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**Subject:** Greg Brown's Weekend Reading and Other Things.. 07/12/2015B

**Date:** Sun, 12 Jul 2015 09:13:50 +0000

**Attachments:** Bank\_of\_the\_Underworld\_Jake\_Halpern\_The\_Atlantic\_May\_2015.docx; MELTDOWN\_-\_Paying\_the\_Price\_-\_PART\_3\_Weekly\_Readings\_July\_12,\_2015.docx; The\_Future\_of\_Music\_Making\_Cherno\_Jobatey\_Huff\_Post\_Apr\_27,\_2015.docx; What\_is\_the\_most\_nutritious\_vegetable\_you\_can\_buy\_Joanna\_Fantozzi\_The\_Daily\_Meal\_January\_26,\_2015.docx; Tracy\_Chapman\_bio.docx; Fossil\_fuels\_subsidized\_by\_a\_'shocking'\_\$10m\_a\_minute\_say\_IMF\_experts\_Kashmira\_Ga\_nder\_The\_Independent\_May\_19,\_2015.docx; How\_Large\_Are\_Global\_Energy\_Subsidies\_IMF\_May\_2015.pdf; Poverty\_Rates\_The\_Economist\_May\_21st\_2015.docx; DISTRAUGHT\_PEOPLE,\_DEADLY\_RESULTS\_Wesley\_Lowery,\_Kimberly\_Kindy,\_Keith\_L.\_Alexander\_TWP\_June\_30,\_2015.docx

**Inline-Images:** image.png; image(1).png; image(2).png; image(3).png; image(4).png; image(5).png; image(6).png; image(7).png; image(8).png; image(9).png; image(10).png; image(11).png; image(12).png; image(13).png; image(14).png; image(15).png; image(16).png; image(17).png; image(18).png; image(19).png; image(20).png; image(21).png; image(22).png; image(23).png; image(24).png; image(25).png; image(26).png; image(27).png; image(28).png; image(29).png; image(30).png; image(31).png; image(32).png; image(33).png

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**DEAR FRIEND.....**

**These wars don't work**

*As one war on drugs ends, another is starting. It will be a failure, too*



Inline image 2

IN 1971 Richard Nixon fired the first shot in what became known as the “*war on drugs*” by declaring them “*public enemy number one*”. In America and the other rich countries that fought by its side, the campaign meant strict laws and harsh sentences for small-time dealers and addicts. In the poor, chaotic countries that supplied their cocaine and heroin, it meant uprooting and spraying coca and poppy crops, and arming and training security forces. Billions of wasted dollars and many destroyed lives later, illegal drugs are still available, and the anti-drug warriors are wearying. In America and Western Europe addiction is increasingly seen as an illness. Marijuana has been legalized in a few places. Several countries may follow Portugal, which no longer treats drug use as a crime.

But even as one drug war begins to wind down, another is cranking up across Asia, Russia and the Middle East (see article). Echoing Nixon, China’s president has called for “forceful measures to wipe [drugs] out”; his Indonesian counterpart has declared drugs a “national emergency”, and in January sent six traffickers to a firing squad. This week Indonesia executed eight more, despite international pleas for clemency. Iran is executing five times as many drug-smugglers as it did a few years ago. Russia is arguing for the spraying of opium-poppy fields in Afghanistan, and is trying to get its neighbors to follow it in banning methadone, an opioid used to wean heroin addicts off their fix. Earlier this year China lobbied the UN’s drug-control body to place tighter restrictions on ketamine, an anesthetic, though it failed—for now, at least.

Prohibition suits criminal gangs, which enjoy exclusive control of a global market worth roughly \$300 billion annually. It is also convenient for corrupt politicians and officials, who can extract rents for turning a blind eye. Several of those whom Indonesia executed this week claimed that judges offered them clemency in exchange for huge bribes. In the main, though, what drives the new drug warriors is the same conviction that animated the old ones: the sincere, if mistaken, belief that cracking down on traffickers and users will make addiction go away. The lesson of the first war is that it will not.

When Peru drove away its coca growers, they moved to Colombia. When Colombia kicked them out, they went back to Peru. After the Caribbean cocaine-trafficking route was sealed, new, bloodier ones sprang open in Mexico, and then in Central America. A shortage of one drug caused by a big seizure seldom lasted long; in the meantime addicts turned to alternatives, sometimes more dangerous ones. When clean needles were hard to get hold of, they used dirty ones. The drug war turned Latin American “cartels” into bands of sadistic, well-financed killers whose reach extended into governments, security forces, judiciaries and jails. Those preparing to prosecute the next drug war need only look west to see what lies ahead of them: more violence and corruption; more HIV/AIDS; fuller jails—and still the same, unending supply of drugs.

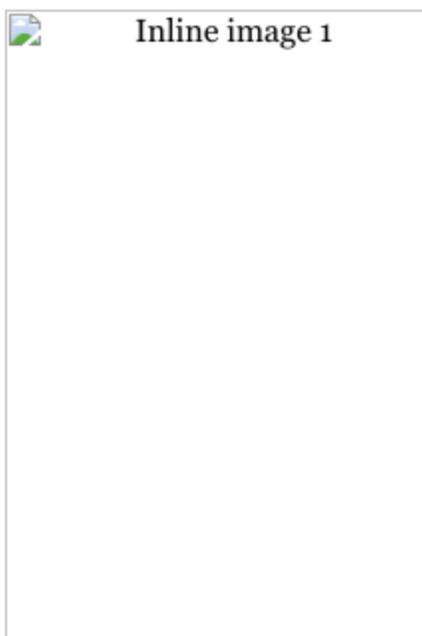
Meanwhile, rules meant to stop opioids leaking to the black market have left the innocent to die in avoidable pain. Multiple-sclerosis sufferers and cancer patients undergoing chemotherapy have been denied the relief that cannabis can bring. Some researchers think that LSD (acid), MDMA (Ecstasy) or psilocybin (the active ingredient in magic mushrooms) might help treat depression. But nobody knows, because drug laws have made trials close to impossible. The row over ketamine is an unwelcome reprise. A safe, orally administered anesthetic, it can be used outside hospitals, even for caesarean sections and amputations. If China succeeds in tightening restrictions on the drug, poor people in countries with weak health systems will suffer and even die unnecessarily.

In the West few politicians have been ready to admit the drug war's failure—even as they quietly moderate their policy. They need to be honest with their own voters about the misery it has caused. Only then can they make a good case to the rest of the world that drug addicts need treatment, not prison, and that supply should be managed, not suppressed. A UN meeting next year to take a fresh look at the international conventions that shape national drug laws would be an excellent place to start. The first drug war caused devastation enough. For history to repeat itself would be a tragedy.

**The Economist – May 2, 2015**

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## Big Brother's omnipresent government surveillance and public manipulation



I would like to start with the transcript of the opening statement by an official at a Brazilian Senate hearing on NSA spying because it crystalizes the dangers of the U.S. Government's massive covert-surveillance programs that was exposed to the public first by Wikileaks and later in more detail by former Booz Allen Hamilton system administrator counterintelligence analyst and whistle-blower

Edward Snowden, who in 2013 leaked documents that revealed numerous global surveillance programs, many of them run by the NSA and the Five Eyes with the cooperation of telecommunication companies and European governments.

### Brazilian Senate Hearing on NSA Spying – opening comments

First of all Americans justification for everything since the September 11 attacks is terrorism, everything is in the name of national security, to protect its population. In reality, it's the opposite. A lot of the documents have nothing to do with terrorism or national security, but with competition between countries, and with companies' industrial financial and economic issues.

Secondly, there's XKeyscore. When we first started publishing articles, the U.S. government's defense was that it was not invading the content of communications, just taking the metadata. That means the names of the people talking, who is calling whom, call durations. But if I know all of the people you are communicating with, and everyone they are communicating with, where you are when you are communicating, the call duration and the location, then I can learn a lot about your personality, your activity, and your life. This is a major invasion of privacy. In reality, the defense is totally false.

The U.S. government has the ability to get not only metadata, but the actual content of your emails or what you say on the phone, the words you type into Google searches, the websites you visit, the documents you sent to colleagues. This system train track nearly everything that every individual is doing online. So if you're a journalist investigating the American government, if you work for a company with American competitors, or if you work in Human Rights involving the American government or any other field, they can very easily intercept your communication. If you're an American living in the U.S., they have to seek permission from a court but they always get it. But if you're not American, they don't need anything, no special permission at all. The consequences of eliminating privacy are difficult to predict, but we must understand that this will have an enormous impact. The population's ability to have demonstrations or to organize is greatly reduced when people don't have privacy.

CITIZENFOUR Trailer web site: <https://youtu.be/XiGwAvd5mvM>

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If you haven't seen the Academy Award winning CITIZENFOUR documentary film directed by Laura Poitras concerning Edward Snowden and the NSA spying scandal, I strongly suggest that you do. Shot in the cinéma vérité style, the film had its U.S. premiere on October 10, 2014 at the New York Film Festival and its UK premiere on October 17, 2014 at the BFI London Film Festival. The film features Glenn Greenwald and was co-produced by Poitras, Mathilde Bonnefoy, and Dirk Wilutzky, with Steven Soderbergh and others serving as executive producers.

In January 2013, Laura Poitras received an encrypted e-mail from a stranger who called himself "Citizen Four". In it, he offered her inside information about illegal wiretapping practices of the US National Security Agency (NSA) and other intelligence agencies. Poitras had already been working for

several years on a film about monitoring programs in the US that were the result of the September 11 attacks. In June 2013, accompanied by investigative journalist Glenn Greenwald and The Guardian intelligence reporter Ewen MacAskill, she went to Hong Kong with her camera for the first meeting with the stranger, who identified himself as Edward Snowden. Several other meetings followed. The recordings gained from the meetings form the basis of the film.

