

# Global Research Initiative

## *A Unique Perspective & Analysis of Global Events*

A research & educational organization dedicated to discovering and teaching truth, wherever it may be found, in order to understand past, current and future Geo-Political-Economic Events.

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G-R-I Newsletter    FEBRUARY 1, 2009

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## Volume 5

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# CHINESE EXPANSIONISM

The Russian/Chinese Endgame Strategy for  
World Dominance

*A Strategic Analysis of Global  
Current and Future Events*

Part 2

# Introduction:

In part 1 of this series in the January GRI Newsletter, GRI went into some details about the Russian long term plans, developed in the late 1950's and early 1960's, to setup the destruction of its enemies, primarily the United States and Western Europe, and the subsequent takeover or domination of the entire world.

In the article it was pointed out that Russia is in the very final stages of its outlined plan, and that it has started to secure its war resources and mobilize its troops.

Russia early on invited the Chinese Communists to participate in the plan, promising them the territories of the Entire Southeast Asia region, Most of the Pacific Rim, including California, Western Canada, Central, and South America if they were successful in their plans.

Primarily, Russia would supply the technology, and China would supply a majority of the troops for the war that would defeat the United States and its allies. Specifically, China would be given the technology to defeat and destroy the formidable US Navy, Russia would then destroy the United States military with super accurate nuclear weapons in order to minimize the loss of usable US land, and China and Russia would then invade and split up the spoils of America.

As part of this plan, at first, Russia and China would “fake” a breakup between the partnership of the two communist regimes, hoping to “play” the Americans into “wooing” one or the other country with money, technology and whatever else they could obtain. Later on, after this was successful, then they would renounce their differences, and join forces again.

Their success in this plan has worked better than anticipated. With the help of their sleeper agents and socialist leaning “friends” that had been scattered throughout the government and media of the US, (Phase One of the plan), they

United States proceeded to “woo” both countries with gifts of monies, technologies, and trade. China, with its forced cheap labor, especially took advantage of the situation that had been created and essentially had the United States pay for rebuilding and restructuring of their entire industrial and technological industries.

Weapons and weapons technology was either provided provided by the Russians, bought from the Americans, or stolen from the Americans. This occurred especially under the 8 year regime of Bill Clinton, but was started much earlier under previous administrations. Previous to Bill Clinton, it was illegal to export much of US technology to potential enemies, but President Clinton personally signed innumerable waivers which allowed the technology to flow outward. In fact China even went so far as to get authorization to dismantle and to reassemble in China, heavy aircraft factories capable of producing large bombers. Below is an excerpt from one of several articles explaining some of what went on at the time.

Scott Wheeler, CNSNews.com  
Monday, April 26, 2004

“Another DoD official, who requested anonymity, explained in an interview with CNSNews.com that the People's Liberation Army "used front companies to buy U.S. defense high technology and influence in the U.S. government." In many cases, the source said, "the operatives were dealing directly with the White House."

That type of intelligence might have been used in the prosecution of high-profile figures such as former Commerce Department official and Democratic National Committee fund raiser John Huang, as well as longtime Clinton associate Charles Yah Lin Trie, and ultimately might have led directly to Clinton and Gore, sources said.

Bill, Al and Hillary Too

According to congressional investigations, Huang and Trie maintained close relationships with Beijing after Clinton was elected in 1992 and especially as they became major fund raisers for Clinton's 1996 re-election campaign and the legal defense trust fund established for the president and first lady Hillary Clinton to fend off charges associated with the Whitewater controversy.

"It was a classic spy network, nothing exotic about it," Leitner told CNSNews.com. "It included compromised public officials paid off with illegal campaign contributions." But Leitner said it was frustrating to see Huang and Trie eventually plea-bargain "for petty offenses instead of being investigated for espionage."

Leitner testified five times before congressional committees attempting to get to the bottom of what ultimately became known as the China/DNC fund-raising scandal. The Clinton administration Justice Department, headed by Attorney General Janet Reno, also conducted an investigation, even though many people accused the department of having a conflict of interest.

### Chinese Weapons Development and Smuggling

Leitner said one of the most important investigations hindered by the Gorelick memo involved a Chinese state-owned corporation's activities after it had purchased a McDonnell Douglas high-tech machine tools factory in Columbus, Ohio.

The factory, known as Plant 85, had previously been used to manufacture the bodies of U.S. Air Force C-17 strategic transport planes and MX intercontinental ballistic missiles.

In 1994, the China National Aero-Technology Import and Export Corp. (CATIC) offered to buy Plant 85 from the financially troubled McDonnell Douglas Corporation and relocate it to China where CATIC officials said

it would become a civilian aircraft-production facility, according to court documents.

The sale required a government export license, which Leitner was in charge of either approving or denying. Leitner denied the license, arguing that once the machine tools from Plant 85 were exported to the People's Republic of China, they would be used to produce missiles for China's People's Liberation Army as well as nations unfriendly to the United States.

Leitner was eventually overruled, but according to court documents, within months of the plant being exported to China, U.S. officials learned that the sensitive machine tools had been diverted to a Chinese factory manufacturing Silkworm missiles.

Leitner told CNSNews.com that he informed the federal prosecutor in the case that the CATIC license was approved over his objections because of "pressure from Vice President Gore." That testimony, however, was never heard in court."

GRI could fill pages and pages of details about what top secret technology, materials, super computers, etc. was transferred to China during this time period. Bottom line, **it is believed that China now possesses almost all of the US nuclear weapons secrets, much of the US ballistic missile technology, submarine technology, (including how to track US submarines anywhere in the ocean at any depth), stealth technology, and satellite technology.** These technologies and information were then shared with Russia. Russia, and China, then developed weapons that would be able to counter or bypass any defensive weapons that the US had. (Such as the shkval missile torpedo and the SS-24 Nuclear Missile). Additionally, we find that some of these new "anti-US" weapons have been given to active enemies of the US, including Iran, North Korea, and now even Venezuela.

In addition, much of the major manufacturing in the United States, under the

encouragement of US Government policies and programs, has been moved from the United States (and other Western Countries) to China. This includes a majority of heavy manufacturing that would be essential and critical in a war.

Again, as pointed out in the January GRI Newsletter, Russia is precisely following the model of preparing for a full scale war. As outlined below, China is playing the same game...primarily securing raw materials, (especially oil), securing strategic travel chokepoints, establishing new military and naval bases, expanding their military, researching/ developing new military technologies (equivalent or superior to the A bomb of WWII), and acquiring new allies...most of which were former US allies.

### **CRITICAL SUPPLIES...OIL**

Let us first begin with the most critical supply of all modern warfare, that of oil. Here is a rough location map of the major oil fields in the world, outside of the continental United States.

### **MAJOR WORLD OIL FIELDS OUTSIDE OF CONTINENTAL US.**



As outlined in the January GRI Newsletter, most of the worlds supply of current production oil is either under the control of, or could be easily under the control of the enemies of the US. Outside of the US, only Alaska and the Gulf Coast are US controlled (Blue dots).

Yellow dots denote those countries currently friendly to the US or who supply to the US and are not part of the Arab nation group..ie. Canada, Mexico and Nigeria (although Nigeria is very to close to the Arab nations being a nation with a very large Muslim population).

The three white dots are North East India (Assam), Myanmar and Indonesia, with the fields of Indonesia being the largest that are in current production. However, there is some evidence that there are large untapped fields in the Assam area.

Red dots are those under control of Russia, China or Arab nations. The green dot



China, along with Russia, has been garnering as much of these supplies as possible. China is desperate for natural resources, especially for oil, in order to feed its rapid expansion...as well as to provide support for the largest army in the world. (China boasts of having over 2.2 million active troops, with a potential reserve of up to an additional 5 million. Though this is somewhat misleading since it can conscript hundreds of millions from the largest population in the world, and all of the industry, shipping, transportation of the country is under the control of the central communist party and could be immediately tapped for military support at a moments notice.)

The problem is that unlike Russia, China has very little oil fields in its country. Though it is receiving an increasingly large supply of gas and oil from its partner Russia, it is expanding its acquisition of foreign reserves and production at an astonishing pace....most notably in South America, Africa and Southeast Asia.

BEIJING, Jan. 25, 2009 (Xinhua) -- The China National Petroleum Corporation (CNPC) had expanded its oil and gas businesses to 29 countries by the end of 2008, according to sources with the CNPC.

Currently 75 cooperative projects are underway in these countries, with five oil and gas cooperative zones being built in Central Asia, Africa, South America, the Middle East and the Asia-Pacific region, the sources said.

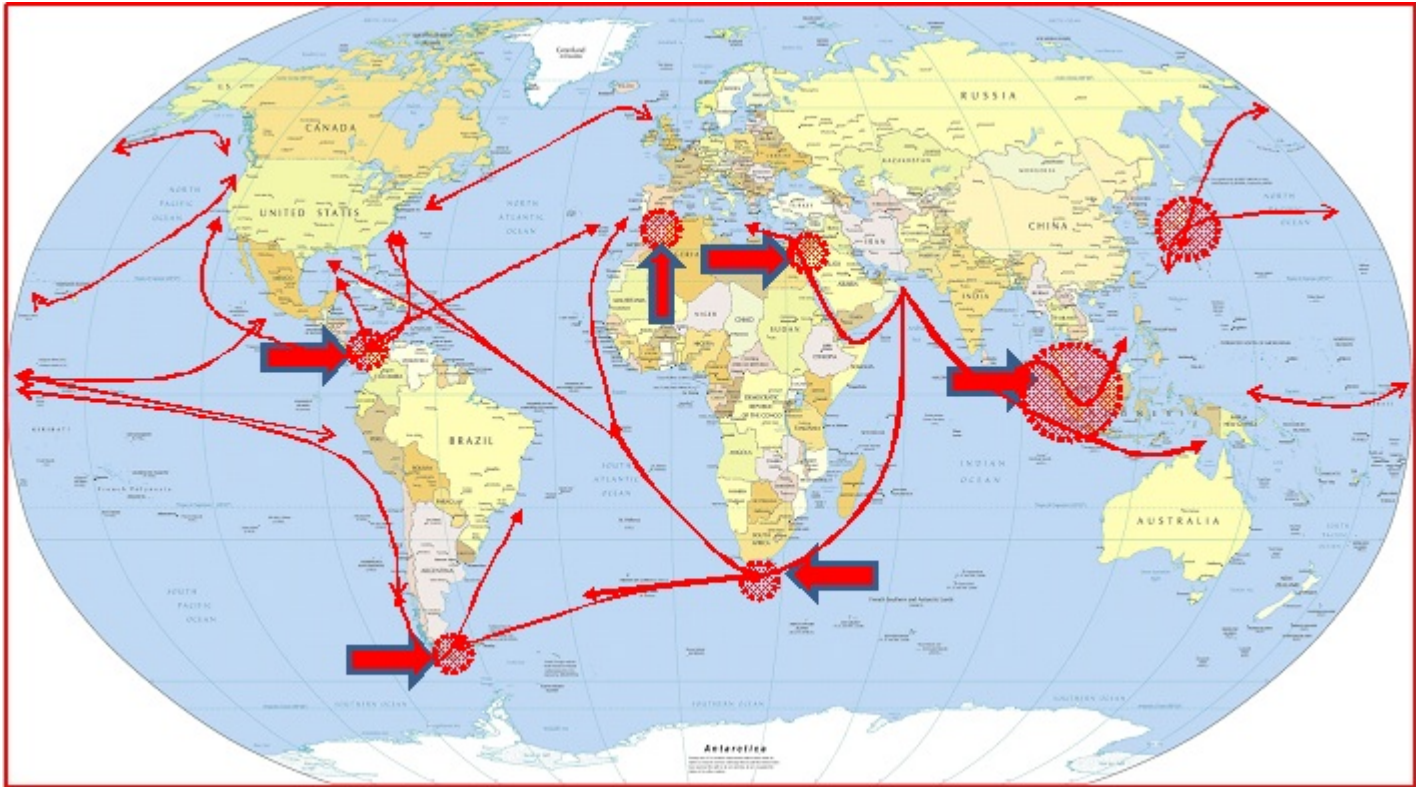
In addition, CNPC has largely improved its international competitiveness in engineering and technological services. By the end of 2008, CNPC had offered engineering and technological services in 44 countries and regions, and exported materials and equipment to 69 countries and regions.

