circumvent the blocking measures by tapping into circuits of dark money flowing through secrecy-draped offshore shell corporations and sanction-busting banks.

From the point of view of doing business with Western energy companies, the sanctions are boomeranging. They have created an investment vacuum, boosting energy companies based in the East, who are angling to replace Western firms in partnering with Rosneft.

**THE TILLERSON PARADOX**

In July 2017, ExxonMobil was fined $2 million by the United States Office of Foreign Assets Control (OFAC) for continuing to deal with Sechin in 2014 when Tillerson was still the CEO. ExxonMobil has sued the OFAC, claiming that, at the time, the sanctions pertained only to Sechin as a person, not as the president of Rosneft.

The Russia sanctions are created and enforced by the U.S. State and Treasury Departments. With Tillerson’s ascendency, it was a solid bet that the chains on Rosneft would soon be unfastened. Consider that ExxonMobil’s bottom line was at risk of taking a billion-dollar hit due to sanctions and that ExxonMobil set up a $180 million tax shelter for Tillerson as he exited.

During his Senate confirmation hearing, Tillerson incorrectly denied that ExxonMobil had lobbied against the Russia sanctions. In 2014, according to the *New York Times*, “[ExxonMobil] was making its skepticism about sanctions clear to the United States government. ‘Our views are being heard at the highest level,’ [Tillerson] said.”
In early March, ExxonMobil announced that it is backing out of its $500 billion Arctic exploration deal with Rosneft due to the sanctions. The corporation will book a significant loss on the joint venture, which, if sanctions are removed, might spring back to life. For now, it appears ExxonMobil has put the deal on ice, so to speak.

Upon taking office, Tillerson agreed to officially stay away from ExxonMobil-related issues until December 31, 2017. After that he was free to involve himself in State Department matters affecting the globe-trotting energy corporation. But his days were numbered... Last week, Trump fired Tillerson, replacing him with CIA director Mike Pompeo, a Trump loyalist with long-term financial and political ties to oil and energy conglomerate Koch Industries. Pompeo is now in charge of overseeing the enforcement of the Russia sanctions.

THE MELTING POINT

For two decades, Tillerson was ExxonMobil’s point person in Russia. Led by Tillerson, ExxonMobil had signed a deal with Rosneft to pump oil in the cold far-eastern region of Sakhalin in 1996. Tillerson and Sechin became friends, even riding motorcycles together on vacations in Texas.

In 2012, Tillerson and Sechin joined forces to develop the largest fossil fuel reserve on the planet: the Russian Arctic. The ice-blanketed tundra and polar ocean are opening to drilling as greenhouse gases warm the seas. Rosneft needed to hook up with an oil major with the technical skills and the financial clout to mine the Arctic. Capitalizing the expensive joint venture was easy. With $43 billion stashed in tax-free offshore accounts at the time, ExxonMobil was its own bank. Securities filings show that ExxonMobil created a tax-free shell in the Netherlands to anchor the $500 billion partnership. Drilling rigs were fired up and exploration began.

The project was paralyzed when President Barack Obama sanctioned Sechin and Rosneft in the wake of Putin’s invasion of Ukraine. Russia’s mega-disruption of the presidential election and its military support for Syrian dictator Bashar Assad have politically solidified the sanctions for the foreseeable future. Trump is unlikely to remove the sanctions in the face of Mueller’s methodical investigation, but Pompeo can maintain Tillerson’s tactic of weak enforcement.

In 2016, ExxonMobil wrote down the amount of oil reserves on its books due, in part, to an inability to bring its Arctic projects online because of sanctions. And in its most recent 10-K filing with the U.S. Securities and Exchange Commission, it announced a $200 million loss of its Arctic deal with Rosneft. ExxonMobil has turned to other oil rich regions to replenish its reserve balance – trying to match Rosneft’s global reach.

THE 19.5% SOLUTION

Sanctions don't seem to be stopping Putin from rolling up the opposition in Ukraine or Syria... or from trolling Facebook. But the restrictions are reshaping world oil markets.