CITIZENFOUR is a real life thriller, unfolding by the minute, giving audiences unprecedented access to filmmaker Laura Poitras and journalist Glenn Greenwald's encounters with Edward Snowden in Hong Kong, as he hands over classified documents providing evidence of mass indiscriminate and illegal invasions of privacy by the National Security Agency (NSA).

Poitras had already been working on a film about surveillance for two years when Snowden contacted her, using the name "CITIZENFOUR," in January 2013. He reached out to her because he knew she had long been a target of government surveillance, stopped at airports numerous times, and had refused to be intimidated. When Snowden revealed he was a high-level analyst driven to expose the massive surveillance of Americans by the NSA, Poitras persuaded him to let her film.

CITIZENFOUR places you in the room with Poitras, Greenwald, and Snowden as they attempt to manage the media storm raging outside, forced to make quick decisions that will impact their lives and all of those around them. CITIZENFOUR not only shows you the dangers of governmental surveillance — it makes you feel them. After seeing the film, you will never think the same way about your phone, email, credit card, web browser, or profile, ever again. 100% real-life espionage story unfolding minute by minute before our eyes. CITIZENFOUR is a major work on multiple levels, and a deeply unsettling experience.

We are living in the age of Big Brother and in a world of perpetual war, omnipresent government surveillance and public manipulation by a super-state willing to cross any border, tap any phone and manipulate any content by employing *Astroturf* that attacks any issue by controversializing and attacking the people, personalities and organizations surrounding it rather than addressing the facts. In a world where people have no real privacy and newspeak allows the term of WMD enables a super-state to attack another country for no other reason other than it can the invasion of privacy and ubiquitous surveillance leads one to conclude that George Orwell's vision of 1984 with its official deception, secret surveillance and manipulation of recorded history by a totalitarian or authoritarian state of Oceania is here.

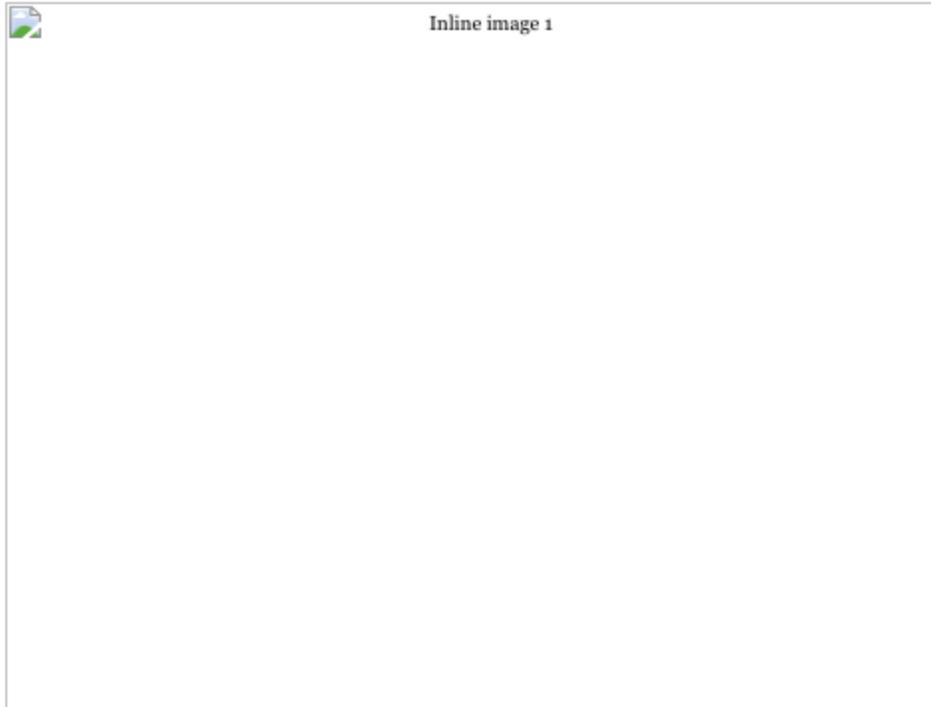
Thank you Edward Snowden for your courage and thank you Laura Poitras for this amazing look at what it takes for a real journalist to pursue a dangerous story which the U.S. Government has labeled "Treason" which is just one of the crimes Snowden has been charged with — the government also wants to prosecute him under the Espionage Act, which as Amy Davidson wrote in The New Yorker — why CITIZENFOUR deserved to win the 2015 Oscar 'Best Documentary Feature' film of the year — if not for the decade. And as Davidson concluded — What the country still has to work out is whether the Snowden documents were simply revealing or actually transformative.

That's the question about a good movie, too, though one shouldn't underestimate the value of revelation, or truth, alone." In the age of Hillary Clinton's inspired "Chipotle Week" New York Times and the never ending Kardashian stories, it is great to see that there are people like Edward Snowden

who are willing to sacrifice everything, journalist like Greenwald and filmmakers like Poitias who are intent to find the truth and get it out to the public.

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## Fossil fuels subsidized by a 'shocking' \$10m a minute, say IMF experts



We are often told by supporters of the fossil fuels industry that they are a much cheaper alternative to renewables and other energy sources, except that a new study by the International Monetary Fund (IMF) is about to dispel this myth saying that fossil fuels firms benefit from \$5.3 trillion or as Kashmira Gander wrote in **The Independent** – a 'shocking' \$10 million a minute. Gander points out that this is more than the annual total worldwide governments spend on health care, according to World Health Organization (WHO) statistics.

Researchers defined energy subsidies as the difference between what consumers pay for energy and its "true costs", as firms do not pay the costs levied against governments by burning fossil fuels. This sum factors in supply costs and the damage that energy consumption inflicts on people's health and the environment, two senior IMF officials wrote in a blog post, entitled "Act Local, Save Global", launching the study on Monday.

China will spend the most this year, and was responsible for over 40 per cent of the total amount as it relies heavily on coal, followed by the US at 13 per cent, while the EU will account for 6 per cent. "These estimates are shocking," experts Benedict Clements and Vitor Gaspar wrote in the post. "Energy subsidies are both large and widespread. They are pervasive across advanced and developing countries," the added.

This study provides a comprehensive, updated picture of energy subsidies at the global and regional levels. The first attempt at this was Clements and others (2013), which provided estimates of global and regional pre- and post-tax subsidies for 2011, but was based on the very limited country-level data available at the time on the environmental damage caused by energy consumption. A key finding of the study was that global post-tax subsidies at \$2 trillion were substantially bigger than pre-tax subsidies of \$492 billion and mainly reflected undercharging for the environmental damage associated with energy consumption. Another was that subsidies were spread across both advanced and developing countries. Parry and others (2014) developed more refined estimates of the environmental costs by energy product for more than 150 countries.

This paper uses these to provide updated estimates of post-tax subsidies for 2013 and projections for 2015. The study also estimates the fiscal, environmental, and net welfare gains from eliminating these energy subsidies.

The key findings of the study are the following:

- Post-tax energy subsidies are dramatically higher than previously estimated — \$4.9 trillion (6.5 percent of global GDP) in 2013, and projected to reach \$5.3 trillion (6.5 percent of global GDP) in 2015.
- Post-tax subsidies are large and pervasive in both advanced and developing economies and among oil-producing and non-oil-producing countries alike. But these subsidies are especially large (about 13–18 percent) relative to GDP in Emerging and Developing Asia, the Middle East, North Africa, and Pakistan (MENAP), and the Commonwealth of Independent States (CIS).
- Among different energy products, coal accounts for the biggest subsidies, given its high environmental damage and because (unlike for road fuels) no country imposes meaningful excises on its consumption.
- Most energy subsidies arise from the failure to adequately charge for the cost of domestic environmental damage—only about one-quarter of the total is from climate change — so unilateral reform of energy subsidies is mostly in countries' own interests, although global coordination could strengthen such efforts.
- The fiscal, environmental, and welfare impacts of energy subsidy reform are potentially enormous. Eliminating post-tax subsidies in 2015 could raise government revenue by \$2.9 trillion (3.6 percent of global GDP), cut global CO<sub>2</sub> emissions by more than 20 percent, and cut pre-mature air pollution deaths by more than half. After allowing for the higher energy costs faced by consumers, this action would raise global economic welfare by \$1.8 trillion (2.2 percent of global GDP).

The study urges world leaders to take action, and predicts that reforms of energy taxation and subsidies could have “enormous” impacts on fiscal, environmental, and welfare of countries by raising government revenue by \$2.9trillion (£2 trillion), or 3.6 per cent of global GDP. It added that changes would also have the potential to cut carbon emissions by 20 per cent, and halve pre-mature air pollutions deaths by more than half. “The resources freed from subsidy reform could be used to meet critical public spending needs or reduce taxes that are choking economic growth,” Messrs Clements and Gaspar wrote.