At present CNPC has 526 engineering and technological service teams especially for overseas businesses.

Again, since China will have to depend on the shipment of foreign oil to feed its need, the securing of transportation and specifically oil shipment choke points is of critical need.

**CRITICAL STRATEGIC TRAVEL/SUPPLY CHOKES POINTS**

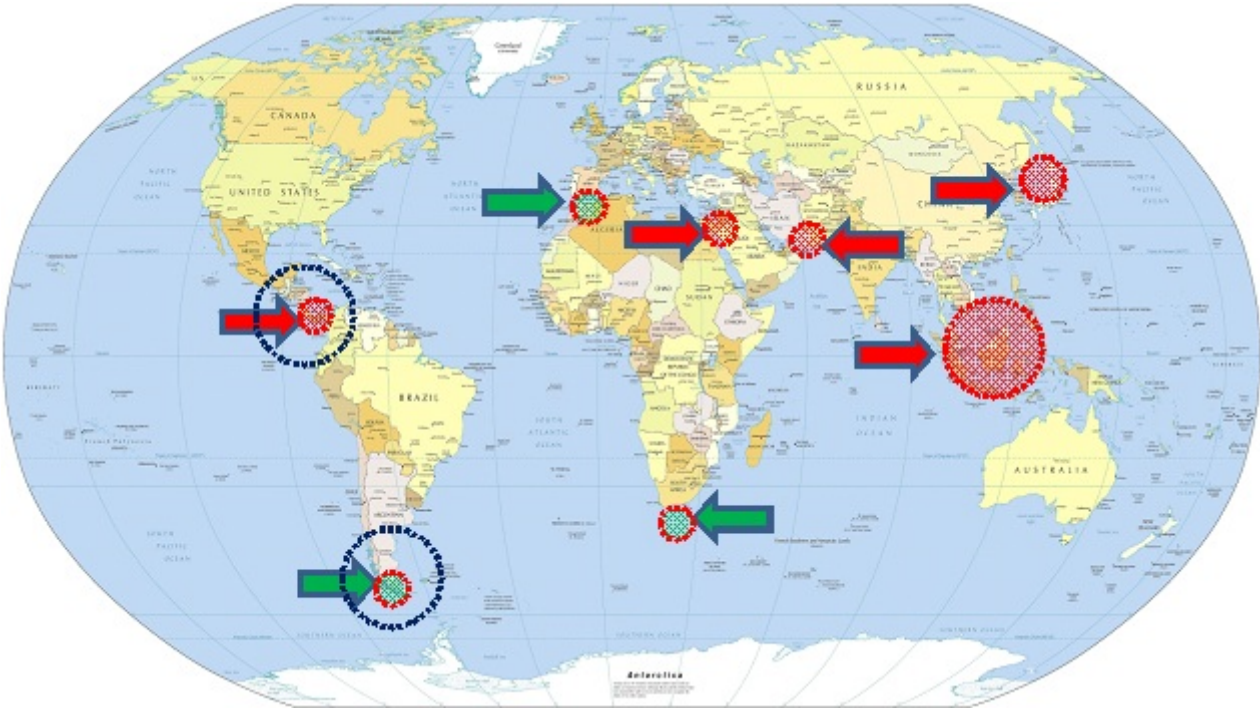
Let us next move to observing key choke points in international travel. These choke points are fairly obvious. We could add one more critical choke point that was outlined in the January Newsletter, which is the Strait of Hormuz through which the majority of the oil in the world currently flows through.



Note that in the map below the Red circles are controlled by either China or an Islamic nation friendly to Russia/China, while the green circles are controlled by neutral or favorable US. For oil supplies, if you add Russia, that same group controls the choke points that control the flow of 90% of all oil.

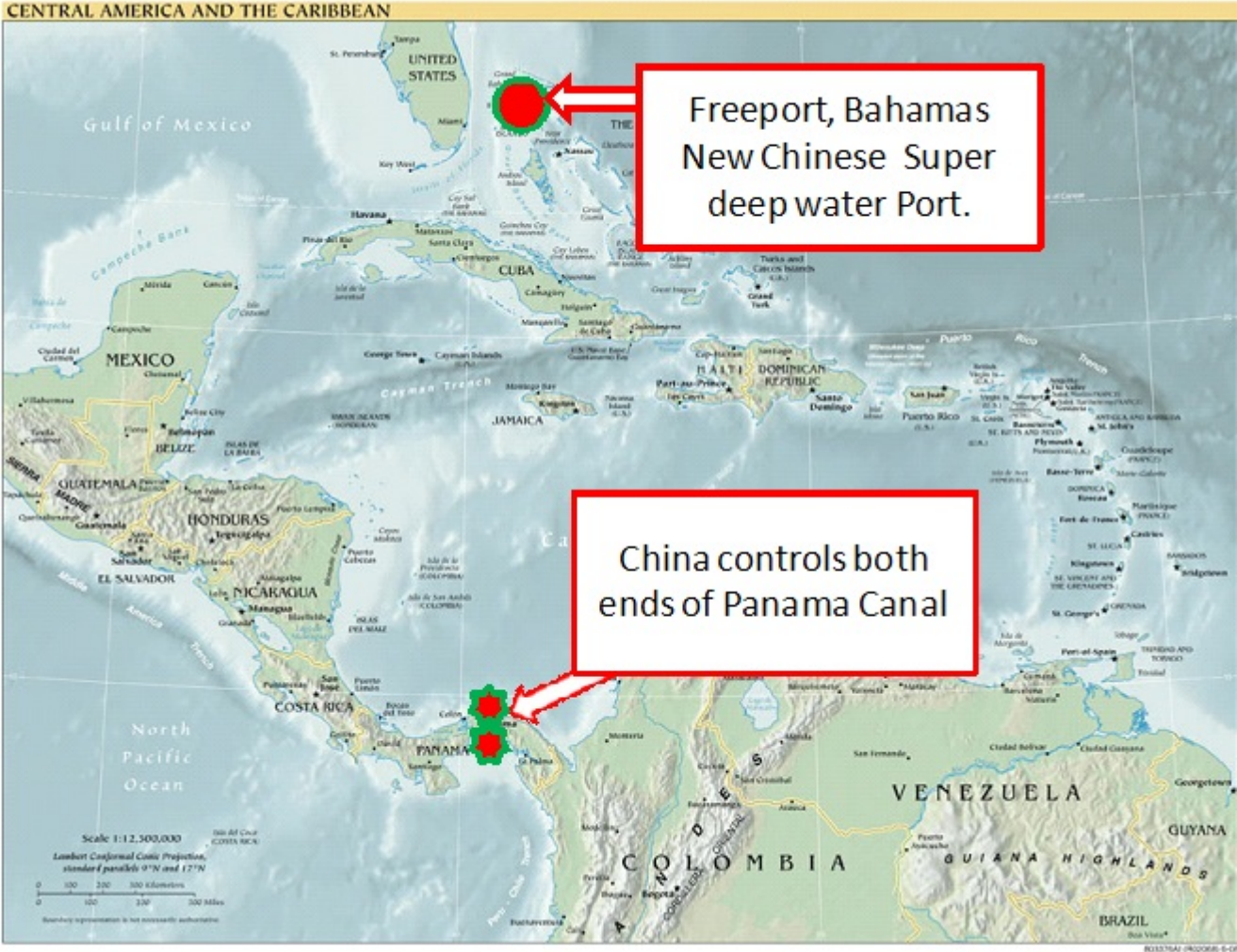
The TWO CRITICAL KEY TRAVEL POINTS for the US (outlined in large black dotted circles), not only for materials but for military travel, are the Panama Canal and the Strait of Magellan in Chile. ( The Magellan waterway is the most important natural passage between the Pacific and the Atlantic oceans, but it is considered a difficult route to navigate because of the inhospitable climate and the narrowness of the passage.) Even with the strait for most maritime shipped materials or US Naval forces desiring to travel from the Atlantic to the Pacific Ocean (or vice versa) the Panama Canal saves days & even weeks. Additionally, the Strait of Magellan can be easily closed by sinking a single large vessel in one of several strategic spots. Going farther south around the tip of South America involves breaching a very dangerous iceberg/storm laden area.

After President Jimmy Carter had the grand idea of giving away such a critical strategic US built asset, the Chinese promptly moved in and now control both ends of the Canal. But that is just the beginning of things. It gets much worse.



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we look closer at the Americas, we find some interesting things. First, as mentioned above, China now controls both ends of the Panama Canal, the US built/financed ports of Cristobal and Balboa. Additionally they have established & built one of the largest, deep water super naval bases in the Bahamas, not more than 20 miles from the coast of Florida. It is even closer to the US than Cuba.



What is not well known is that China now controls a lot more than these three ports. As you can see by this map, China has essentially ringed the US with Naval bases and **strategic supply depots**, including the infamous Long Beach facility. Though Clinton originally signed a special agreement allowing them to buy the Long Beach facility despite it being illegal to do so because of defense laws, the ensuing public outcry scuttled the plan. However, within the year, China had received the concession to completely run the port anyway, and even do their own cargo inspections. In effect they control it, they just don't own it. China is also a major player in most of the major US ports.

**CHINESE CONTROLLED MARINE PORTS**

*All developed within the last 15 years*

- Prince Rupert, Canada
- Vancouver, Canada
- Longbeach, CA
- Ensenada, Mexio
- Manzanilla, Mexico
- Lazaro Cardenas, Mexico
- Freeport, Bahamas
- Cristobal & Balboa, Panama Canal
- Tanca, Peru
- Buenos Aires, Argentina



For comparison, lets go back and look at the map of Chinese ports and pro-China...anti-US countries in the year 2000, just a little over 8 years ago. There aren't very many. Chavez had recently won in Venezuela and at that time was in the process of moving the country towards Socialism and anti-US...pro-China/Russia/Cuba relations.