Beset by a looming budget deficit, craving foreign exchange, and choked for investment
capital due to sanctions and falling oil prices, in mid-2016, Putin instructed Sechin to sell off a fifth of Rosneft to foreign investors. But traditional sources of financing to buy the Rosneft stake were scared off by the fiscal uncertainties introduced by sanctions... and the prospect of Russia war hawk Hillary Clinton commanding the White House.

Shortly after Trump won the electoral college vote and became president-elect, Rosneft’s unsanctioned holding company, Rosnftegaz, sold 19.5% of its Rosneft shares for $11.3 billion to an offshore consortium of interlocking shell companies led by the Godzilla of commodity trading, Glencore. The consortium included the sovereign Qatar Investment Authority, which owns a large stake in Glencore, and the unknown beneficiaries of a Cayman Islands corporation. The proffer was super-sweetened by Rosneft raising its dividend to 35% of its net income.

A sanctioned Russian bank called VTB largely financed the convoluted, still-opaque terms of the deal as it bypassed sanctions, generating black ink for Putin’s budget... and fees for brokers...

Nine months later, the Glencore-fronted consortium made a deal to sell nearly 75% of its Rosneft stock to a private firm, CEFC China Energy. The $9 billion deal rivaled the previous deal for non-transparency. Reportedly, it included loans VTB bank to support the sale price... and more broker fees...

The owners of CEFC China Energy are not publicly disclosed. But in January, Patrick Ho, an official with a foundation operated by CEFC China Energy, pled not guilty in the Southern District Court of New York to charges of offering $2.9 million in bribes to politicians in Chad and Uganda on behalf of CEFC China Energy, which is gobbling up energy, mining and retailing firms around the globe.

And on March 1, the South China Morning Post reported that Chinese authorities have detained Ye Jianming, head of CEFC China Energy.

Sanctions don’t seem to be stopping Putin from rolling up the opposition in Ukraine or Syria... or from trolling Facebook. But the restrictions are reshaping world oil markets.

The Rosneft deal with CEFC appears to be dead... which leaves Rosneft in the lurch for desperately needed foreign exchange.

CASH COW

Putin and Sechin have been sucking cash out of Rosneft to finance the state budget. At the same time, Rosneft is incurring a massive debt load to finance politically risky expansions into the oil fields of Iraqi Kurdistan, Venezuela, Vietnam, Brazil, and India. And instead of the usual business practice of reinvesting profits by funding organic growth or paying down old loans, Rosneft has the bad habit of financing its newest acquisitions by refinancing unsustainable loans, say oil-industry analysts such as Craig Pirrong at University of Houston. That creates more broker fees...

Rosneft experts agree that there are many...
ways for middlemen to siphon off some of Rosneft’s subterranean cash deals into personal accounts. Shell companies registered in the Cayman Islands, Bermuda, the Netherlands, or Delaware can cloak the beneficiaries of complex arrangements — until they face a subpoena or a purloined document dump.

Which brings us back to Carter Page. There is no public evidence that Page or any Trump-related entities, family members, or campaign advisers have glommed Rosneft-related brokerage fees inside the black hole of these transactions. But somebody is getting a cut of multibillion dollar deals. Who could it be?

Prosecutor Mueller and the U.S. Treasury’s Office of Foreign Assets Control have access to international banking databases and classified information. It is possible that the identities of the secretive entities that are benefiting from the serial privatizations of Rosneft are known to the U.S. government. No doubt, the Russians know.

The non-transparency of the Rosneft deals is a direct result of the sanctions, energy experts say. Which defeats the purpose of sanctions...

**THE PERVERSITY OF SANCTIONS**

“Western economic sanctions made it more difficult to arrange financing for Rosneft’s share offering in 2016,” Edward Chow of the Center for Strategic and International Studies in Washington, D.C., said in a telephone interview. “Potential investors may be concerned about additional sanctions in the future, as well as any banks financing such an acquisition, given the outsized role the U.S. plays in the international banking system. We saw this with the large fines the Treasury Department levied against European banks for violating U.S. sanctions against Iran.”

In other words, nobody wants to be the one holding the bag if Rosneft can no longer refinance its loans... unless it is made worth their while.