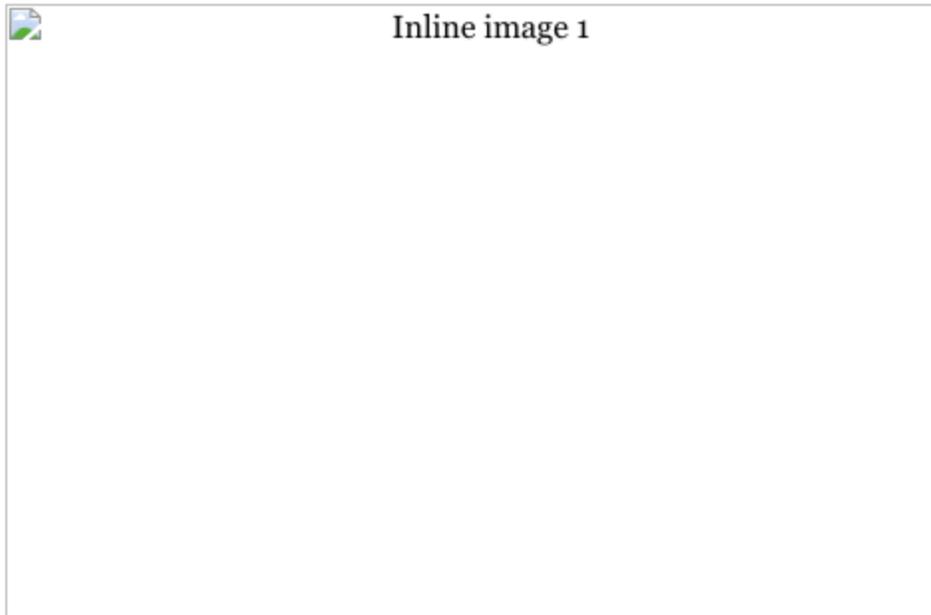
Nicholas Stern, a climate economist at the London School of Economics, told The Guardian: “*This very important analysis shatters the myth that fossil fuels are cheap by showing just how huge their real costs are. There is no justification for these enormous subsidies for fossil fuels, which distort markets*

and damages economies, particularly in poorer countries.” Attached, for further reading please find the **IMF Study – How Large Are Global Energy Subsidies?** – as well as **The Independent** article by Kashmira Gander – **Fossil fuels subsidized by a 'shocking' \$10m a minute, say IMF experts.**

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## Is Bitcoin the future of Money?

Or just another Ponzi or Pyramid Scheme



Last month in **The Washington Post** journalist Matt O'Brien wrote an interesting article – **Bitcoin isn't the future of money – it's either a Ponzi scheme or a pyramid scheme....** Wow.... O'Brien's assertion is that Bitcoin is a tech stock and not currency as each Bitcoin is really a share in a system that supposed to make it cheaper to transfer things online – money, stocks, bonds, even the deed to your house – by cutting out the middleman. But does it really? O'Brien says that it doesn't remove the middleman so much as replace him with middlemen who don't make you pay much, but make society as a whole do so instead. And as O'Brien ask, is this progress?

O'Brien: It's supposed to be. Ever since the early days of the Internet, people have been trying to figure out how to transfer money online without having to go through the financial system. The problem, though, is if I send you money, how do you know I haven't already spent it or sent it to somebody else? You don't. So the only solution has been to have a trusted third-party, like a bank, sit in between us. I send the money to the bank, it verifies that I actually have this money to send, and then it sends it on to you, all for a 2 percent fee, of course.

Bitcoin's breakthrough is to have a decentralized network of "miners" sit in between us instead. Now, remember, these miners are trying to win new Bitcoins by solving computationally-taxing math

problems. The clever part, though, is that in the process of doing so, they also create a public ledger of every single Bitcoin transaction, what's called the blockchain. That includes every Bitcoin that's ever been won, every Bitcoin that's ever been used, and every Bitcoin that's ever been transferred. So now we don't need a bank to know that I have the money I'm sending to you, and that I'm only sending it to you. The miners confirm all this. And the best part is that instead of having to pay the bank myself to do this, the system pays the miners in new Bitcoins.

The question, though, is how you get people to mine Bitcoin to begin with. Sure, you can tell them that Bitcoin is digital money they can use to buy things online, but they already have money they can already use to buy things online. And while merchants would be more than happy to save the 2.5 percent they pay in credit card transaction fees, customers are a lot more blasé since they don't pay them directly. The answer, then, was to do what makes anything popular: make it exclusive. Specifically, Bitcoin limits the total number of coins that will ever be created to 21 million. Now, for Bitcoin's first year and a half, as Nathaniel Popper documents in his page-turning history *Digital Gold*, there were still only a handful of people, if that, mining it. But that began to change when libertarians, who were convinced, just convinced, that the Federal Reserve's money-printing would mean the doom of the dollar, discovered Bitcoin and its non-inflatable money supply. A boom was born.

But what made people mine Bitcoins is what has kept from spending Bitcoins. Think about it like this. Bitcoin's finite supply means that its price should go up, and keep going up. So if you have dollars that are losing a little value to inflation every year and Bitcoins that are gaining it, which one are you going to use to buy things with? The question answers itself, and it raises another. Why would this ever change? Unless you can't buy something online with dollars — like drugs — you'd always want to use your dollars instead. Buying things with Bitcoin would be like cashing out your Apple stock in 1978 to go grocery shopping even though you have plenty of actual cash lying around.

The catch-22 is people buy Bitcoins because they think the price will go to infinity and beyond once everybody uses them, but they don't spend their own Bitcoins because they think the price will go to infinity and beyond once everybody else uses them. And so nobody uses them. But if nobody uses them, then the price will stay stuck at something a lot less than infinity let alone beyond. So the Bitcoin faithful have tried to not only convert people, but also convince them to martyr themselves, financially-speaking, for the crypto cause. It goes something like this. Hey, do you want to hear about the future? It's a digital currency called Bitcoin that lets you spend or move your money online without paying any fees. Sounds great. How does it do that? Well, Bitcoin saves you money by making transactions irreversible. So ... if I get scammed, I got scammed? There's nothing I can do about it? Yes. Okay, but is it at least easy to use? The thing is, I don't actually use it. I just hoard it. I'm waiting for some greater fools to push up the price by using theirs. Oh. Yeah. So you should buy some Bitcoins and use yours. I'll get back to you on that.

But Bitcoin is good for something other than redistributing wealth from one libertarian to another. That's transferring money, or anything else for that matter, online. "The design supports a tremendous variety of possible transaction types," Bitcoin's shadowy inventor Satoshi Nakamoto wrote back in 2010, including *"escrow transactions, bonded contracts, third party arbitration, multi-party signature, etc."* So anytime you need to send any kind of financial asset or agreement to somebody else, you can send it along with a Bitcoin and, through the beauty of the *blockchain*, avoid having to pay a lot of fees. That's why Wall Street banks are looking into whether they can build their own *blockchains* to cut costs before their competitors do. And while sending money is cheap within the U.S., it's not across international borders — the average transfer fee, according to the World Bank, is 7.5 percent. It's not hard to imagine, in other words, that Bitcoin could claim a big chunk of the \$500

billion remittance market, although the difficulty of actually getting the physical cash to people in developing countries is still a significant hurdle.

Wait a minute, though. How does the *blockchain* cut costs again? Remember, instead of you paying the bank a fee to process a transaction, the Bitcoin system pays miners new coins to do so. Then these transactions get added to the list of all others in the public ledger, the *blockchain*. But anytime it seems like you're getting something for nothing the costs are probably just being hidden. What are those costs? Well, Bitcoin mining is a pretty expensive business. Even the most specialized computers, which mine Bitcoins and only mine Bitcoins, require a lot of energy. So much so that Bitcoin miners have set up shop in far-flung places like Iceland where geothermal energy is cheap and Arctic air is cheaper still — free — for them to run and cool off their machines at the lowest possible price.

Okay, but why should we care that Bitcoin miners have big energy bills? They're the ones paying them, after all. Well, for the most part. The problem is the price you pay for energy doesn't include the cost we all pay for pollution. So energy-intensive businesses that are paying less than they "should" for it can generate environmental spillovers on everyone else, or what economists call negative externalities. Once you take this into account, it's not clear how much Bitcoin is really cutting cost so much as shifting them. Specifically, it turns your transaction costs into our pollution costs. Now, Bitcoin might still lower costs overall, but the calculus isn't as simple as it appears if you only add up the benefits.

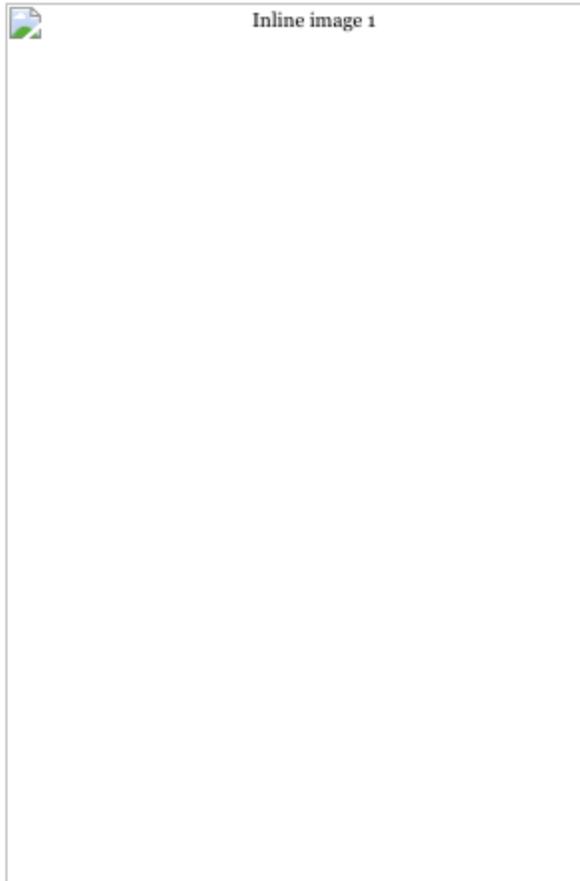
It's not clear what Bitcoin is or what it will be, but it is clear what it's not. It's not a currency. People don't set prices in Bitcoin and, for the most part, don't buy things with it either. The only function of money it comes close to performing is as a store of value, but it doesn't even do that well.