**2000**  
**anti-US, Pro-China**  
**Countries & Bases**



Now look at it only 8 years later. Almost all of South America has turned anti-US, Pro-China. Many have elected Socialist/Marxist presidencies and governments . In essence, China hasn't been fighting a military war for South America, it has fought AND HAS WON a decidedly Financial War for Central and South America.

Another important note is that China has pretty much contracted for almost all of the natural resources of the region, which there is an abundant supply. China has bribed, bought, and promised its way into owning or heavily influencing most of South America. When extensive oil was discovered recently off the coast of Brazil and near Cuba (off the coast of the US), it has been China that has won the contracts to finance the majority of the

**HEAVILY PRO-CHINESE ALLIES & TRADING PARTNERS**  
**(Many are now anti-US)**

*All developed within the last 10 years*  
*(Chile & Argentina are being heavily wooed by China, and trade heavily with China, but are not Pro-China/anti-American, (Yet)*



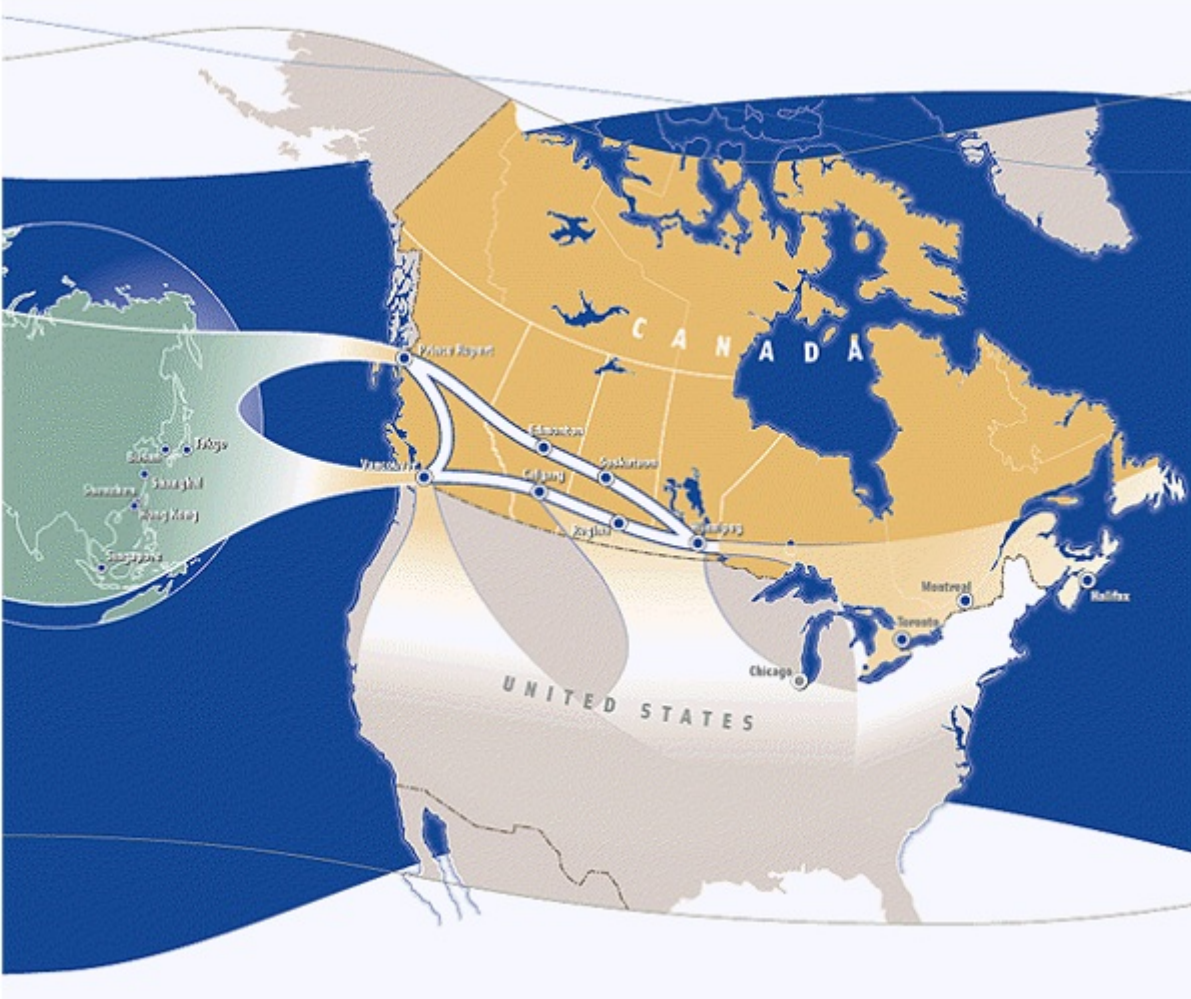
But South America isn't the only place that China is working to become heavily involved with. Both Canada and Mexico are high on the Chinese development radar.

Below is one of the maps between China and Canada outlining their plans for China to help develop (and pay for with US dollars) major infrastructure in Canada, including ports, roads and gas/oil pipelines. In essence, the same tactic they have been and currently are using in Central and South America.

The Trans-Canada system is what it is called and one of the primary points of the project is to bring Chinese goods to Canada, and Canadian natural resources to China as demonstrated by this map.

China has already built, and is in the process of expanding the two West Coast Canadian ports shown here. Also, the new conservative Canadian government is still proceed

But if you notice, the map indicates that this doesn't stop at the Canadian border...this plan includes the plans for the delivery of goods into America as well.



Lest we think that China has only plans with Canada for inclusion into the United States, here is the map for the NASCO (North America Super Corridor) project. It connects the Trans-Canadian system through America into Mexico.

Please note that the Mexican ports have also already been built as well.

Only because of the tremendous outrage of the American public has this project been put on hold...but it is the belief of GRI, that Obama and his team will resurrect it shortly and proceed with it in the interests of “stimulating the US economy.” This, along with an “Open Border” policy encouraging illegal immigration will reopen development on this plan.





## **CHINESE MILITARY PLANS**

However, it is important to note that China is not preparing with just economic and international infrastructure plans for America. As outlined in the Russian Plans for world domination, the attack, invasion, and then the subsequent “division” of North America into several parts... by primarily Russian and Chinese forces are a FUNDAMENTAL PART OF THE PLAN.

These infrastructure plans as outlined by China for North America, can easily be implemented after such a takeover of the United States.

These plans are so far along, that many others outside of the US are now publishing the collapse and division of the US. Igor Panarins’ map and story caught headline news a couple of months back. Notice who gets what... China gets the West Coast, Europe/Russia gets the East Coast, Russia gets Alaska and Canada/China gets the Northern Midwest, and Mexico/China gets the Southern Midwest and the South.



## THE COMING CHINESE VS US WAR OVER TAIWAN

The Chinese military over the last several years, has published several white papers on what they term as the “inevitable war” with the United States for dominion of the Pacific Rim. They outline their need for Chinese expansion and that the US is in their way.

They also outline why and how they fully believe that with adequate preparation and determination, they could defeat the US in such a conflict. Indeed, over the last 5 years, China and Russia and more recently other allied countries, have increasingly conducted war games based upon this premise and have even discussed the potential for a nuclear attack on Los Angeles several times, and 10 other major US cities at least once. They consider the US very weak in what they call the “will to fight” and point out that they have backed inferior forces in the past in defeating the US “paper tiger” such as in Vietnam. They also point out that currently a majority of the vaunted US military has been bogged down in a war in Iraq and Afghanistan against a very inferior foe and minimal foe and in which, the US is barely holding its own...even with the aggressive military policies of George Bush/Dick Chaney.

With the new anti-war/anti-military Obama administration, they feel that if they initiate such a conflict elsewhere, then it is possible the US might refuse to become engaged or even lack the resources to become engaged, (fight multiple wars against multiple enemies in multiple locations in the world). However, in any case they are preparing to “finish the job” and go all the way if necessary.

The scenario they outline is that when they move to recover Taiwan, they expect the US to move to defend Taiwan, specifically US Naval and Military forces in the region. They have prepared specific weapons to wipe out such US assets in the region, including all US Naval Carrier groups, and US forces in Okinawa, Japan and in South Korea within a 4 hour period “iron fist” attack. This plan, along with extensive documentation, will be presented in the March GRI newsletter.

In summary, based upon GRI research and analysis during the last two years of the plans that Russia and China have developed, GRI has developed an outline map of the Russian/Chinese attack and invasion. Notice the similarity between this map and the map published by the Russian intellectual Panarin recently.

The attack plan below is what appears to be the rough outline of invasion and control of America.

The red arrows represent Russian military forces, with the red shaded areas to be occupied and controlled by Russia.

The Green arrows represent Chinese forces, with the green shaded areas to be occupied and controlled by China.

The Yellow arrows represent a conglomerate of South/Central American and Cuban Socialist/ Communist forces with the yellow shaded areas to be under their control.



## **BETWEEN A ROCK AND A HARD PLACE**

One of the effects of the global recession/depression, is that it has affected China as well. As we have just recently seen in Iceland, riots by the population over the economic collapse of the country, caused the government to resign in mass.

Iceland is just one of the first countries & governments to fall, and it will not be the last. It could well be argued that the main ingredient for the win of a radical socialist government in the United States (Obama) is also due to the US/world economic crises.

China faces the same problem, with growing riots among its populace and social unrest. Unlike a democratic country like Iceland, for Communist China, this is not just a matter for a new government to be elected, this is a matter of life or death...potential complete revolution, civil war and government overthrow.

As the following recent article points out, things are getting ugly in China, and is expected to increase over the next two years. Though the government has things under control to a degree now, if the recession does not improve...and actually gets worse, which is what GRI forecasts, they will have major problems. Perhaps even potential "government overthrow" problems.

[The Observer, Sunday, January 25, 2009](#)  
[China fears riots will spread as boom goes sour](#)

[Today millions will leave the cities to return to their rural family homes for the new year celebrations. But this year Beijing hopes the newly jobless revellers will stay there - to prevent a fresh wave of unrest in the cities](#)

[They surged into the grimy streets around the factory: first scores, then hundreds, then more than a thousand, as word spread and tension loaded the stale, grey air. The boldest overturned a police van and smashed up motorcycles, then tore through the building destroying computers and equipment. The mood was exhilarated, angry and frightened.](#)

"It happened so quickly ... There were maybe 500 involved and another 1,000 watching them. People were yelling: 'It's good to smash'," said a witness.

But the riot late last year at the Kai Da factory in Dongguan, amid the grim industrial sprawl of the Pearl River Delta, was not an isolated incident. It was one of tens of thousands of protests, many erupting from the same mixture of economic grievances, resentment of police and swirling rumour.