Glencore only risked about $300 million of its own stock for a half share of the $11.3 billion deal. But who, ultimately, put up the $11 billion in cash to buy the other 50% of the shares that accrued to the Qatar Investment Authority and the Cayman Islands shell registered as QHG Cayman Ltd? This shell could cloak a sanctions-avoiding investor, perhaps an oil firm or a wealthy individual. It is without doubt an entity that shuns the light of day.

The sanctioned Russian bank VTB that was involved in financing the consortium is reported to have partnered with an Italian bank called Intesa Sanpaolo. It is worth noting that even as the Rosneft sale was being negotiated behind closed doors, Intesa was fined $235 million by the New York Department of Financial Services for breaking money-laundering regulations and violating bank secrecy laws. In 2013, Intesa was fined $2.9 million by the U.S. Treasury for violating sanctions against Cuba, Sudan, and Iran. (Upon taking office, Tillerson disclosed an investment in Intesa Sanpaolo worth between $15,001 and $50,000.)

Today, the Italian bank’s role in the Rosneft deal remains murky. It’s possible it was merely cosmetic and VTB put up all the
money. Importantly, Intesa’s participation gave the Rosneft sale the appearance of booking billions of dollars in non-Russian capital, which helped balance the state budget and disguise the source of any cash that transacted.

Since the consortium shareholders may have used their purchased Rosneft shares as collateral for loans, those shares could revert to the lenders in the event of default. And the ultimate lender could be Rosneft if it indemnified the bank loans, said Pirrong.

And as billions of dollars sloshed back and forth, well-positioned brokers could essentially print money for themselves. Who got a fee?

The question is worth asking because it has not been answered.

In early 2017, Amos Hochstein, the former oil industry lobbyist who Obama had charged with coordinating sanctions enforcement actions with the departments of State and Treasury, commented to the press on the secretive structure of the Rosneft deal,

“Clearly this is not what we hoped for when we instituted sanctions.” He promised to get to the bottom of it.

One of Trump’s first actions in office was to replace Hochstein with Mary Burce Warlick, a career foreign service officer with experience in Russian energy privatization plays.

Last June, this reporter filed an “urgent” public record request with OFAC to find out what the enforcement agency knows about Rosneft’s deal with Glencore. OFAC’s director John E. Smith denied expediting the request, even though faster processing is required when the information is of such importance that there is “an urgency to inform the public.” Short of being forced to comply with a court order, OFAC will take several years to release the requested data at its usual gastropodic pace.

ExxonMobil and Rosneft are publicly traded corporations. Allowing businesses to avoid regulatory oversight and taxation by making secretive offshore deals is a recipe for cooking up conflicts of interest, money laundering, and bribery.

The sanctions are bound to keep creating odd bedfellows, and in the ensuing chaos caused by the sanctions... the brokers can win... bigly.

Just ask Carter Page.
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WHY GOLD, CRYPTOS, AND FREE MARKETS MATTER

Business leader Steve Forbes is chairman and editor in chief of Forbes Media. Steve grew up immersed in the worlds of publishing and politics. He began his career in 1973 writing at Forbes magazine and still shares his own views today in his editorial column, “Fact and Comment.”

Mr. Forbes ran for president in 1996 and again in 2000, primarily campaigning on the ideas of a flat income tax, the option to opt-out of social security, competitive free trade, and congressional term limits.

Forbes has also penned several books, including Freedom Manifesto: Why Free Markets are Moral and Big Government Isn’t, and How Capitalism Will Save Us.
Q: In the early 2000s, we were talking about this idea of how free markets had been ascendant for two decades, and there was a PBS special called *The Commanding Heights* that talked about this revolution in politics and popular culture.

And I asked you back then – I said, “Steve, do you think we’re losing” – and when I say “we,” I mean free-market capitalists, folks like us. “Do you think we’re losing the commanding heights, the moral high ground because of Enron and because of the corruption of the financial markets?”

Do you have any thoughts about that lately? Have we lost the American people with the idea that free markets are the best way to lead the country?