Even though it seems like Bitcoin prices should go up and up and up, it hasn't for a year and a half now. In fact, Bitcoin's \$225-a-coin price is 80 percent less than its December 2013 peak. That said, Bitcoin might be a better way to send things online — or at least its technology, the *blockchain*, might — but, again, that depends on how much energy it takes to run the network. In the meantime, though, Bitcoin is still a little bit of a Ponzi — or is it a pyramid? — scheme that its libertarian early adopters are trying to cash in on. The future might not belong to Bitcoin, but it should to its technology.

Back to my assessment. I got sort of lost on the environmental tangent in O'Brien's article and my tech savvy knowledgeable friends in Silicon Valley continue to tell me that Bitcoin is the future. But the fact that Bitcoin lost 80 percent of its December 2013 peak price I truly question its value as a currency as oppose to a cheaper convenience and could suffer a similar fate to traveler's cheques, which were made obsolete by the arrival and mass use of credits and debit cards. And yes in absolute terms it is a Ponzi scheme, but so is Wall Street and most financial markets. There are a number of new age financial exchanges that are trying to challenge FOREX (which has an average daily trading volume of US\$4 trillion) and today Bitcoin is just one of them.

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## Remember What You Vote For



Good evening. I`m Chris Matthews in San Francisco. Tonight, we live in the land of the chicken hawk, always with a love of war but not an actual appetite. He speaks and writes a tough game, but flies away at the prospect of actual combat.

For example, you can hear the cries of the chicken hawk growing loud for a quick air strike on Iran but not a peep for the grim struggle on the ground in Iraq and Syria against ISIS. Forty-seven Republican senators wrote a letter to the ayatollah trying to derail the negotiations over nuclear weapons in Iran, but you can`t find one Republican senator ready to pass a war resolution against ISIS.

What gives here? Does the right like to blow the bugle, only to scramble when they have to send in troops? David Corn is the Washington bureau chief for "*Mother Jones*" and Flashpoint Global Partners Evan Kohlmann is an NBC News terrorism analyst. Let`s start -- first of all, Republican leaders and their right-wing allies love blowing the bugle for war. They love the notion of war. Let`s watch.

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**MATTHEWS:** Let me finish tonight with this whole idea of voting for the person, not the party. Well, the problem is you don`t just get the person, you do get the party. If you voted for George W. back in 2000, you got Dick Cheney and the whole gang of neocons in his office and in the Defense Department. You got a war in Iraq for your vote.

Expect the same problem the next time around. You vote for what seems to be a reasonable Republican candidate and you get the party apparatus with him, you get a hawkish foreign policy and a whole bunch of neocons jumping into administration jobs, the NSC, Defense, State, anywhere you`ll look, you`ll find hawks edging toward their favorite war, their most desirable regime change. Believe me, we`ve been there. I`ve been there.

Why? Because even now they sit antsy and festering over there at the American Heritage Foundation and the American Enterprise Institute, or all those front group sounding places like the Committee for the Present Danger or emergency committee on whatever, all packed with senior fellows who busy themselves writing op-ed columns pushing for the next regime change.

But when it comes to putting their personal or political boots on the ground, watch them scatter. Try to find a Republican out there right now pushing for a war resolution against ISIS. Just try and find one. Lots of bugles on Iran and how the United States should shut the bargaining and just bomb the place.

Why? Because that`s the stuff the armchair generals love, the notion of a bite-size military operation, a single bombing raid, you know, a cake walk, like the one they promised in Iraq. This is how they get us in every time, it`s the only way to go, then promise it will be quick and easy them. Call any one who opposes them an appeaser. How`s all that working for you?

And that`s **HARDBALL** for now. Thanks for being with us.

**Hardball with Chris Matthews – April 17, 2015**

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## **This Can't Be True**

**There have been 500 people shot and killed by police in the U.S. so far in 2015**



**Inline image 3**

### **Officer Involved: Police shootings of the mentally unstable in America**

In March alone, 111 people died during police encounters — 36 more than the previous month. As in the past, numerous incidents were spurred by violent threats from suspects, and two officers were shot in Ferguson during a peaceful protest. However, the deaths follow a national pattern: suspects were mostly people of color, mentally ill, or both. As a result conversations about police procedurals and officer misconduct are increasingly surfacing, due in large part to the Department of Justice's damning report of racial discrimination and unlawful activity in Ferguson's police department.

As of this week police officers in the United States have shot and killed at least 500 people so far in 2015, according to a Washington Post analysis. The 500th gun death at the hands of police officers came Thursday night in Boulder Creek, Calif., after officers were dispatched to a home on reports of a family fight. Police officials told local media that when they arrived, they encountered a man with two firearms whom they shot and killed. It was one of four fatal police shootings that occurred on Thursday — the others were in Chicago, Phoenix and Parowan, Utah.

The 500th fatal police shooting comes amid a particularly deadly stretch — at least two people have been shot and killed by police every single day so far this month. At least 31 people were shot and killed by police officers during the first week of July, making it the deadliest such week of the year so far. On Tuesday, officers across the country shot and killed eight people, the most police shootings that have occurred on any single day in 2015.

The number of people shot and killed so far this year easily exceeds the figures reported by the FBI for any single year since 1976. The federal data, which officials acknowledge is incomplete, relies on voluntary reporting from just a sliver of the nation's more than 13,000 state and local police departments. While the FBI has never recorded more than 460 fatal police shootings in an entire year, while The Washington Post identified 463 such shootings in just the first six months of 2015.

### **DISTRAUGHT PEOPLE, DEADLY RESULTS**

 **Inline image 4**

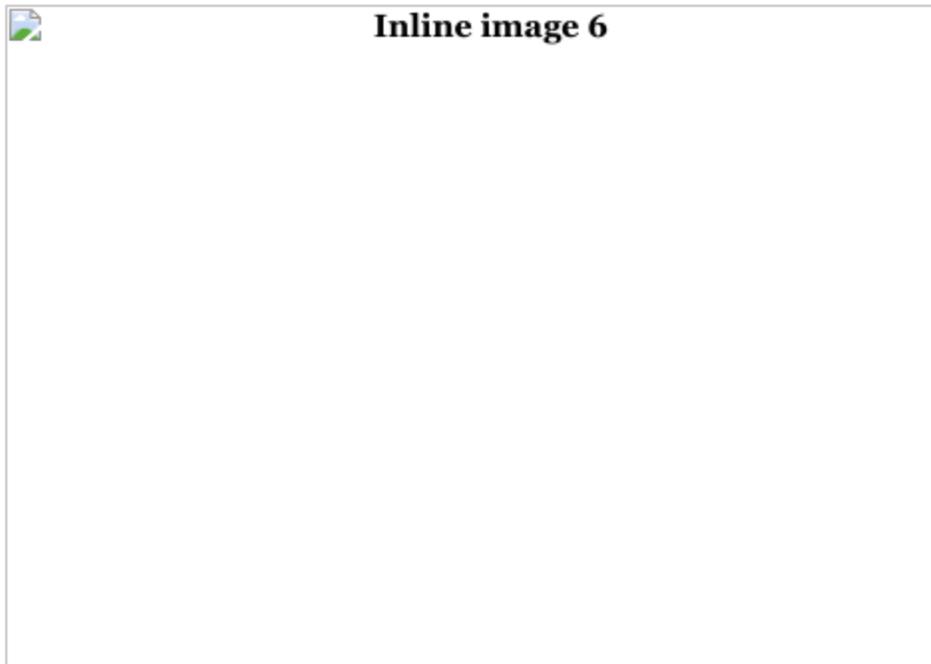
Officers often lack the training to approach the mentally unstable, experts say. How else can one explain why so many American cops believe that shooting a schizophrenic man dead for failing to drop a screwdriver is an acceptable outcome? The family of a mentally-ill man shot by Dallas Police officers when he walked to his front door carrying a screwdriver last year released video Monday of the deadly incident.

Jason Harrison, 38, can be seen in the police body-camera video walking to the front door after his mother opens it for the officers and walks outside past them. She called police asking for help with Harrison, who suffered from bipolar disorder and schizophrenia. Family members told reporters from local news station WFAA they've had to call the police on Harrison before.

Harrison then came to the door fiddling with a screwdriver. Dallas PD said the officers then yelled for him to drop the tool and when he lunged at them with it, officers shot him, WFAA reported. *"When you're dealing with somebody that's mentally ill, you're not supposed to agitate, you're not supposed to move fast, you're not supposed to inflame,"* said Geoff Henley, the Harrison family attorney who has been retained in the wrongful death lawsuit against the Dallas Police Department.

The video shows officers carrying tasers, but the non-lethal weapons were never mentioned or used, WFAA reported. *"They didn't acknowledge him, they just acknowledged the screwdriver,"* said David Harrison, the victim's brother. *"Immediately after [my mother] got out of the way ... it went from zero to a hundred."* The Dallas Police Department said the two officers who fired were justified in the shooting and they remain on active duty, WFAA reported.

RAW BODY CAM: Dallas Police officers shoot mentally-ill Jason Harrison holding screwdriver



**Web Link:** <https://youtu.be/QMfupZ64T1M>

Let's look at the story of Gary Page, a 60 year-old disabled handyman had a long history of schizophrenia and depression and, since his wife died in February, he had been struggling to hold his life together who on a bright Saturday morning in March snapped. Page slit his wrists, grabbed a gun and climbed the stairs to his stepdaughter's place in the Pines Apartments in Harmony, Ind. He said he wanted to die. And then he called 911.