**The numbers have been climbing steadily for years. But as the Chinese New Year dawns and the global economic crisis deepens, the government fears that mass unrest could challenge its control of the country, threatening a communist regime that has embraced capitalism with spectacular results.**

Today should be the highlight of the year for migrant workers in the country's southern manufacturing hub, but the hundreds of millions who have travelled home for their annual family reunion have little to celebrate. This is the year of the ox in the Chinese zodiac; a symbol of hard work and tenacity. But no one feels bullish as exports plummet and factories shut their doors.

Officials announced this week that growth fell to 6.8% in the last quarter of 2008. Envious as that sounds to countries in recession, it follows five years of double-digit growth and rising expectations. Just as crucially, experts believe that China needs 8% growth to provide enough jobs for new entrants to the labour force. But economists predict that the rate could fall as low as 5% this year.

**It is figures like these that prompted the state-run magazine Outlook to issue a remarkably stark warning of the dangers posed by rising unemployment.**

**"Without doubt, now we're entering a peak period for mass incidents ... In 2009, Chinese society may face even more conflicts and clashes that will test even more the governing abilities of the party and government at all levels," said a senior Xinhua agency reporter, Huang Huo.**

...That spirit has pervaded a spate of recent disturbances in Dongguan: protests outside government offices by unpaid workers; clashes with police as plants shut down. "Mass incidents", as officials describe them, have been on the rise for years. According to the

Ministry of Public Security, there were 10,000 across China in 1994. By 2005, that had risen to 87,000. Experts believe the numbers have increased again, not least because the government has stopped publicising them.

Even in the boom years, China felt growing pains. Its frenetic development has created pollution, social dislocation, corruption and rocketing inequality. But it's the sharp decline in industry that is really hurting now. Pressures in the export-led Pearl Delta began to build in late 2007, as the appreciating yuan and growing production costs took their toll. Recession in the west was the final blow: exports actually fell in November, for the first time in seven years.

According to officials, more than 15,500 businesses in Guangdong province shut in the first 10 months of 2008. More than half of those went under in October. Many more are teetering. Thousands packed workers home without pay months ahead of the holiday.

Officially, the urban unemployment rate has hit 4.2%. But that does not include migrant workers, who are not registered in the cities. The Chinese Academy of Social Sciences puts the real level at 9.4%, and expects it to rise.

"The impact of the downturn has been huge," said Wu Qinfei who sells rich red-and-gold New Year decorations in Dongguan, just around the corner from the Kai Da factory. The banners bear wishes for wealth and happiness, but few expect the next 12 months to bring prosperity. "I've got maybe 60% of the business I had."

Trade was even worse at Old Chan's stall, where workers buy showily packaged oranges as gifts. "Before, we could sell 70 boxes a day at this time - now it's 20," he said. "We could charge them 27 yuan, but that's gone down to 15 or 16."

Chan's fortunes mimic those of Guangdong. When he first arrived two decades ago, the Kai Da plant was still under construction. "It was on the other side of a stream, and on this bank, there were no buildings, just fields of banana trees," he recalled. "In the 1990s, things suddenly became better as the factory brought more people. But this year's business is really, really the worst."

An hour's drive away, in the provincial capital, Guangzhou, Mrs Cui's eyes filled with tears as she contemplated the new year. She and her husband were queuing for a train

home to Shandong. "The family didn't have any money, so we came here to earn some selling flowers. We borrowed money from the bank and have lost about 30,000 yuan," she said.

....Victor Shih, assistant professor of political science at Northwestern University in Chicago, sees the potential for "explosive" change. He argues that unemployment could easily reach 50 million; that migrant workers are younger and more volatile than those laid off in the 1990s; and that news spreads faster thanks to mobile phones and the internet. The massive expansion in higher education has also led to millions of unemployed graduates - the most dangerous ingredient, in official eyes, given the student protests of 1989.

At the least he expects a spike in localised riots resulting in the mobilisation of armed police all over the country. And "if a systematic trigger occurs and instability spreads to a sizable city, we will see the large scale mobilisation of both paramilitary armed police and army units, and possibly substantial bloodshed," he added in a recent article. Yet he, too, concludes that a change in regime remains highly unlikely since the government is willing to use whatever means to keep things in line, such as they did during the Tiananmen protest. China's leaders know better than anyone that their claim to authority rests on their ability to provide a good living. They are also particularly aware of this year's sensitive anniversaries, including the 20th of the Tiananmen protests and the 60th of the People's Republic itself."

## THE BIG SQUEEZE:

**With the Communist regime being squeezed by its massive population on the one hand demanding food and work, and the limitations imposed upon it by the world recession/depression, the answer for the Chinese government is to use a tactic that has been used very often in the past. That is to create an armed conflict somewhere and put the country on a wartime footing. With plans & preparations already in process for such an armed conflict in conjunction with the Russian/World Communism plan for world domination, all this would do is to increase the**

**likelihood of such an event.**

**In other words, if the Communist Chinese Governemtn didn't have a reason to start a war before, it will have in the near future...in order to save itself from civil war and overthrow.**

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## **CHINA HOLDS THE KEY TO THE ECONOMIC DESTRUCTION OF THE US**

**And there is more. As outlined over the past month in various GRI Updates, China is the second largest debt holder of the US dollar, and treasuries. If China decides to start publicly dumping the dollar and US bonds, then this could very well set off international repercussions around the world... and would probably collapse the US economy, creating Hyperinflation on a massive scale.**

**Lately, there have been more and more articles explaining that it is not just a matter of IF CHINA DUMPS THE DOLLAR...IT IS A MATTER OF WHEN. And, lately there are indications are that it could be soon, possibly as early as this summer. Here is part of the conclusion of the article "Hyperinflation Will begin In China And It Will Destroy The Dollar" by Eric deCarbonnel, January 20, 2009..<http://www.gold-eagle.com/editorials...nel012009.html>**

### **Conclusion:**

**...While China has been able to contain inflation to single digits for the last decade, that is about to change. All economic forces are aligning in China for a surge in inflation.**

**...Hyperinflation in China is absolutely guaranteed. Zero doubt. China is dismantling all the measures it has put in place over the years to fight inflation. It is dropping restrictions on purchasing property, eliminating price controls, getting rid of loan quotas, lowering interest rates, ceasing its sterilization efforts, etc... It is also pulling out all the stops to boost government spending and new loan creation.**

Meanwhile, China's 40 billion dollar trade surplus means that its base money supply looks set to double in 2009. There is also the fact that China's money supply is frozen due to cash hoarding and will cause inflation to increase when it accelerates. Finally, the commodity bubble has finished bursting, and China's economy looks set to shrink.

**Every economic factor in China suggests an enormous wave of hyperinflation will begin early this year. While I have written about the threats facing the dollar, this will be the event that finally ends the US's borrowing binge and destroys our currency.**

Hyperinflation in China will be a monumental event. Because China makes most of the world cheap consumer goods, it will export its hyperinflation around the world. This means that no fiat/paper currencies will survive this with its purchasing power intact. Some will lose all value (dollar) while others will survive while experiencing a loss of purchasing power (yuan, euro, yen, etc...). The only money that will retain its full value in the face of Chinese hyperinflation is gold.

China will sink the dollar to save the yuan.”

**IN other words, whether China wanted to or not, or had plans to attack America with an economic blow, China will be forced to dump dollars to save itself economically as much as possible... and this will happen soon. (In fact South Korea has already started the process by NOT purchasing US dollars/debt.) This will cause massive Hyperinflation in the United States, which was detailed in the GRI January Newsletter.**

**RECENT UPDATES:**

#### **CHINESE UNEMPLOYMENT SOARS**

**In the latest news, to support this hyperinflation hitting China, China reports that 30-50 million jobs would be lost there within 2009, and the job loss is hitting very hard right now.**

“Millions of Chinese set to lose jobs as New Year celebrations end By Malcolm Moore in Shanghai. 27 Jan 2009

Millions of Chinese set to lose jobs as New Year celebrations end

Instead of returning to work after the public holiday, many will remain in their remote rural homes, having been told not to come back.

Others will make the long journey to China's economic heartlands only to find their source of income has evaporated.

The gloomy prediction came from an official at the Central Communist Party School, who estimated that between 20 and 30 per cent of the 130 million provincial Chinese who moved to the city for employment would find themselves obsolete.

To make matters worse, they will find no guarantee of work at home as sophisticated farming methods reduce the need for labourers and agricultural hands."

#### **BIRD FLU TAKES OFF**

**To make matters worse for the Chinese government, cases of human deaths due to the H5N1 bird flu have recently taken off in China. Again, this helps create a climate of desperation and unrest among the billions of Chinese.**

#### **CHINA & RUSSIA PLEAD FOR WORLD TO DUMP DOLLAR AND SETUP NEW WORLD CURRENCY.**

In the recent World Economic forum held at Davos, both Russian Prime Minister Vladimir Putin, and Chinese premier Wen Jiabao both called for a move from the dollar to other currencies or even a new global currency. To make matters worse, new US Secretary Geithner drew a strong reaction from Premier Jiabao, "...Indeed, he is fuming over the remarks by US Treasury Secretary Tim Geithner that China was "manipulating" its currency to gain market share. Reports were circulating this afternoon in Davos that Mr Jiabao erupted into a tirade after lunch at the mere mention of Mr Geithner's name...A country that is contracting

doesn't take kindly to its major trading partners saying you have to increase the value of its currency. What they are being told to do is tantamount to economic suicide..."

## **GRI ANALYSIS:**

Evidence is extremely strong that China is following the same War Preparation model that Russia is using, and is, like its Russian partner, being very successful in such preparations. Tremendous Chinese expansion of its armed forces, and military budget are exemplary of such preparations. Plus the installation of thousands of first strike offensive missiles across from Taiwan, and published plans confirm such a conclusion. Additionally, population unrest caused by the global recession and other factors might encourage and accelerate such plans.

## **WHAT TO EXPECT...NEAR FUTURE:**

1. GRI expects to see even more of such Chinese expansionism and war preparations in the next 12-36 months, including the potential for invasion/incursion into oil rich Myanmar, NorthEast India, and possibly Indonesia. The pattern that would probably be used is the same as that used by Russia in Georgia...that of local dissident rebel groups claiming independence and needing "Chinese assistance" to assure their freedom from oppression and to protect/safeguard Chinese investments in the area. Such groups already exist in NorthEast India (the NSCN), and there is "disputed territory" between China and India nearby as well (Arunachal Pradesh). The articles below outlines this situation, ripe for potential exploitation by China:

[Imphal/New Delhi, Jan. 28, 2009: The Manipur police chief today submitted a report stating that Naga militants holed up in a camp at Siroy in Ukhrul began "leaving" three days back, belying claims by the Assam Rifles and the National Socialist Council of Nagalim \(Isak-Muivah\) that the standoff continues.](#)

[Director-general of police Yumnam Joykumar Singh, in his report submitted to the](#)

Okram Ibobi Singh cabinet tonight, claimed that the Naga rebels had begun leaving in small groups following pressure from the Assam Rifles.