STEVE FORBES: I think what has undermined faith in free-market capitalism, free enterprise, free people, is the stagnation we’ve experienced for a decade.

But the crisis that we had in 2008/2009 was basically caused by the government undermining the dollar. And whenever you have a weak dollar, you get false commodity booms, housing booms. The housing craze was fueled by government policies urging people who couldn’t afford to do these things to do them anyway. But free markets get the blame for it.

And then we had eight years of an administration that saw business as evil, that saw commerce as something you put up with but nothing more, and saw businesspeople as just criminals in waiting.

The housing craze was fueled by government policies urging people who couldn’t afford to do these things to do them anyway. But free markets get the blame for it.

So the key thing, as happened in the 1980s when markets seemed to be discredited by the terrible inflation of the ’70s, Ronald Reagan comes along as president and makes some major reforms, slashing taxes and the like, and the U.S. economy boomed. It became the cutting-edge innovator in the world, and suddenly the world became a better place.

I’m hoping the same thing will unfold now. After one year under President Trump, we’ve had some real moves on deregulation – whether it’s at the Food and Drug Administration, the EPA, education, and elsewhere like energy.

And we got a tax bill. Not perfect, but a very good step in the right direction when you weigh the pros and cons. And good judges being appointed. So we have to move on these reforms. And that, by the way, is why these upcoming elections in November are going to be so critical. Can we keep up this momentum and get this economy revved up to growing at 4% to 5% a year?

Q: Steve, the very first magazine that you launched was called *Business Today*, at Princeton. Are you still involved in publishing or speech at

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A CONVERSATION WITH... Steve Forbes

Princeton or at any other institution of higher learning currently?

STEVE FORBES: No. I’d been on the Princeton board about 15 years ago for several years, and made the point when I left that real diversity means intellectual diversity, a battle that is going on even more today... But I still speak on campuses around the country. There are some intrepid souls there, fighting for what is right.

There's never been a counter-battle on college campuses, but that's changing.

Q: I don't recognize college campuses anymore. There was a 2016 Gallup survey that raises a lot of questions about what's going on campuses... Asked if colleges should have policies against slurs and other intentionally offensive language, 69% of students said yes, 27% believe they should be able to restrict expression of potentially offensive political views, and 63% of students polled wanted schools to restrict costumes that stereotype racial or ethnic groups. What in the heck is going on with this generation of people who are so terribly afraid of being offended?

STEVE FORBES: Well, the professors are very liberal, “progressive” they call themselves now. And most of the students would be on center-left. But most I don’t think share – even despite that poll – the idea that government should control speech, that government should control the Internet. When you get to specifics, they sort of back off. And when you have the idea of the bureaucrats restricting what you can say, it depends on how you phrase these things.

There’s never been a counter-battle on college campuses, but that’s changing. Brown University, of all places – the Wall Street Journal praised them the other day – made a very bold statement of policy on openness on the campus. The head of the University of Chicago is doing the same thing.

I was at a university in the state of Washington a couple weeks ago called Gonzaga. A very far-left administration, but you have intrepid students who are fighting back and bringing on speakers. And so I think you’re finally beginning to get a reaction. As administrators realize, whatever their political bent, what is happening now only leads to tyranny. Most of these people, sadly, just took the path of least resistance until recently. Just giving in to these extremists. Now I think there’s finally beginning – I underline the word beginning – some pushback.

Q: Steve, you’re one of the few mainstream political leaders and thought leaders in the country that seems to have a firm grasp of the role of gold in a free society and in the free markets. Have you paid much attention to the enormous gap between growth and productivity in our economy and the lack of growth in real wages? And how is that problem at all related to the paper-currency system that we have had for the past 40 years?
It’s amazing the seeming coincidences of what has happened to growth when we went off the gold standard – the Bretton Woods monetary systems, they called it then. Some would say it’s just a coincidence. I think it’s a prime cause.

The way you move ahead in this world in terms of progress and a higher standard of living is by investment. And if you have an unstable money, money that fluctuates in value, you don’t get as much productive investment as you do when you have stable money. That’s why today in the currency markets, the volume is over $5 trillion a day. All that brain power just going to trading on currencies.