Nationwide, police have shot and killed 124 people this year who, like Page, were in the throes of mental or emotional crisis, according to a Washington Post analysis. The dead account for a quarter of the 462 people shot to death by police in the first six months of 2015. The vast majority were armed, but in most cases, the police officers who shot them were not responding to reports of a crime. More often, the police officers were called by relatives, neighbors or other bystanders worried that a mentally fragile person was behaving erratically, reports show. More than 50 people were explicitly suicidal. "*I want to shoot the cops,*" Page slurred to the dispatcher, prodding his stepdaughter to confirm that, yes, he had a gun. "*I want them to shoot me.*"

Minutes later, Page's death wish was granted. Two Clay County sheriff's deputies arrived to find that he had taken a neighbor hostage. They opened fire, striking him five times in the torso and once in the head. Page's gun later turned out to be a starter pistol, loaded only with blanks. His threats of violence turned out to be equally empty, the product of emotional instability and agonizing despair. More than half the killings involved police agencies that have not provided their officers with state-of-the-art training to deal with the mentally ill. And in many cases, officers responded with tactics that quickly made a volatile situation even more dangerous.

A Washington Post recent analysis provides for the first time a national, real-time tally of the shooting deaths of mentally distraught individuals at the hands of law enforcement. Criminal-justice experts say that police are often ill equipped to respond to such individuals — and that the encounters too often end in needless violence. "*This a national crisis,*" said Chuck Wexler, executive director of the Police Executive Research Forum, an independent research organization devoted to improving policing. "We have to get American police to rethink how they handle encounters with the mentally ill. Training has to change."

As a debate rages over the use of deadly force by police, particularly against minorities, The Post is tracking every fatal shooting by a police officer acting in the line of duty in 2015. Reporters are culling news reports, public records and other open sources on the Internet to log more than a dozen factors about each case, including the age and race of the victim, whether the victim was armed and the circumstances that led to the fatal encounter. The FBI also logs fatal police shootings, but officials acknowledge that their data is far from complete. In the past four decades, the FBI has never recorded more than 460 fatal shootings in a single year. The Post hit that number in less than six months.

At least 125 people with signs of mental illness have died in police encounters in the U.S. so far this year, according to the latest accounting from The Washington Post. The Post viewed these killings in which the mental health of the victim appeared to play a role, either because the person expressed suicidal intentions or because police or family members confirmed a history of mental illness. This approach likely understates the scope of the problem, experts said.

Last week **The Washington Post** published a database with information on every fatal shooting by a police officer in the line of duty in the U.S. They took the extra step of identifying — when they could — details about the mental health of the deceased. In evaluating the role that mental or emotional crisis played in police fatalities, investigative reporter Kimberly Kindy says that the Post attempted to be cautious as the paper compiled this data. *"Unless the families identified the deceased as somebody who was mentally ill or the police department identified them as mentally ill, we did not — even if it may on the surface of things [have] appeared as if they might be,"* she tells NPR's Eric Westervelt. *"So it's a conservative number — but even with it being conservative, it was a quarter of the killings."*

As of this week at least 71 people have been shot and killed by police across the United States within the past 30 days, according to Washington Post data. Please see via the web link below **The Washington Post** article: ***500 People Shot Dead By Police This Year***

Web Link: 

One of the Big Uglies in America is the way we treat (ignore) the mental ill. It is estimated that we incarcerate more mentally ill than we treat in hospital. Therefore if the prison has become the psychiatric hospital, the police officer has become the psychiatric nurse. The problem with this is that police officers are not trained to deal with the mentally ill. Furthermore, traditional tactics that a police officer is trained to use [are] the very opposite of what they should be doing. It doesn't work very well with somebody who's in a mental health crisis, or who has a serious mental illness, for you to get in their face, yell for them to throw down a weapon.

Most police officer-involved shootings happen within 90 seconds to two minutes of arrival of officers at the scene. Much of the time — as one expert said — there's a lot of white noise in their head, so [police officers] need to not move in and take control of the situation like you would with a criminal. They need to give a lot of space, slow things down, speak calmly and not try to immediately control the situation. That tends to escalate things and create a volatile situation instead of de-escalating things so you can safely bring a mentally ill person into custody or, you know, take them to the hospital, which is many times [why] family or friends are calling and asking for that kind of assistance — transportation to a mental health facility.

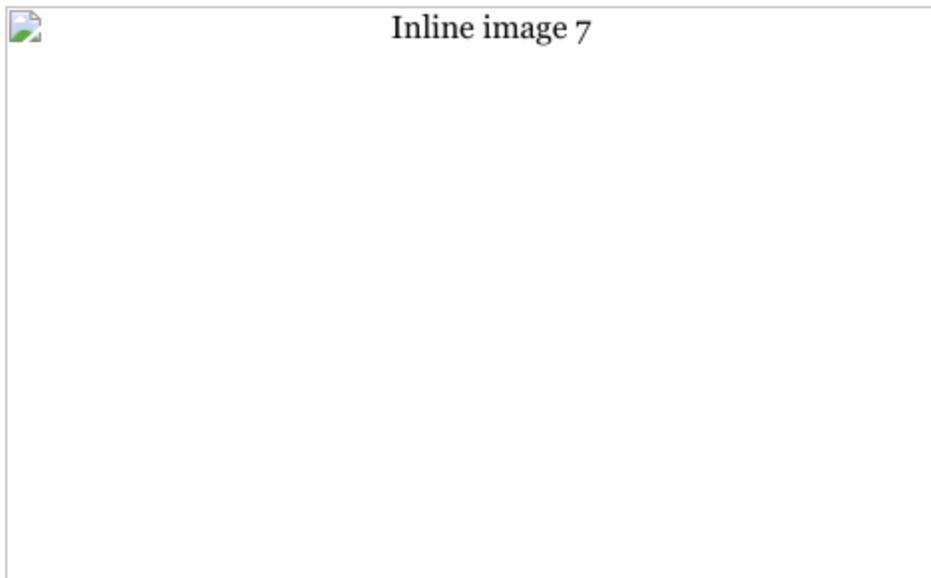
The United States continues to have one of the highest incarceration rates in the world, with 5 percent of the world population, but nearly 25 percent of the world's prisoners. Inmates are spending more time behind bars as states adopt "truth in sentencing laws," which requires inmates to serve 85 percent of their sentence behind bars. In 2012, about 1 in every 35 adults in the United States, or 2.9 percent of adult residents, was on probation or parole or incarcerated in prison or jail, the same rate observed in 1997. If recent incarceration rates remain unchanged, an estimated 1 out of every 20 persons will spend time behind bars during their lifetime; and many of those caught in the net that is cast to catch the criminal offender will be suffering with mental illness.

It also appears that the individuals being incarcerated have more severe types of mental illness, including psychotic disorders and major mood disorders than in the past. In fact, according to the American Psychiatric Association, on any given day, between 2.3 and 3.9 percent of inmates in state prisons are estimated to have schizophrenia or other psychotic disorder; between 13.1 and 18.6 percent

have major depression; and between 2.1 and 4.3 percent suffer from bipolar disorder. Across the nation, individuals with severe mental illness are three times more likely to be in a jail or prison than in a mental health facility and 40 percent of individuals with a severe mental illness will have spent some time in their lives in either jail, prison, or community corrections. I think we can safely say there is no doubt that our jails and prisons have become America's major mental health facilities, a purpose for which they were never intended.

Today's police training centers on taking control. It really requires a complete shift in culture, in the way they view policing, and so it's a learning curve. And what tends to happen is that police departments start to do this type of training, like you're seeing in the LAPD [Los Angeles Police Department], when they've had a number of high-profile cases that have gone wildly wrong and there's been some community protests.

In Los Angeles where I live there are so... so many of these stories; one in particular, though, is Lavall Hall, a schizophrenic young man. His mother called for help because he went outside in the really chilly, cold air. He was out there in his underwear swinging a broomstick. The police show up, and within minutes, he's gunned down. And the mother said, 'I wish I would've never called them.' It's just heartbreaking because, case after case, you're talking about family members and friends who call for help, and the person ends up dead. ... What's also heartbreaking is I think the police officers – their lives are changed forever when they take the life of somebody like this. They deserve a chance at knowing how to handle these situations and many of them are not given that chance by being given the proper training.



One of the big obstacles today is that police are increasingly seeing themselves separate from the public – us and them... They are often more concerned about defending a shoot than they are about trying to identify what went wrong so that procedures will be change and these types of situations don't end up with a death. This cycle has to stop. Consider this; **in just the month of March 2015, American police officers killed 111 people, which is more than the entire UK police have killed since 1900.** Obviously the methods that American police are using today, especially with the mentally ill are madness and this needs to change. The most dangerous thing that anyone in the public can do is to remain indifferent ***and this is my rant of the week...***

# WEEK'S READINGS

## The Greek Debt Crisis

(As of this week)



By now like me even if you are trying to keep up with the debt crisis in Greece you find yourself confused as it seems that the Greek Parliament just approved a settlement/deal similar to the austerity measures demanded by its European creditors a week ago which was overwhelmingly rejected by Greek voters last Sunday in a special referendum. But by Friday, the euphoria had faded with Prime Minister Alexis Tsipras's who vowed to stand up to Europe, caved to the harsh realization that the birthplace of democracy stood just 48 hours away from financial ruin — and Greeks were poised to swallow what amounted to the same dose of austerity they had refused in a vote just a week ago.