The troops laid siege to a camp set up by the NSCN (I-M) on January 19 after the militants, who are not allowed to set up camps outside Nagaland according to ceasefire ground rules, refused to give up their arms.

This article from 2007 helps explain the situation to some degree:

Sun, 2007-08-26 01:55 By Vinod Vedi - Syndicate Features

It is a season of mixed results in the north-east. The ceasefire between Delhi and the Isac Swu-Muivah faction of the National Socialist Council of Nagalim (NSCN-IM) has been extended indefinitely with the proviso from the Naga side that if there is no progress in the talks between the two delegations the ceasefire would be revoked immediately. The consequence could be a renewed flare-up of violence in Nagaland.

A connected development was the rejection of any ceasefire by the rival faction of the NSCN led by the Khaplang group which has pockets of control on both sides of the India-Myanmar border.

This and the rather hare-brained demand by some legislators that the Government provide licences for arms to villages contiguous to Assam-Nagaland to prevent frequent attacks by Naga hostiles on unprotected villages on the Assam side would be sure method of igniting inter-State ethnic violence. A better solution would be setting in place a string of police posts covering the forest areas as well as the built up settlements and dissuasive actions to prevent inflammatory cross-border attacks. Naga factions acting beyond the borders in pursuit of the Greater Nagalim concept need to be discouraged.

Horror was created by the ethnic cleansing conducted in what appeared to be a joint operation by the United Liberation Front of Asom (ULFA) and a like-minded Karbi Longri National Liberation Front (KLNLF) of Bihar-origin Hindi-speaking labourers. The allegation has surfaced that ULFA, apparently the senior partner in this coalition of terror, is acting on behalf of the Pakistani Army's Inter-Services Intelligence (ISI) through Bangladesh to get rid of other ethnic Indians from the north-east and make room for a new influx of Bangladeshi migrants.

2. Additionally, as mentioned above, in a somewhat similar situation, (that of taking back part of a disputed Chinese territory) China has made plans and is preparing to take back Taiwan, which is a much publicized disputed territory. In fact, part of China's approach in South/Central America is to have their new friends sign off on the concept that Taiwan is not an independent nation, and is just a breakaway part of China.

3. GRI expects China to start dumping US dollars sometime this year, or at the latest in 2010 which will cause Hyperinflation to rear its ugly head here in the US, and also around the world.



## DEJA VUE

### DEVELOPMENTS IN NORTH KOREA

Speaking of the Asian Region, one of the allies of the Russian/Chinese group is North Korea. It should be noted that China has to keep North Korea on a tight leash, as the leaders of that extremely Fascist country are arguably insane. Without going into much detail, it should be noted that everytime this unproductive Communist/Fascist country needs money, they do the same old trick that they pulled on Jimmy Carter/Bill Clinton. They simply announce that they are proceeding on their nuclear weapons program, and announce chilled relations with South Korea, breaking off the continual talks that have perpetually gone on since the end of the Korean War. South Korea, and the US then quickly jump through the proverbial hoop...and offers NK billions in money and food if they "officially" stop working on their Nuclear Weapons.

Of course, evidence is that they have never stopped working on their Nuclear weapons program, ever. They now have at least 5 working bombs, and probably are up to 8-10 now.

Yes, it is a stupid blackmail stunt that you would think someone would eventually get

wise to...but they are getting ready to pull it again. And why not... it works. Every time.



## **MEXICO...**

### **ANOTHER CRISES IN PROCESS OF HAPPENING**

How Soon Before Mexico Collapses?

As if there wasn't enough bad things going on around the world, the crises that is happening in Mexico is beginning to be beyond appalling. **In essence Mexico is in the beginning throes of a civil war...waged, not between political parties, but between drug cartels and the government.** The problem is that the government is losing the battle, bring to bear the real possibility that the entire government and country of Mexico will completely collapse into Chaos and Anarchy. Next month we will spend more time in depth on this issue to understand what is going on and the future, but for now this little excerpt from an article explains some of the problems:

[Could Mexico collapse? As drug war worsens, some Americans worry for neighbor's stability](#)

By TRACI CARL, January 2009

MEXICO CITY (AP) — Indiscriminate kidnappings. Nearly daily beheadings. Gangs that mock and kill government agents.

This isn't Iraq or Pakistan. It's Mexico, which the U.S. government and a growing number of experts say is becoming one of the world's biggest security risks.

The prospect that America's southern neighbor could melt into lawlessness provides an unexpected challenge to Barack Obama's new government. In its latest report anticipating possible global security risks, the U.S. Joint Forces Command lumps Mexico and Pakistan together as being at risk of a "rapid and sudden collapse."

"The Mexican possibility may seem less likely, but the government, its politicians, police and judicial infrastructure are all under sustained assault and pressure by criminal gangs and drug cartels," the command said in the report published Nov. 25.

...The U.S. Justice Department said last month that Mexican gangs are the "biggest organized crime threat to the United States." National security adviser Stephen Hadley said last week that the worsening violence threatens Mexico's very democracy.

Homeland Security Secretary Michael Chertoff recently told The New York Times he ordered additional border security plans to be drawn up this summer as kidnappings and killings spilled into the U.S.

The alarm is spreading to the private sector as well. Mexico, Latin America's second biggest economy and the United States' third biggest oil supplier, is one of the top 10 global risks for 2009 identified by the Eurasia Group, a New York-based consulting firm.

...In 2000 Fox signaled readiness to take on the drug cartels, but plunged them into a power vacuum by arresting their leaders, and gangs have been battling each other for territory ever since.

Felipe Calderon, who succeeded Fox in 2006, immediately sent troops across the country to try to regain control. But soldiers and police are outgunned and outnumbered, and cartels have responded with unprecedented violence.

Mob murders doubled from 2007, taking more than 5,300 lives last year. The border cities of Juarez and Tijuana wake up each morning to find streets littered with mutilated, often headless bodies. Some victims are dumped

outside schools. Most are just wrapped in a cheap blanket and tossed into an empty lot.

Many bodies go unclaimed because relatives are too afraid to come forward. Most killings go unsolved.

Warring cartels still control vast sections of Mexico, despite Calderon's two-year crackdown, and have spawned an all-pervasive culture of violence. No one is immune.

Businesses have closed because they can't afford to pay monthly extortion fees to local thugs. The rich have fled to the U.S. to avoid one of the world's highest kidnapping rates. Many won't leave their homes at night.

The government has launched an intensive housecleaning effort after high-level security officials were accused of being on the take from the Sinaloa cartel. And several soldiers fighting the gangs were kidnapped, beheaded and dumped in southern Mexico last month with the warning: "For every one of mine that you kill, I will kill 10."



## GRI DOMESTIC REPORT

# IS THE PRICE WORTH IT?

*IS THE PRICE WE ARE TO PAY WORTH THE PROMISES HE MADE?*

### **THE PROBLEM:**

THE INTRODUCTION OF ECONOMIC SOCIALISM. There were four

main areas of policy and practice that had recently led or had created the problems facing President George W. Bush during the last 18 months of his eight year administration. Granted, some of them had been enacted under previous administrations, notably his predecessor Bill Clinton, but instead of being corrected, they were exacerbated by Bush and his administration. The end result of these policies was the introduction of Economic Socialism.

\* **CONGRESSIONAL MEDDLING AND MANDATING** of government guaranteed housing loans to those who could not afford them. (Known as SUB-PRIME LOANS.) Under the direction of Barney Frank, Christopher Dodd, Reid, Pelosi, and others the Democratic congress pushed hard, and a willing Bill Clinton & George Bush signed the insane legislation into law piece by piece. Fannie Mae and Freddie Mac, quasi government entities which hold the majority of the mortgages in the US. embraced the irresponsible concept immediately. (Why, because they were under the leadership of the Democratic Congressional appointed leadership of >>>>>. And >>>>>>> personal friends of Barney Frank.) And for his part, in the private sector, Obama was part of the legal team that sued Citibank and other banks, forcing them to swallow this poison pill of future economic chaos and destruction.

\* **BAD FISCAL POLICY ENACTED BY THE FEDERAL RESERVE BANK.** Under the direction of Greenspan, the Federal Reserve dropped their loan rates to as low as 2% in order to encourage the private banks (and every other lending institution) to make bad and terribly risky loans. The result was the country went “upside down,” awash in tremendous debt. Of course it was bad policy to allow the creation of the Federal Reserve Bank in 1913, (which is actually a private bank owned mostly by foreigners), in the first place...but we won't get into that right now.

\* **UNRESTRAINED OVERSPENDING BY AN OUT OF CONTROL CONGRESS & PRESIDENT.**

- The abandonment of conservative fiscal principals by George Bush has been termed the single largest action that setup the mess we are in now. George Bush, backed by an increasingly less conservative

Republican congress and Senate group, joined the socialistic Democrats in their tax and spend legislation. In essence, the Democratic party has become the Radical Socialist/Communist party which we see now, and the Republican party has become the Democrat/Socialist party. The conservative Reagan Republicans became a minority in their own party as the party was hijacked into moderate socialism.

**\* ABANDONMENT OF CAPITALISM.** George Bush now freely admits that as the above terrible fiscal policies were enacted and took hold, in order to counter their effect upon the economy, and instead of returning to a more conservative fiscal responsibility, he moved towards a complete abandonment of capitalism towards economic socialism.

Of course all of this house of cards came crashing down the last 18 months of George W. Bush's administration. Generally, irresponsible government meddling and spending created the mess and President Bush, pushed by the Democratically controlled Congress, pushed more irresponsible government meddling and spending to fix it. Every time we turned around they were saying more spending would quickly fix things. And then, when things got worse, they would inevitably say that they didn't spend enough and then spend more.

## **THE PROMISES:**

OBAMA swept into power on promises of HOPE & CHANGE, though for the most part he never detailed out what those changes would be. However, the promises were extensive. Obama promised a lot of things to a lot of people, in fact it could be said that he just about promised everything to everybody. In essence his election mantra was, "Vote for me and I will give you whatever you want." As one of his supporters put it, "It is gonna be like Christmas." Among the biggest of his extensive promises, were:

- \* UNIVERSAL HEALTH CARE.
- \* AN END TO THE MORTGAGE PROBLEMS
- \* A QUICK END TO THE ECONOMIC RECESSION/DEPRESSION
- \* PEACE AND SECURITY
- \* AN END TO GOVERNMENT CORRUPTION/SCANDALS
- \* FRESH NEW LOOK IN GOVERNMENT ADMINISTRATION
- \* FREEDOM AND EQUALITY FOR EVERYONE

## **THE PRICE:**

After Mr. Obama was elected, it started to become obvious what those changes were that he had talked about. In other words, we began to understand the price we were going to have to pay for the promises he made. As it is often stated, the devil is in the details...well we are now beginning to get a full glimpse of some of those details. (For some this is a "I told you so" list.)