So, yes. I think the thing to remember about a gold standard is that gold is like a ruler... like 60 minutes in an hour, 12 inches in a foot. And when the price of gold changes, it’s not the value of gold changing so much as the value of the dollar that’s changing, what people think it is now and what they think’s going to happen in the future. Gold keeps its value, not perfectly, but better than anything else on this earth. So when you have stable money, you get a more productive investment, more growth. History shows it time and time again.

But one other thing I think that has held down cash wages is our crazy health care systems, where, more and more, we pay more and more each year for insurance. And when employees buy insurance, that means less cash wages for their workers. And the explosive growth of premiums in the last 30 years I think goes hand-in-hand with the fact that health insurance is counted as part of your compensation, but it sure doesn’t translate into cash into your pocket.

Q: That’s a very good point. Let’s talk about the crazy interest-rate regime we’ve had for the past decade. Steve, I know you’re familiar with the Austrian economic theory that artificially low interest rates leads to malinvestment, and they lead to capital being poorly allocated. When I look around the last 10 years and I see things like a trillion-dollar growth in college lending; you see credit-card debts over a trillion dollars in America, you see auto loan debts over a trillion dollars in America – the growth in these kinds of consumer loans have been enormous. You also see of course the explosive growth of government debts. So we’ve gone from $4 trillion, $6 trillion in government debts held by the public to almost $15 trillion in the last 10 years.
Central planning does not work, whether in the Soviet Union and Mao’s China or the central banks today. And the only question with a central bank today, since they don’t keep currencies stable much anymore, is: How much harm will they do?

Now, in the ‘80s and ‘90s after Reagan got in office, we had a period of semi-decent monetary policy – give it grade of C instead of F, which is what we had in the ‘70s and early ‘80s. But when you had a semi-decent monetary policy, gold didn’t fluctuate too much – certainly not by today’s standards – and you had a great booming economy. So the evidence is very clear. Don’t try to engage in price controls, and the Fed should only step in when there’s a financial panic for whatever reason, war or whatever. And otherwise they should just go for a permanent vacation to North Korea.

Q: One more question about money and monetary policy. Is it a surprise to you that during this period of financial repression, soaring debt loads, and perhaps setting us up for a crisis of our own currency, that you would see something like bitcoin come to the fore?

Listen to Steve Forbes along with giants in the field like Jim Grant, Dennis Gartman, and Robert Kiyosaki at the 2018 Stansberry Conference at the Bellagio in Las Vegas, October 1 and 2. Or, if you’d prefer not to travel, you can watch it all live on your computer, phone, or tablet from the comfort of your home. Click here for more details on how to get your ticket.
STEVE FORBES: What they call cryptocurrencies – I like “alternative currencies” better – is a high-tech cry for help. And what they have not mastered yet, even though people are turning to them, is getting stability for these currencies.

You would never take on a lease with bitcoin. You’d never do a debt instrument with a bitcoin. So four and a half years ago, if you’d taken out a mortgage on your house, say $350,000, but did it in bitcoin instead of the dollar, you’d owe the bank today about $25 million to $30 million. You’d have steak one week, dog food the next, filet the week after.

They have to master the stability part. When one of these things does master stability, whether it’s to the dollar, or, better yet, to gold, you’re going to have something that people are going to turn to. And that’s one reason why governments are becoming extremely hostile to cryptocurrencies: They don’t control them.

And we must not forget, government did not invent money. It was invented by people in the marketplace looking for a way to make it easier to buy and sell with each other.

IRS WARNS:
Your Identity is “Already in the Hands of Criminals”

You have nothing saved. You owe on your house, car, and credit card. But this was no accident. 40,000 people per day are now learning about the biggest scam EVER perpetrated against the American people – and what you can do about it. Click here for details.


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Every move you make
Every bond you break
Every step you take
I’ll be watching you

Sting, The Police, “Every Breath You Take”

The grave’s a fine and private place,
But none, I think, do there embrace.

Andrew Marvell

“They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety.”

Benjamin Franklin, Historical Review of Pennsylvania

“...the lethal temptation to exchange freedom for security: a bargain that invariably ends up with the surrender of both.”