First of all the size of Greece's debt is daunting. At 317 billion euros at the end of 2014, or nearly \$354 billion, it is the second highest national

debt in the world, when measured as a proportion of gross domestic product: 177 percent. Only Japan's, at 245 percent, is higher. But as anyone who owes money knows, the burden is not so much the size of the loan but the terms of repayment. And Greece's big problem is payments coming due in the next few years. Greece needs about €30 billion, for example, just to meet its obligations through September 2016, according to the International Monetary Fund. That includes interest, arrears and payments due on maturing debt. A lot of that money is owed within the next few months, and it is clear that the government does not have the cash.

The good news, economists say, is that rescheduling the debt is much easier than forgiving it. German leaders have said they are against a so-called haircut — an actual debt reduction. But Wolfgang Schäuble, the German finance minister, said on Thursday that he would not rule out “*re-profiling*” Greek debt. He presumably meant changing the terms to make repayment less onerous and less likely to further squeeze Greece's already shrinking economy. “*Somehow Greece has to get over the next five years,*” said Zsolt Darvas, a senior fellow at Bruegel, a research organization in Brussels. “*There would be ways to ease the debt burden further without doing an outright haircut.*”

Among Greece's creditors, there is growing recognition that some kind of debt relief is inevitable. In a report last week, the ██████ said that, partly because of economic mismanagement by the leftist Greek government, Greece's debt was too high and the country needed an estimated €60 billion in additional financing. Before talks scheduled for Saturday, Eurozone finance ministers requested more information on the state of

Greece's debt, a sign they are considering the issue. But Greece did not formally ask for debt relief in the bailout proposal it submitted Thursday night. And detailed talks on Greece's debt burden are likely to come only later, if there is an accord this weekend on granting the country another financial rescue.

Rather than “*debt relief*,” the phrase of the moment in Brussels is “*debt sustainability*.” That means that Greece’s debt payments should be manageable over the long term. And they should not be so large, according to the sustainability camp, that they undercut any chance for the economy to grow.



Inline image 2

About two thirds of the money Greece must pay back by mid2018 is owed to either the European Central Bank or the █████. Greece has already missed a €1.5 billion █████ payment that was due at the end of June. The country cannot receive further financial assistance from the fund until it repays that money. On July 20, Greece must pay back €4.25 billion in principal and interest on bonds held by the European Central Bank. Mr. Darvas suggested that Greece be allowed to borrow from the European Stability Mechanism, the Eurozone rescue fund, to repay the █████. — in effect swapping one debt for another. Loans from that rescue fund carry a much lower interest rate.

In fact, Greece’s pending proposal includes a request to borrow an additional €53.5 billion from the European Stability Mechanism. If the deal comes through, part of that loan money could be used to make the █████ and E.C.B. payments. In addition, Mr. Darvas said, the Eurozone creditors should extend the period during which Greece would not have to make any interest payments, while giving the country longer to repay the principal on its loans.

Greece’s interest payments currently amount to about 2.5 percent of gross domestic product. That is less burdensome than the payback terms for Ireland or Portugal, which also received international bailouts. And the interest might be bearable for Greece, if it were not for the big payments looming in coming months and years.



Inline image 1

Greece's total debt would remain high, but the number would probably look less scary as the years passed, if the Greek economy grew and inflation whittled away the true value. *"There may still be room for an agreement,"* Olivier Blanchard, chief economist of the [REDACTED], said Friday in a blog post. A new accord, he added, should be based on *"a more explicit recognition of the need for more financing and more debt relief."*

Mr. Blanchard emphasized that Greece would also have to do its part by taking steps to improve the performance of its economy. Failure to do so, he wrote, would raise the cost to its creditors of debt relief. And even with debt relief, Greece will still need to keep a tight rein on spending. The [REDACTED], in its report on Greek debt last week, said the country would have to spend less than it collected in taxes and other revenue, and do so for years to come.

One big element of talks this weekend will be the size of the country's so-called primary surplus. That is the money left over after government expenditures, not counting debt service. *"Fundamentally, the euro area faces a political choice: lower reforms and fiscal targets for Greece means a higher cost for the creditor countries,"* Mr. Blanchard wrote.

However grudgingly, the Greek Prime Minister, Alexis Tsipras, largely caved in to creditor demands for spending discipline in the proposal his government filed on Thursday. The government agreed to raise sales taxes and eliminate tax breaks for some Greek islands, as well as for farmers. It also agreed to cuts in pensions demanded by creditors, an increase in the retirement age, and cuts in military spending.

Still, debt relief remains a tough sell in the rest of Europe. Angela Merkel, the German chancellor, has ruled out what she referred to as a *"classic haircut"* — phrasing that may leave room for debt restructuring that does not include outright forgiveness. Her caution is a sign that many Germans remain hostile to giving Greece a break on its debt. Greeks, on the other hand, expect debt relief as a reward for the pain they will continue to suffer, if the creditors accept the new Tsipras offer. Euclid Tsakalotos, the Greek finance minister, told the Parliament on Friday that the country would get debt relief and additional aid in return for *"credible measures"* to improve the economy. Greek leaders may

need at least a general promise of debt relief from creditors in order to win public approval for any deal.

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## The Bank of the Underworld

*Liberty Reserve was like PayPal for the unbanked. Was it also a global money-laundering operation?*



*Inline image 3*

My favorite bank ever was The Bank of Credit and Commerce International better known as **BCCI**, which was a major international bank founded in 1972 by Pakistani financier Agha Hasan Abedi. The Bank was registered in Luxembourg with its head offices in both Karachi and London. Within a decade BCCI touched its peak – operating in 78 countries, with more than 400 branches, and assets in excess of US\$20 billion, making it the 7th largest private bank in the world by assets at that time. But the greatest thing about the bank was that unlike many banks that only gave loans to people and companies that really didn't need it, BCCI lent money to businesses and entrepreneurs who often could not get funding from traditional banks.

BCCI came under the scrutiny of numerous financial regulators and intelligence agencies in the 1980s due to accusations that it was poorly regulated. Subsequent investigations said that it was involved in massive money laundering and other financial crimes, and illegally gained the controlling interest in a major American bank, First American Bankshares. BCCI became the focus of a massive regulatory battle in 1991 and on 5 July of that year customs and bank regulators in seven countries raided and locked down records of its branch offices. On 5 July 1991, regulators persuaded a court in Luxembourg to order BCCI liquidated on the grounds that it was hopelessly insolvent. And after years of litigation and lawsuits liquidators have recovered about 75% of the creditors' lost money.

Investigators in the US and the UK claimed that BCCI had been "set up deliberately to avoid centralized regulatory review, and operated extensively in bank secrecy jurisdictions. Other charges were that its affairs were extraordinarily complex. Its officers were sophisticated international bankers whose apparent objective was to keep their affairs secret, to commit fraud on a massive scale, and to avoid detection. And yes some of that may be true, but I felt that BCCI was targeted because it was willing to lend in Africa and like fallen investment banker Michael Milken and Drexel Burnham

Lambert who cornered the 'junk bond' market, competing firms orchestrated legal efforts against both firm, because at that time nefarious characters laundered their money everywhere, including the Vatican Bank.

As such when I saw the title Bank of the Underworld in the May issue of Atlantic Magazine by Jake Halpern I was immediately intrigued. The bank in question was Liberty Reserve. But it is not a bank in a traditional way — it was a digital currency similar to Bitcoin. Users could buy LRs, as they were known, for \$1 apiece and use them to pay anyone else who had a Liberty Reserve account. They could also store their money in the system. It was, in effect, a bank, a digital currency, and a payment method in one. Like authorities claimed about BCCI, they say that Liberty Reserve enabled criminals to do illegal transactions for drugs, guns and stolen identities because finding a payment system that both sides trust can be tricky. Cash is safest because it leaves no record. But handing over a briefcase stuffed with bills isn't an option when the parties are on opposite sides of the planet.

U.S. authorities had begun to notice that suspects in unrelated investigations were using Liberty Reserve to move dirty money. They had come to believe that it was a central hub for people engaged in credit-card fraud, identity theft, investment fraud, computer hacking, child pornography, and narcotics trafficking. It was, in their estimation, the underworld's payment method of choice — a system designed to help criminals make untraceable transactions.

In the fall of 2011, the U.S. Secret Service orchestrated a sting operation. The target was a Vietnamese man named Hieu Minh Ngo. Investigators believed he was a big-time identity thief who sold packages of data known as "fullz," each of which typically included a person's name, date of birth, mother's maiden name, Social Security number, and e-mail address and password. Criminals could buy fullz from Ngo for as little as eight cents and then use them to open credit cards, take out loans, or file for bogus tax refunds. They could also pay Ngo for access to a vast database of people's personal records.

As part of the operation, an agent attempted to buy the identities of hundreds of U.S. citizens. In such illegal transactions — be they for drugs, guns, or stolen identities — finding a payment system that both sides trust can be tricky. Cash is safest because it leaves no record. But handing over a briefcase stuffed with bills isn't an option when the parties are on opposite sides of the planet. Ngo suggested an alternative. In an e-mail to the agent, he offered simple instructions: "*Please pay to our LR: U8109093.*"

The U.S. government eventually arrested Ngo and charged him with 15 crimes, including substantive wire fraud and identity theft. He had allowed nearly 1,400 criminals to access a database containing the personal information of 200 million U.S. citizens — almost two-thirds of the population. Ngo pleaded guilty to wire, identity, and computer fraud and is due to be sentenced next month. It was a big win for the Secret Service, which is charged with safeguarding our financial infrastructure, and for the U.S. Attorney's Office. But officials had an even more ambitious plan in the works. And they wanted to shut it down. And they did.