**THE PRICE WE WILL PAY** for the promises of hope and change described above:

- \* **INCREASED ABORTION & INFANTICIDE.**

-Not only will federal and state funds be increased to fund and promote abortions in the US, but the Federal government will pay for increased abortion programs throughout the world. In his first 3 days of office, OBAMA has already proposed rules that would allow not only the heinous practice of partial birth abortion, but would also allow Infantacide... allowing the parents and/or doctors the right to terminate the life of a new born baby up to one week (or possibly longer) after its birth. Additionally, the day after taking office, the FDA pushed forward the approval of Embryonic stem cell experimentation fulfilling the promise of Obama when he said, "I strongly support expanding research on stem cells," as reported by ABC News. "As president, I will lift the current administration's ban on federal funding of research on embryonic stem cell lines."

### **\* ENCOURAGEMENT/TEACHING OF HOMOSEXUALITY & IMMORALITY**

- All laws, state and local, that would inhibit the practice and teaching or restriction of any sexual practice, including homosexuality, lesbianism and any other expression of sexuality, (such as bestiality, polygamy, pornography, ) are in the process of being repealed. As part of this, they have outlined that freedom of sexual expression, including classes and encouragement of homosexuality, lesbianism, and other practices would be mandated to be taught through all public schools at all age levels. It also appears that legislation is to be introduced that would make any speaking out against these practices to be considered a speech hate crime and punishable by fines and imprisonment.

### **\* THE SUPPRESSION OF FREEDOM OF RELIGION**

-Specifically, the rights of the practice of religion are to take a subordinate place under other rights...such as the right of Homosexuals to practice their homosexuality. In other words, people and organizations (including Churches) could be forced to accept into their organizations and extend their services to homosexuals, even though their religion or church opposes such

immoral behavior. Homosexual marriages would be accepted and made legal in all states. Under these new guidelines, Catholic Bishops, Pastors and other religious leaders could be forced to accept and even perform marriages between homosexual and lesbian couples. (Note: this was what the fight was about in California over proposition 8. Obama and his team are proposing that once this law is overturned by the California Supreme Court and sustained by the US Supreme Court, then they would issue federal rulings to override all state and local laws concerning this issue.)

### **\* THE DISSOLUTION OF THE TRADITIONAL CHRISTIAN FAMILY UNIT**

- As anyone can see from the above policies being enacted by OBAMA, they all spell disaster for the traditional family unit that this country was built upon and has formed its foundation for over 200 years. That of a Christian family consisting of a mother and father teaching their children the lessons of honesty, integrity, hard work, responsibility, and morality. Such a family group has no place in the world view of OBAMA and his administration and supporters.

### **\* INCREASED GOVERNMENT CORRUPTION/ SCANDALS**

- Before even taking office, OBAMA and his appointees have been embroiled in numerous scandals concerning corruption. In just one example (among several) the involvement of his personal staff, and possibly himself in the selling of his former Senate seat for cash or other reward. After extensively denying that he and his staff had had any contact with Blagojevich (reminiscent of Bill Clinton's "I did not have sex with that woman" statements), it was revealed just a week later that it was a total lie, that Obama did have personal contact, and that his staff had had extensive contact with Blagojevich.

\ The icing on this cake (so far) is the example of his appointee for

Treasury Secretary, Timothy Geithner, the person who would be in charge of the IRS and the US tax code, overseeing the funneling of money to the world, the overseeing of fiscal policy, etc. Soon after Obama announced his choice of Geithner as his Treasury Secretary it was discovered that not only had Geithner lied on his own personal income taxes, and failed to pay his personal income taxes, but he even stole the money he was specifically given to pay them. Geithner fails on all marks concerning, trust, integrity, honesty, capability, responsibility, judgement... and yet, instead of being charged with felonies such as tax fraud and embezzlement, and incarcerated as anyone else would be....he has been approved and will be sworn in as part of the OBAMA leadership team for this country.

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### **\* FULL SOCIALISM**

- The very insane socialistic economic policies that got us into this mess, are to be increased about ten fold. Tax and spend will take on a new meaning as the proposed spending by OBAMA exceeds the expenditures of World War I, World War II, the Vietnam War, the Korean War, the Gulf War, the Iraq war, all disaster expenditures for things like Katrina, Hugo and others, all welfare programs since 1930, farm assistance, etc. COMBINED.

-But, that is just the beginning, because full Socialism is not just economic changes, but governmental and societal changes as well. Society will never be the same. In essence we have voted in an administration that has promised to eliminate the old fashioned Republic Constitution based upon a limited government that cannot take away the rights of individuals, and is based upon the adherence to law, and the right of an individual to own and control their own property... to a new Socialistic government where the government can overrule any and all rights of the individual, and that it is not restricted to adherence to law, (in other words it can make or break laws at will), and where the government controls and can even take

any and all property of the individual.

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### **\* BIGGER RECESSION/DEPRESSION**

- Now that OBAMA is in office, he is telling us that he lied to us and that his new changes will actually not help the economy for several years. In fact, he is now telling us that it will get much, much worse before it will get better. Funny, that is what his political opponents said would happen... but we were assured by Obama and his media that such would not be the case. Well, surprise... it is the case. NOW, his critics are stating that his policies will not only NOT help things improve even in a few years, but that his policies will completely collapse the economy.

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### **\* THE EFFECTIVE ENACTMENT OF A GUN BAN**

- The Obama administration has outlined their plans to first tax ammunition and firearms to the point that few ordinary citizens cannot afford them, and then second to encourage the registration of ammunition and then firearms. In the long term, they are planning to create a new judiciary that will outlaw guns from ordinary citizens, restricting them only for Federally approved militia organizations, such as the Civilian Defense Force that Obama has proposed.

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### **\* THE CLINTON ADMINISTRATION HAS BEEN 'RE-INSTALLED'**

- Obama promised a new, fresh approach by newfaces and new forward thinking people in his administration. Instead, in reality what do we have? We have essentially most of the old Clinton administration, bringing their old baggage back. With Hillary in a different room of the West wing of the white house, all we need is Bill back and nothing has changed...except that now there is a Democratic Congress with pretty much super majority to pass everything they wanted to pass before...and much more. The other bad news is that OBAMA is so much more a radical socialist/communist, he makes Hilliary and Bill look conservative by

comparison.

## IS THE PRICE WE ARE GOING TO PAY FOR “HOPE & CHANGE” WORTH IT?

You often get what you ask for. The people voted for hope and change without actually understanding what those changes would be. The problem is that there are always consequence for our actions, and all too often, not the ones we were hoping for. Another problem is that it is becoming more apparent every day that many of the promises he made, were actually... (big surprise here)... just empty political promises made in order to get him elected. Even before he took office, he was starting to back away and explain how the promises he had made...could not or would not be kept.

The question remains, How long before the majority of the people realize that they have been duped once again by a scheming politician? The Obama administration is moving extremely fast in implementing their new socialistic vision for America, which would give the impression that they do not expect the honeymoon to last very long. Already, they are asking for the forgiveness, understanding, and patience of the people in what they are doing and they haven't been in office two full weeks yet.

The second question, related to the first, is even if and when the people realize their mistake...what will they be able to do about it? Unfortunately, like Pandora's box, once it has been opened...the evil once contained within that has been released, is not easily put back.



## SO...WHO'S RUNNING THINGS ANYWAY ?

### ***OBAMA...A FRAUDULENT FIGUREHEAD PUPPET***

One of the claims of the Obama support & media worship team is that Obama is one of the smartest people on the planet. I have always contended that this claim is hogwash and ask the simple question, “WHERE IS THE PROOF?”

**The evidence speaks to just the opposite...that Obama is really not that smart, though the people who control him from behind the scenes are. I maintain that the evidence supports the conclusion that Obama has been and continues to be a complete fraud for the most part...and nothing more than a carefully groomed figurehead for others to use to do their bidding.**

#### **SO WHO IS RUNNING THE SHOW.**

When George W. Bush took office 8 years ago, the question everyone asked was Who was actually running the show? Many believed that VP Dick Chaney was and there has been evidence that to some degree Mr. Chaney took a very much more active, “hands on” and expanded role in the Bush administration. But any comparison between the Obama choice of Vice President Joe Biden and Dick Chaney is absurd. Biden is a complete featherweight, and has admitted recently that not only is he not involved in any of the major decisions, he is not even engaged at all.

And so who is running things? Let us examine some of the evidence that it is not Mr. Obama, in fact let us look at the evidence suggesting that he is not the super genius that his worshipers maintain. The problem is, that no one knows anything about Mr. Obama. From his birth certificate to his years at college everything is almost a complete mystery. Everything is sealed. As Tom Brokaw once admitted before the election:

ROSE: I don't know what Barack Obama's worldview is.

BROKAW: No, I don't, either.

ROSE: I don't know how he really sees where China is.

BROKAW: We don't know a lot about Barack Obama and the universe of his thinking about foreign policy.

ROSE: I don't really know. And do we know anything about the people who are advising

him?

BROKAW: Yeah, it's an interesting question.

ROSE: He is principally known through his autobiography and through very aspirational (sic) speeches.

BROKAW: Two of them! I don't know what books he's read.

ROSE: What do we know about the heroes of Barack Obama?

BROKAW: There's a lot about him we don't know.

## **RECENT EXAMPLES**

\* During the campaign it soon became apparent that Obama was absolutely worthless without his teleprompter. He gave wonderful speeches ...as long as he could read something. It became so bad that when he was doing the county fairs, his staff would setup a tele-prompter in the dirt in the middle of a horse arena where he was speaking. Apparently he was unable to memorize the same speech that he gave over and over again.

\* It also became obvious at that time, and still is today, that he is absolutely horrendous answering off the cuff questions by anyone. His multiple uh...uh...uh.. Started to become such a problem, that he stopped giving off the cuff interviews, and then started resorting to standard liberal cliches.

\* Even today, after becoming President, even his fawning press is complaining that he won't answer questions directly, even to the point of chastising the reporters for asking questions, and even his total avoidance of any real press conferences altogether.

\* During his first week as president, when explaining amidst great fanfare his first executive orders that supposedly were very dear to his heart, he had to stop in the middle of his explanation and ask his attorney, what the heck he was talking about. He had to do this not once, but twice. This begs the question, who came up with or even wrote those executive orders anyway? Who is in charge there.

\* He has become very well known as a fantastic speaker, especially with prepared speeches. Interestingly, many of the Obama faithful admitted that probably the worst speech that he has given in recent memory was his inaugural speech. Importantly, according to Obama he wrote the speech completely by himself after 4 weeks of working on it.

\* Obama comes out with wonderful platitudes and promises, and then within 24 hours reverses himself. When he and his staff are reminded about such gaffes, it appears to catch them by surprise. Either he can't remember what he said the day before, or he really didn't think things through very far before he said it. For example he made a big "to do" before the press that his administration would absolutely not hire any lobbyists. It would just not happen. And yet the very next day when he announced two new cabinet members that he had selected... (Mr. Obama's nominee for deputy secretary of defense, William Lynn, has been a lobbyist for the defense contractor Raytheon, and his nominee for deputy secretary of health and human services, William V. Corr, lobbied for stricter tobacco regulations as an official with the Campaign for Tobacco-Free Kids)... it was pointed out that they were actually current lobbyists...it caught him and his staff by surprise, and they had to immediately respond that there would be exceptions to the absolute policy they had announced the day before. (In fact it proved to be a very embarrassing moment during the first press conference of his new spokesman when the press called him on it.)