Christopher Hitchens, Introduction to 2003 reprint of George Orwell’s 1984

“For nothing is secret, that shall not be made manifest; neither any thing hid, that shall not be known and come abroad.”

Luke 8:17

And everybody knows that the Plague is coming
Everybody knows that it’s moving fast
Everybody knows that the naked man and woman Are just a shining artifact of the past
Everybody knows the scene is dead
But there’s gonna be a meter on your bed
That will disclose
What everybody knows

Leonard Cohen, “Everybody Knows”

“An American has no sense of privacy. He does not know what it means. There is no such thing in the country.”

George Bernard Shaw, Speech, New York, 1933
The Memphis police use the surveillance cameras to scan the streets for crime. The U.S. Army uses them to monitor a base in Missouri. Consumer models hang in homes and businesses across the country. At one point, the cameras kept watch on the U.S. embassy in Kabul. All the devices were manufactured by a single company...

**Surveillance Cameras Made by China Are Hanging All Over the U.S.** *The Wall Street Journal*

We may well be photographed at unsettlingly close range perhaps dozens of times daily, from lenses we may never see, our image stored in databases for purposes we may never learn. Our smartphones, Internet searches, and social media accounts are giving away our secrets. **They Are Watching You – and Everything Else on the Planet** *National Geographic*

What if your employer made you wear a wristband that tracked your every move, and that even nudged you via vibrations when it judged that you were doing something wrong? What may sound like dystopian fiction could become a reality for Amazon warehouse workers around the world...

**If Workers Slack Off, the Wristband Will Know. (And Amazon Has a Patent for It.)** *New York Times*

Maybe it doesn’t faze you that your local police have a $400,000 device that listens in on cell phones. How will you feel when your neighbor has a $1,500 version?

**What Happens When the Surveillance State Becomes an Affordable Gadget?** *Bloomberg*

In January, KIRO Radio captured surveillance footage of a vandal trying to break in to one of their employee’s vehicles in their parking lot. While the suspect is still at large, they took the liberty to have their sports commentator give a play-by-play of the incident.

**VIDEO: Vandal caught on camera** *KIRO Radio*

It was not immediately obvious why the ostensibly harmless letter ‘N’ had been banned, but some speculated it may either be being used or interpreted as a sign of dissent.

**China bans George Orwell’s Animal Farm and letter ‘N’ as censors bolster Xi Jinping’s plan to keep power indefinitely** *The Independent*
Doug Casey is a true contrarian investor. The founder of Casey Research and one of the most successful natural resource speculators in the world, Doug also recently began publishing the “High Ground” series of books — absolutely thrilling and provoking stories about speculation, morality, and libertarian ideas.

Dr. David Eifrig worked in arbitrage and trading groups with major Wall Street investment banks, including Goldman Sachs, Chase Manhattan, and Yamaichi in Japan. In 1995, Dr. Eifrig retired from Wall Street, went to UNC-Chapel Hill medical school, and became an ophthalmologist.


American Consequences is edited by P.J. O'Rourke, author of 19 books including Eat The Rich and How the Hell Did This Happen: The Election of 2016. P.J. cut his teeth as an editor-in-chief of the National Lampoon and a foreign affairs correspondent for Rolling Stone. He’s since written for The Weekly Standard... The Atlantic... and many other magazines. P.J. is the H. L. Mencken fellow at the Cato Institute, a member of the editorial board of World Affairs and a regular panelist on NPR’s Wait... Wait... Don’t Tell Me. He lives with his family in rural New England, as far away from the things he writes about as he can get.

Buck Sexton is host of the nationally syndicated talk radio program, Buck Sexton with America Now, heard on over 100 stations across the country.

A former CIA and NYC Police Department Intelligence Officer, Buck is also the co-host of Stansberry Investor Hour, a weekly radio show that you can subscribe to for free right here: http://investorhour.com.

“The Security-and-Surveillance State makes us feel like we’re the center of the universe again. It puts us back in the crib, without worry or responsibility."

P.J. O'Rourke
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