The allure of going after Liberty Reserve was undeniable. In theory, it was an even bigger target than Silk Road, an online marketplace that sold illegal goods — an Amazon for the criminal world, until the FBI busted it in 2013. After all, why go after lone actors like Ngo, or even an entire

marketplace, if instead you could find a way to destroy the very currency that bad guys around the globe appeared to be using? At the heart of the government's probe were two crucial questions: How many criminals were using Liberty Reserve? And had they hijacked the system, or were they the intended users?

The underworld is a realm that thrives on paranoia. On May 24, 2013, criminals across the globe had good reason to panic: they couldn't access their Liberty Reserve accounts. Rather mysteriously, the company's Web site had stopped working. There were no explanations, no "*We're experiencing technical difficulties*" notices. The home page simply redirected to a blank screen. Those who bothered to investigate further learned that the domain name for that blank page was controlled by a nonprofit organization called the *Shadow* server Foundation. Its own Web site featured a faceless man in a dark hat and declared: "The Shadow server Foundation gathers intelligence on the darker side of the

Internet. We are comprised of volunteer security professionals from around the world." It appeared that the Liberty Reserve Web site had been taken down, at least temporarily, by a team of pro-bono crime fighters.

Despite not being able to access their accounts, some of the carders remained hopeful. "LR will be back and give everyone triple their account balance," one wrote. Another, who called himself "Ninja," offered a standing \$1,000 bet that Liberty Reserve would soon resume operating. But most seemed worried. Rumors and speculation flew about Liberty Reserve and its creator, Arthur Budovsky. One member wrote, rather smugly: "I don't keep even a penny for long period on virtual currencies. Coz I trust nobody." This remark seemed to get right at the crux of the matter. Liberty Reserve was a financial system, like all others, built on trust. In buying into the system, users were trusting that the people running it would operate fairly and protect their interests.

And the system that Budovsky built had inspired confidence. At one point, Liberty Reserve had more than 1 million users. Their faith was key. After all, this wasn't just an electronic payment system Budovsky was operating. It was a currency, too. In theory, he could have "printed" as many LRs as he wanted, and used the money to line his own pockets. Or he could have made off with all the funds in users' accounts. For the system to work, they had to feel safe. In effect, they had to believe in Budovsky. Now that Liberty Reserve was frozen, and fortunes stood to be lost, users around the globe began frantically searching the Internet in the hope of gleaning a clue about Arthur Budovsky. Everything seemed to hinge on who this man was and what his intentions were.

Budovsky was born, in 1973, in Kiev, the capital of Ukraine, and at the age of 17 immigrated to the United States with the family and settled in the Hasidic neighborhood of Borough Park section in Brooklyn, New York. Budovsky briefly attended Abraham Lincoln High School, in Brighton Beach, but then dropped out. Not long afterward, he had a nervous breakdown. Irina told me doctors diagnosed him with "outside phobia"—whenever he ventured onto the street, he was overcome with dizziness and nausea. While he was holed up, Budovsky's parents used their savings to buy him a computer for \$2000. Budovsky's fear of the outside world gradually diminished. He began working as a computer consultant, starting with just a few individual clients and eventually helping small businesses set up their networks. He also reconnected with an acquaintance named Vladimir Kats, a Russian immigrant from St. Petersburg.

They shared a love of computers and in the early 2000s became interested in the emerging world of digital currencies and one of its pioneers Douglas Jackson. Budovsky and Kats were intrigued by what Jackson was doing that in 2002 they bought an online currency exchanger known as GoldAge and set about expanding the business. GoldAge was a middleman — if you wanted to convert dollars to e-gold, or vice versa, you needed to use such an outfit. Budovsky and Kats took a commission of 2 to 4 percent on every transaction, and, according to a subsequent indictment, they converted tens of millions of dollars.

Budovsky said he felt that he was at the vanguard of a revolutionary way of banking. But trouble was brewing. After the September 11 attacks, U.S. authorities grew increasingly concerned that money transmitters, such as check-cashing businesses and wire services, offered terrorists and other criminals an easy way to move money. So when Congress passed the Patriot Act, in 2001, it included provisions to make prosecuting money transmitters easier, especially if they failed to get a government-issued license. It was unclear how these rules applied to digital currencies and exchangers, though, and Budovsky never applied for a license.

One summer night in 2006, at 4:30 ■■■. Budovsky was arrested by a police swat team screaming *'Where's the money and where are the weapons?'* Budovsky was indicted by the Manhattan district attorney for operating a money-transmitting business without a license. He was given five years of probation. A year later, the federal government indicted Douglas Jackson, the radiation oncologist, and the other principal operators of e-gold. According to the indictment, e-gold's database had records of criminal activities its users were engaged in — with such notations as *"child porn," "scammer,"* and *"CC fraud."* Jackson contested the charges but ultimately pleaded guilty to operating an unlicensed money-transmitting business and conspiring to engage in money laundering. He served no jail time. E-gold was allowed to continue functioning under stricter requirements, but it lost users and eventually shut down.

The digital-currency boom seemed to be on the wane. Budovsky, however, had already begun working —with some help from Kats — on a digital currency of his own. Budovsky told Halpern that he just wanted to build a better, faster, easier payment method. "The current banking system has not invented anything new for quite some time, while the world and technology have moved on," he said. *"This made me think, What can be improved?"* His goal was to keep it simple. Users would go through exchangers to buy LRs, just as they had in order to buy e-gold. Liberty Reserve would take a 1 percent commission on all transactions made within its system. For an additional "privacy fee" of 75 cents, users could hide their account number when sending LRs, making the transfer untraceable.

Liberty Reserve's most obvious competitor was bitcoin, which launched in 2009 and is called the first decentralized digital currency because it is maintained by volunteers around the world who verify and record transactions in a public ledger. Many libertarians have embraced bitcoin as a way to break — or at least circumvent — government's stranglehold on currency. The downside of bitcoin, from a user's perspective, is that its value fluctuates wildly. Liberty Reserve was designed to be more stable: LRs were pegged to the U.S. dollar. What's more, Liberty Reserve was run as a for-profit venture, with headquarters in Costa Rica where it was incorporated in 2006.

At the time the country was teeming with entrepreneurs, thanks to lax regulations and the fact that companies based there did not have to pay taxes on profits earned outside the country. And by the mid-2000s, Costa Rica was struggling to rein in online gambling and Ponzi schemes. But with no military and a underfunded, understaffed law-enforcement agencies and an inefficient justice system Costa Rica had become known as a place where dirty money could be cleaned. The country's

geography — with drug producers to the south and their customers to the north — was ideal for money launderers. And according to Global Financial Integrity, a nonprofit that monitors international money laundering, Costa Rica exported \$5.4 billion in laundered money in 2006, equivalent to 24 percent of its GDP. By 2012, that number was up to \$21.6 billion — a whopping 48 percent of GDP.

Of course, none of this proves that Budovsky had nefarious intentions. Costa Rica was, in theory, just a tropical paradise with low taxes and minimal government interference — an ideal habitat for a pair of pioneering tech nerds. Neither Budovsky nor Kats spoke Spanish fluently, though, so they teamed up with a local named Ahmed Yassine Abdelghani a naturalized Costa Rican citizen originally from Morocco, who oversaw the day-to-day operations of Liberty Reserve. Budovsky says he chose Costa Rica simply because he had visited on vacation and fallen in love with the place: “I quickly became a victim to the stunning beauty of the country, the friendliness of its residents, the whole *pura vida* concept of life,” he said. Anyone who has been to that magic country can understand what I am saying.”

By 2010, Liberty Reserve was gaining tens of thousands of new accounts each month. The company soon looked the part of a successful tech start-up. It had more than 50 employees in departments including human resources, accounting, marketing, and legal, and provided around-the-clock customer service and technical support. Liberty Reserve’s headquarters were in the same office park in San José, the capital, as branches of Hewlett-Packard, Procter & Gamble, and Western Union. The company housed its servers in the Netherlands and employed programmers in Ukraine. Its customers, of course, were everywhere.

Many users were legitimate businesspeople. One of them was Mitchell Rossetti, an entrepreneur based in Texas whose company, ██████████, sells prepaid credit cards with small balances to customers around the world. Many of his customers couldn’t use PayPal, because they didn’t have bank accounts or credit cards, and he didn’t like that PayPal would let people dispute a charge after ██████████ bought one of his cards. PayPal would demand a refund, and Rossetti would be out the money. “This is why we went to Liberty Reserve,” he told me. “*All payments were final.*” He also appreciated the multiple layers of encryption anytime he logged in. “*It was very well thought-out.*”

Budovsky says he sold Liberty Reserve to Abdelghani soon after the company launched, and that he then worked for the company as a contractor, helping to make the networks run. U.S. investigators would later allege that Budovsky always controlled Liberty Reserve, and that he used surrogates to open bank accounts or file corporate paperwork. Budovsky says that he simply wanted to avoid the tiresome burdens of ownership. “I like to create and sell,” he said. “Office jobs are not for me.” Whatever his intentions were, the practical effect was that he had no real legal ties to the company. On paper, at least, he was just another tech contractor. It’s unclear to what extent Vladimir Kats shared in Liberty Reserve’s profits. Budovsky says that Kats never came to Costa Rica or contributed to the company in any meaningful way.

In 2009, Kats and Budovsky had a falling-out, and Budovsky says that he gave his old friend a six-figure gift — a kind of unofficial severance — and that after this, Kats had nothing to do with Liberty Reserve. For Budovsky, life in Costa Rica was good. He met and married a local woman Yesenia Valeria Vargas. Vargas, who was in her mid-30s with three young daughters.