SO FAR, his conduct as President is leaving a lot of people shaking their heads and dismissing his actions as just post election jitters. But, then they have to admit that even Bush's performance was better.

SO WHAT ABOUT PAST EVIDENCE OF WHO HE IS AND HOW SMART HE IS?

How much of a Fraud is Obama?

Without going into the details of the controversy concerning the very strong evidence that not only is he not a natural US citizen, it appears that he is not even a US citizen.

After extensive research into the past history of Barack Obama, we will ignore his High School days, especially since he admits that during his High School years he experimented heavily into alcohol, marijuana, cocaine, and in the memoirs of one of his mentors identified him as experimenting with homosexuality.

Obama reportedly spent two years at Occidental College 1979-1981, then transferring to Columbia University in Chicago. One of the very few samples of his writing ability comes to light in his poem "Underground" that he wrote while attending Occidental. This

gives us a great insight into his tremendous intellectual ability as a college student:

*Under water grottos, caverns*

*Filled with apes*

*That eat figs.*

*Stepping on the figs*

*That the apes*

*Eat, they crunch.*

*The apes howl, bare*

*Their fangs, dance . .*

There is little else. In fact most of the faculty and students at Occidental, don't remember Obama at all...even those who were in the same field and attended the same classes. Perhaps this is because he spent a large portion of that time traveling around the world with his Pakistani friends, including at least three weeks in Pakistan when US citizens were not allowed there. (This raises other questions, such as where did the money for such travel come from, and why was Obama allowed into Pakistan when US citizens were not allowed at the time.)

After leaving Occidental, where Obama was apparently a non-student, he went to Columbia University in New York. Again the records are sealed, and the same story is repeated. He spent four years at Columbia graduating in 1983, and all of his days are particularly mysterious because there is almost no trace of him among students who attended the same year and studied the same major. In fact Fox News contacted some 400 of his classmates and found not one who remembered him.

Wayne Allyn Root, the Libertarian Party's vice president, told WND he graduated from Columbia the same day as Obama with the same major, yet he never spoke to a single former Columbia student or faculty member who remembered Obama.

So what did Obama do at Columbia, where he graduated with admittedly poor grades, (but which still have not been released?) The only thing we do know is that at this time he came under the tutelage of William Ayers and Bernadine Dohrn and their radical socialist/communist circle of friends.

After he left Columbia, Obama moved to Chicago and started working as a community

organizer. (the director of the Developing Communities Project, an offshoot of the Gamaliel Foundation dedicated to radical Communist Saul Alinsky's principles for radicalizing society). Two years later, Ayers also moved to Chicago to teach at the University of Illinois.

There are many questions about how Obama got into Harvard, especially with poor grades. We do know that several strings were pulled by Ayers and others, and miraculously, Obama matriculated into Harvard. His days at Harvard are almost as mysterious as everywhere else. Again, all of his records are sealed. Interestingly, he was elected President of the Harvard Law review, in essence a popularity contest. But even in that prestigious position, as a law student at Harvard what did he do? Interestingly, there is not one piece of paper or commentary or review or anything that he did during this time. He is not even listed as doing a single review or article for the Law Review of which he was president.

After graduating, Magna Cum Laude (but his grades are still sealed), he returned back to Chicago where he taught at University of Chicago law school. Interestingly, at a school where economic analysis was all the rage, he taught rights, race and gender....And, while most colleagues published by the pound, he never completed a single work of legal scholarship.

Between the time Harvard and Chicago, he wrote his memoir Dreams of My Father. This is important because, in essence it is one of the few pieces of work that he reportedly did that is available to the public. It is also part of the reason that people voted for him, and attribute to him great intellectual ability. However, it has come to light that just as his life has been one of much mystery, the authorship of his book has the same problems.

\* First, in no other piece of material that has been examined before or afterwards that Obama has authored or been associated with contain any similarities of the book.

\* Second, Obama doesn't speak in any way similar to the language used in the book...something that is very rare for authors, especially when writing about such personal material as a memoir. In fact, for most autobiographies and memoirs... the book is their very essence.

But there are other problems as well, which best can be described in this excerpt from the article by Jack Cashill:

Who Wrote Dreams From My Father?

By Jack Cashill October 09, 2008

Prior to 1990, when Barack Obama contracted to write *Dreams From My Father*, he had written very close to nothing. Then, five years later, this untested 33 year-old produced what *Time Magazine* has called -- with a straight face -- "the best-written memoir ever produced by an American politician."

To put this in perspective, imagine if a friend played a few rounds in the high 90s and then a few years later, without further practice, made the PGA Tour. **It doesn't happen.**

...there are only two real possibilities: one is that Obama experienced a near miraculous turnaround in his literary abilities; the second is that he had major editorial help, up to and including a ghostwriter.

Tracing Obama's literary ascent is complicated by what *Politico.com* calls a "scant paper trail." That trail begins at Occidental College whose literary magazine published two of Obama's poems -- "Pop" and "Underground" -- in 1981. Obama calls it some "very bad poetry," and he does not sell himself short. [They are horrendous and about on a 7<sup>th</sup> grade level.]

It would be another decade before Obama had anything in print and this an edited, unsigned student case comment in the *Harvard Law Review* unearthed by *Politico*. Attorneys who reviewed the piece for *Politico* described it as "a fairly standard example of the genre."

Of note, *Politico* reporters Ben Smith and Jeffrey Resner observe that **"the temperate legal language doesn't display the rhetorical heights that run through his memoir, published a few years later."**

Once elected president of the *Harvard Law Review* --more of a popularity than a literary contest -- **Obama contributed not one signed word to the HLR or any other law journal.** As Matthew Franck has pointed out in *National Review Online*, **"A search of**

**the HeinOnline database of law journals turns up exactly nothing credited to Obama in any law review anywhere at any time."**

A 1990 New York Times profile on Obama's election as Harvard's first black president caught the eye of agent Jane Dystel. She persuaded Poseidon, a small imprint of Simon & Schuster, to authorize a roughly \$125,000 advance for Obama's proposed memoir.

With advance in hand, Obama repaired to Chicago where he dithered. At one point, in order to finish without interruption, he and wife Michelle decamped to Bali. Obama was supposed to have finished the book within a year. **Bali or not, advance or no, he could not. He was surely in way over his head.**

According to a surprisingly harsh 2006 article by liberal publisher Peter Osnos, which detailed the "ruthlessness" of Obama's literary ascent, Simon & Schuster canceled the contract. Dystel did not give up. She solicited Times Book, the division of Random House at which Osnos was publisher. He met with Obama, took his word that he could finish the book, and authorized a new advance of \$40,000.

**Then suddenly, somehow, the muse descended on Obama and transformed him from a struggling, unschooled amateur, with no paper trail beyond an unremarkable legal note and a poem about fig-stomping apes, into a literary superstar.**

To be sure, it is not unusual for successful politicians to hire ghostwriters -- John McCain gives due credit to Mark Salter for his memoir, Faith of My Fathers -- but it is highly unusual for unknown young Chicago lawyers to hire ghostwriters.

I have attempted to contact Dystel by phone and email without success. It is highly unlikely she refashioned the book, and Osnos admittedly did not. If my suspicions are correct, the ghost on this book shared many of Obama's sentiments, spoke his language and spent considerable time reworking the text.

I bought Bill Ayers' 2001 memoir, Fugitive Days, for reasons unrelated to this project. As I discovered, he writes surprisingly well and very much like "Obama." In fact, my first thought was that the two may have shared the same ghostwriter. Unlike Dreams, however, where the high style is intermittent, Fugitive Days is infused with the authorial voice in every sentence. What is more, when Ayers speaks, even off the cuff, he uses a

cadence and vocabulary consistent with his memoir. One does not hear any of Dreams in Obama's casual speech.

Obama's memoir was published in June 1995. Earlier that year, Ayers helped Obama, then a junior lawyer at a minor law firm, get appointed chairman of the multi-million dollar Chicago Annenberg Challenge grant. In the fall of that same year, 1995, Ayers and his wife, Weatherwoman Bernardine Dohrn, helped blaze Obama's path to political power with a fundraiser in their Chicago home.

**In short, Ayers had the means, the motive, the time, the place and the literary ability to jumpstart Obama's career. And, as Ayers had to know, a lovely memoir under Obama's belt made for a much better resume than an unfulfilled contract over his head.**

For simplicity sake, I will refer to the author of Dreams as "Obama." **Without question, he contributed much of the book's raw material, especially the long-winded accounting of events and conversations, polished just well enough to pass muster.** The book's fierce, succinct and tightly coiled social analysis more closely matches the style of Fugitive Days, a much tighter book.

SAME TYPE OF LIES....

"I saw a dead body once, as I said, when I was ten, during the Korean War," writes Ayers. This correlation is important enough that Ayers mentions it twice. The only problem is that Ayers was eight when the Korean War ended.

Obama tells us that when he was ten, he and his family visited the mainland. On the trip, back in their motel room, they watched the Watergate Hearings on TV. The problem, of course, is that those hearing started just before Obama turned twelve.

One could forgive a single missed date, but inconsistent dates and numbers appear frequently in both books and often reinforce some moment of lost innocence. In the same spirit, both books abound in detail too closely remembered and conversations too well recorded. These moments in both books occasionally lead to an awareness of the nation's seemingly ineradicable racism.

In 1970, for instance, the 9-year-old Obama alleges to be visiting the American embassy Indonesia. While waiting, he chances upon "a collection of Life magazines neatly displayed in clear plastic binders."

In one magazine, he reads a story about a black man with an "uneven, ghostly hue," who has been rendered grotesque by a chemical treatment. "There were thousands of people like him," Obama learned, "black men and women back in America who'd undergone the same treatment in response to advertisements that promised happiness as a white person."

Obama's attention to detail is a ruse. Life never ran such an article. When challenged, Obama claimed it was Ebony. Ebony ran no such article either. Besides, black was beautiful in 1970.

In a similar vein, Ayers tells of hitching a ride in Missouri with "Bud," the driver of a "brand-new Peterbilt truck." The man proceeds to regale Ayers with a string of dirty jokes -- at least two of them retold word for word -- before reaching under his seat and pulling out a large pistol, his "N\*\*\*\*r neutralizer."

"White people can never quite remember the scope and scale of the slavocracy," Ayers reminds the reader again and again, writing as though he were not a member of this benighted race.

These two sentences are alike in more than their poetic sense, their length and their gracefully layered structure. They tabulate nearly identically on the Flesch Reading Ease Score (FRES), something of a standard in the field.

The "Fugitive Days" excerpt scores a 54 on reading ease and a 12th grade reading level. The "Dreams" excerpt scores a 54.8 on reading ease and a 12th grade reading level. Scores can range from 0 to 121, so hitting a nearly exact score matters.

A more reliable data-driven way to prove authorship goes under the rubric "cusum analysis" or QSUM. This analysis begins with the measurement of sentence length, a significant and telling variable. To compare the two books, I selected thirty-sentence sequences from Dreams and Fugitive Days, each of which relates the author's entry into the world of "community organizing."

"Fugitive Days" averaged 23.13 words a sentence. "Dreams" averaged 23.36 words a sentence. By contrast, the memoir section of "Sucker Punch" averaged 15 words a sentence.

Interestingly, the 30-sentence sequence that I pulled from Obama's conventional political tract, *Audacity of Hope*, averages more than 29 words a sentence and clocks in with a 9th grade reading level, three levels below the earlier cited passages from "Dreams" and "Fugitive Days." The differential in the *Audacity* numbers should not surprise. By the time it was published in 2006, Obama was a public figure of some wealth, one who could afford editors and ghost writers.

That much said, preliminary QSUM analysis supports an Ayers-Obama link. Systems designer Ed Gold--with twenty years of high-level experience in image and signal processing, pattern recognition, and classifier design and implementation--volunteered to run a QSUM scan on multiple excerpts from both memoirs. "I have completed the analysis," he wrote me, "and I think you will be pleased with the findings." In assessing the signature of sample passages from *Dreams*, he found "a very strong match to all of the Ayers samples that I processed."

None of this, of course, proves Ayers' authorship conclusively, but the evidence makes him a much more likely candidate than Obama to have written the best parts of *Dreams*.

The Obama camp could put all such speculation to rest by producing some intermediary sign of impending greatness -- a school paper, an article, a notebook, his Columbia thesis, his LSAT scores -- but Obama guards these more zealously than Saddam did his nuclear secrets. And I suspect, at the end of the day, we will pay an equally high price for Obama's concealment as Saddam's.

Jack Cashill is the author, among other books, of *Hoodwinked: How Intellectual Hucksters Hijacked American Culture*. He has a Ph.D. in American studies from Purdue University.

## **AND SO WE ASK WHO IS RUNNING THE SHOW?**

If it isn't Obama, then the problem is that the people Obama has surrounded himself are, for the most part, the very people who helped create the problems we are now facing.

Let me demonstrate with just as a short example about the critical area of economic and finance, I would like to quote from an article by Darryl Schoon, which demonstrates the absolute idiocy of those who either advise Obama, or are actually helping to pull the strings. The four people listed here Summers, Volker, Rubin, & Geithner who are all touted to be economic geniuses, and yet it appears that none of them have a lick of common sense. In fact, Geithner recently admitted in his confirmation hearings as Obama's Treasury Secretary that among other things he had for the last several years been committing tax fraud, embezzlement, breaking immigration laws and outright lying to the authorities because, as he stated in sworn testimony... " he didn't know what he was doing." By the way, during much of this time, he was the head of the Federal Reserve Bank of New York. Anyway, back to Schoons' article:

"The America of today grew up on bankers' easy credit. The America of tomorrow will be buried by it. I don't know if President Obama knows this but I do know the men he has appointed to counsel him in economic affairs know it and don't care.

Paul Volker, the hero of another age, salvaged the bankers' paper money game for another generation but he did so at the expense of what could have saved the nation. Volker later said he regretted not having earlier managed the price of gold and if his actions in saving the parasitic system of bankers are to be lauded, then so be it.

But perhaps the least of all the men Obama has surrounded himself to counsel him on the economy is Lawrence Summers, Obama's Chief Economic Advisor. Summers is the former Chief Economist at the World Bank who at the time suggested that polluting industries should be moved to 3rd world countries where the human toll would be less costly, and was also later fired as President of Harvard University for his statement that women were intellectually inferior to men.

But Summers' greatest transgression against true economic freedom guaranteed by gold and its protection against government power is his 1988 paper he co-authored

with Robert Barsky, *Gibson's Paradox And The Gold Standard* wherein **Summers argued that manipulating the price of gold would have a favorable impact on interest rates and the price of paper assets.**

Summer's paper served as the basis for further US government manipulation of the gold market and does not speak well for future US policy in that regards. Newly appointed US Treasury Secretary Timothy Geithner also comes with as much baggage as Volker and Summers in respect to his relationships with the investment bankers who have raped and pillaged our nation.

**Timothy Geithner was the man who last fall stood shoulder to shoulder next to Henry Paulson as Paulson looted America's treasury for the benefit of his Wall Street friends and cronies and insured that he would never be called to task for what he would do.**

Geithner is described in Wikipedia as having Lawrence Summers for his mentor but other sources call him a "Rubin protégé", neither man a positive role model. It should be remembered that Robert Rubin, former Goldman Sachs partner and US Treasury Secretary, lobbied for the deregulation of financial instruments such as derivatives, an effort that later helped to destroy our financial system.

Rubin was also instrumental in the repeal of Glass-Steagall under Bill Clinton, the Act passed to prevent another depression and he played an important role in the \$4 billion payout from the US Treasury to Goldman Sachs indemnifying Goldman Sachs bondholders from any losses on their Mexican bonds in 1995.

Geithner, as a Rubin "protégé", obviously comes highly recommended and well connected to the same core of investment bankers who have done yeoman's work in destroying America's economy while at the same time lining their own deep pockets."

.(The Economy the Titanic & The Life Rafts of Gold & Silver, by Darryl Schoon | January 28, 2009)

Time will only tell what kind of fraud and deception has been perpetrated upon the American people. Everyone admits that he was elected, not because of his ideas, but primarily because of his race and the promise that he would change things.



## **NORTHERN CALIFORNIA DROUGHT CONTINUES**

...FOOD PRICES TO RISE IN SPRING

I was raised in Southern California and then spent several years in Northern California, and so yes, I understand that Southern California is a desert and that Northern California is not necessarily a lush paradise either. But, the drought that is gripping California is beyond the normal times of droughts. It is getting serious. As a result, the rest of the country gets to observe on headline news the effects of 100 year fires in California, in what seems to be every other month. BUT, besides burning thousands of expensive California homes in spectacular fires, **the drought is developing into other problems which could affect the rest of the country. And of course the Government, Environmentalists, and courts are jumping in to make things worse as well.**

The following article is a preview of coming attractions:

January 26, 2009

**MENDOTA, Calif.** - Consumers may pay more for spring lettuce and summer melons in grocery stores across the country now that California farmers have started abandoning their fields in response to a crippling drought.

**California's sweeping Central Valley grows most of the country's fruits and vegetables in normal years, but this winter thousands of acres are turning to dust as the state hurtles into the worst drought in nearly two decades.**

Federal officials' recent announcement that the water supply they pump through the nation's largest farm state would drop further was enough to move John Giacone to forego growing vegetables so he can save his share to drip-irrigate 1,000 acres of almond trees.

...The giants of California agribusiness are the biggest economic engine in the valley, which produces every cantaloupe on store shelves in summer months, and the bulk of the nation's lettuce crop each spring and fall.

This year, officials in Fresno County predict farmers will only grow about 6,000 acres of lettuce, roughly half the acreage devoted to greens in 2005.

...While the dry weather has exacerbated the problem, farmers' water woes are not all drought-related.

Supplies for crops and cities also have been restricted by several court decisions cutting back allocations that flow through a freshwater estuary called the Sacramento-San Joaquin Delta, the main conduit that sends water to nearly two-thirds of Californians. Environmental groups and federal scientists say the delta's massive pumps are one of the factors pushing a native fish to the brink of extinction.

Last year, federal water deliveries were just 40 percent of the normal allocations, fallowing hundreds of thousands of acres and causing nearly \$309 million in crop losses statewide. That prompted Gov. Arnold Schwarzenegger to issue a disaster declaration, ordering state water managers to expedite any requests to move water around the state, in part so high-value crops like wine grapes, almonds and pistachio trees would stand a chance of surviving.

Federal reservoirs are now at their lowest level since 1992.

With such a grim outlook, many California farmers including Giacone are investing millions to drill down hundreds of feet in search of new water sources.

...The state Department of Water Resources, which also ships farmers water, has promised to deliver 15 percent of the normal allocations in October, but conditions are so dire that that's now in doubt, too.

"The consequences are expected to be pretty horrible in terms of farmers' revenue, but what's really disconcerting are the possible job losses," said Wendy Martin, who leads the agency's drought division. "Those communities that can least weather an economic downturn are going to be some of the places that are hit the hardest."

Richard Howitt, a professor of agriculture economics at the University of California, Davis, estimates that \$1.6 billion in agriculture-related wages, and as many as 60,000 jobs across the valley will be lost in the coming months due to dwindling water.

Analysts haven't yet provided any estimates of crop losses this year. But Bill Diedrich, an almond grower on the valley's parched western edge, said he's already worried he may lose some of his nut trees in the drought.

"The real story here is food security," Diedrich told Milligan and other officials speaking at a conference in Reno, Nev. "It's an absolute emergency and anything to get water flowing quickly is needed."

In the meantime, the forecast appears to be worsening: Meteorologists are predicting a dry spring, and a new state survey shows the population of threatened fish is at its lowest point in 42 years, more imperiled than previously believed.

<http://www.msnbc.msn.com/id/28843318/>

### **IS THE GREAT "FALSE PROPHET-ANTI-CHRIST" OF THE LAST DAYS GETTING READY TO FINALLY "MAKE HIS MOVE" AND APPEAR?**

Over the past several years, there have been several Great False prophets/Messiah "wannabes," but the one that has always struck me as having the best "world credentials" was Maitreya. Mainly, because his organization... Share International, is approved and backed by the United Nations.

Lately, things from the Maitrya camp have been heating up. I will be doing a complete analysis of past and future prophecies concerning the great false prophet of the last days in next months GRI issue. INCLUDING, the possibility that OBAMA is a forerunner for this great false prophet. Interestingly, Obama was probably there in Kenya at the time of Maitreya's appearance there so many years ago.

More on this next month.....



**AGAIN...THE NEXT FEW MONTHS WILL BE THE LAST TO BE  
ABLE TO PURCHASE ITEMS AT REASONABLE PRICES, OR AT  
ALL.**

**PLEASE, PLEASE, PLEASE CONSIDER YOUR OWN PERSONAL  
AND FAMILY PREPARATION...AND**

**PLEASE, PLEASE, PLEASE....**

**PREPARE FOR SEVERE ECONOMIC HARD TIMES BY THIS  
SUMMER AND END OF 2009. THE SUMMER OF HELL 2009 WILL  
NOT BE GOOD. IT WILL MAKE THE GREAT DEPRESSION SEEM  
MILD BY COMPARISON. BREAD COULD BE \$10+ A LOAF,  
GAS:\$5-\$10 A GALLON...**

**GET OUT OF DEBT. SELL THE TOYS. REDUCE YOUR NEEDED  
MONTHLY CASHFLOW. START A GARDEN. STORE FOOD &  
SUPPLIES.**

**IF YE ARE PREPARED...YE SHALL NOT FEAR**