Secret Service had been keeping an eye on Liberty Reserve since at least 2010. As part of its investigation, agents tested just how carefully Liberty Reserve vetted its users. An agent tried opening an account with the name “Joe Bogus” and an address of “123 Fake Main Street” in “Completely Made Up City.” The agent also named the account “ToStealEverything” and wrote that it would be used for “shady things.” He encountered no problems, and the account was soon functional. By 2011, a Secret Service agent who was a member of the multi-agency Global Illicit Financial Team (GIFT) had suggested that Liberty Reserve would make a good target for the group. GIFT was created to investigate multinational financial-crime cases, especially those involving organized-crime syndicates.

By the government’s assessment, the Liberty Reserve investigation is one of the largest money-laundering probes ever conducted. Classic money-laundering schemes involve businesses that run largely on cash — tanning salons, car washes, casinos — where the dirty money simply mixes in with the clean. In the age of global finance, though, money laundering typically involves shell companies and offshore bank accounts. Liberty Reserve appeared to be a key component in the process — a conduit for criminals to move money across borders without leaving a trace.

The government felt that in going after Liberty Reserve, the element of surprise would be crucial: authorities believe that needed to act before the main players had a chance to take their money and run. Even more important, authorities would need to seize Liberty Reserve’s servers before anyone could destroy the data they held. The servers were the Holy Grail. They contained information on all 1 million users and their 5.1 million accounts — evidence that might incriminate not just those running Liberty Reserve but any criminals who used the system. Such sensitive information can often be sabotaged remotely, with the click of a button.

Prosecutors analyzed approximately 500 of Liberty Reserve’s biggest accounts, which constituted 44 percent of its business. The government contends that 32 of these accounts were connected to the sale of stolen credit cards and 117 were used by Ponzi-scheme operators. All of this activity flourished, prosecutors said, because Liberty Reserve made no real effort to monitor its users for criminal behavior. What’s more, records showed that one of the company’s top tech experts, Mark Marmilev, who was also arrested, appeared to have promoted Liberty Reserve in chat rooms devoted to Ponzi schemes.

“Thousands of criminal websites relied on Liberty Reserve as their payment processor of choice,” prosecutors argued in a memo submitted to the U.S. District Court for the Southern District of New York. “These websites predominated the sources of Liberty Reserve’s online traffic and generated billions of dollars in transactions run through the company’s system.” Prosecutors dismissed the idea that many legitimate businesses used Liberty Reserve. After the takedown, they noted, users were encouraged to contact the U.S. Attorney’s Office in Manhattan if they wanted their money back. According to prosecutors, only 35 people did so.

Of course, none of this evidence could be used against Budovsky in a U.S. court so long as he remained in Spanish custody. Budovsky was eventually arrested at the Madrid airport and he spent the next year and a half in Spain fighting U.S. efforts to extradite him. Then, this past October, Budovsky’s mother received a call from his lawyer in Spain. “Your son has disappeared from prison,” the lawyer told Irina. Two days passed without any news. According to Budovsky, during this time he was let go and then effectively kidnapped by U.S. authorities. “I collected my things and was taken to the release-processing area of the prison,” he told me. “They said, ‘These police officers will escort you — you are free, but you must register at the local police precinct.’” At the precinct, he says, he was handed over to the Secret Service and flown to the United States on a commercial Delta flight.

One of the lawyers representing Budovsky was Bart Stapert, an extradition specialist based in Amsterdam. Stapert told me that because no one had informed him when his client would be extradited, it was impossible for him to lodge an appeal with the European Court of Human Rights. In fact, Stapert didn't learn about Budovsky's fate until his client was en route to New York. According to Stapert, the U.S. government requested that he forfeit his fees for the case — insisting that the money Budovsky had paid him was tainted — a move that forced him to drop Budovsky as a client. Once on U.S. soil, Budovsky was assigned a court-appointed lawyer; he is scheduled to face trial this fall. If found guilty, he faces up to 30 years in prison.

Perhaps the biggest problem for Budovsky is that four of his co-defendants — Kats, Marmilev, a tech worker named Maxim Chukharev, and Azzeddine El Amine, who is alleged to have been Budovsky's deputy — have already pleaded guilty. They have conceded that the company violated U.S. law by operating without a license from the Treasury Department. And they have admitted, to varying degrees, that they knew criminals were using the system. Chukharev has been sentenced to three years in prison and Marmilev to five years. A lawyer involved with these proceedings told me that Kats and El Amine, who have not yet been sentenced, will likely testify against Budovsky at trial. Their testimony may be the prosecution's coup de grâce.

Budovsky says that the authorities have missed the real culprit — the greatest enabler of criminal activity. “I have asked everyone in prison: How do you move money?,” Budovsky said. “Two ways: cash in suitcases and Western Union. There's no verification required for up to \$900 with Western Union.” Still, there's no denying that digital currencies provide an easy way for criminals to move money across borders. (It's worth noting that Silk Road — the online criminal marketplace — operated almost entirely with bitcoin.) If the case against Liberty Reserve proves anything, it's that the U.S. is increasingly serious about policing the realm of digital finance. It remains unclear, however, how much is gained by destroying a single currency. Tom Kellermann, the chief of cyber security at TrendMicro, an IT security company, told me he doubts that shutting down Liberty Reserve will be the deathblow to cybercrime that U.S. authorities envisioned. There are simply too many similar services, he said, and too many powerful groups that want to use them — from crime syndicates to the Islamic State. “The anti-money-laundering effort is failing,”

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## MELTDOWN — *Paying the Price* — PART 3



Inline image 4

Episode 3 Web Link: <https://youtu.be/L2oDhfgPugE>

**Part 3** centers on the orgy, greed and recklessness that almost the world into financial collapse focuses some of the people who fought back. In Iceland a protesting singer brings down the government. In France a union leader oversees the kidnapping of his bosses. In California thousands of homeless pay the price. The year since the 2008 collapse was marked by demonstrations around the world owing to the loss of 30 million jobs. In many places the world violent street protests but they were easily woman by governments and large corporations. In some countries the struggle went much deeper and left a lasting mark.

The epicenter of this battle was in France where workers have always been quick to the barricades. Because of the meltdown in March 2009 the **Continental Tire Company** (*4th in the world*) announced that it would be forced to close its factory in the town of Claroix cutting 1,120 jobs. The plant was still **showing a profit of €28 million** in 2008, but according to the factory's boss, he blame the closing saying that, "*the workers weren't as motivated and productive as they should be.*" Continental's worker label its chairman a thief. They convened a meeting at the plan to organize a protest. At the meeting the plant's boss tried to charm the proud until it was hit in the head with an egg and left. In response the protesters took over the plant's offices and when told that a judge refused a motion to stop the plant's closing they began trashing the place. This worker uprising began to spread across the country and became increasingly threatening.

The caterpillar heavy equipment company in Grenoble that had record profits they would be cutting 20,000 jobs worldwide and more than 700 in France because the global meltdown would reduce demand for their bulldozers show production would have to slow down. On March 2nd workers surrounded the plant. Three weeks of negotiations led nowhere. Ferrous workers surrounded the management offices and decided to hold the management team captive in an endeavor to pressure the bosses to come to the negotiating table. But they refused. With the Caterpillar boss is held captive the situation became increasingly dangerous. The police did not immediately intervene as the Union control of the situation. The Caterpillar kidnapping incident made news around the world and was widely described as "*boss napping.*"

President Nicolas Sarkozy realized this extreme reaction to the global meltdown and that it was turning into a public relations disaster for France. He went on national television to denounce the kidnappers. Privately France Finance Minister Christine Lagarde, was critical of Caterpillar's management who thought that the situation was exacerbated by the hand fisted tactics of the American company. A common problem with foreign owned firms. After an anxious night Caterpillar's executives agreed to resume negotiations and in exchange the Union allowed the buses to leave the plant. Union bosses tried to declare victory, why look at a Pella executives who would kidnap decided to keep silent about their ordeal. And many buses in France realize that they could end up in a similar predicament.

When U.S. owned-auto parts supplier **Molex Corporation** tried to close its plant in Villemur in southwest France in April workers detain two executives and within one hour the media descended on the plant. The two executives were released after 26 hours in captivity and in the end the Molex Corporation paid some extra compensation to workers but did not back down and close the plant. Things got so bad that Molex executives had to travel with bodyguards as workers openly threaten their lives. The French Government had to walk a fine line about union militancy in France as foreign companies don't like the turbulent atmosphere, while on the other hand the people who have paid the greatest price for the global financial collapse are workers.

Iceland was a microcosm of everything that went wrong during Financial Crisis. The sudden collapse of the country's banks in the fall of 2008 wiped out the pensions and savings of most Icelanders. Every citizen was now saddled with a debt, estimated \$350, 000 per person. Icelanders were furious at the greed of bankers and government cronyism that contributed to the meltdown. In early 2009 some took to the street to protest their dissatisfaction. First they surrounded the national parliament in protest and organizers appealed to the public to come out and support them. As facts leaked out every day it became more shocking to the moral sense ability of the average Icelander. As crowds grew the Reykjavik police moved into protect the Parliament. Soon there were scuffles, as nothing like that had ever happened in Iceland and both sides were unsure how to proceed.

On January 21st the anger focused on the Prime Minister Geir Haarde. His car was surrounded and pelted with eggs and garbage. He was shaken by the incident and Icelander poet and singer Hörður Torfason who staged a one-man protest in 2008 was the main protest leader asking people to go home and get their pots and pans to serenade the politicians in Parliament. The rhythmic beating of kitchen utensils, homemade drums and whistling almost became tribal as people crowded around street fires in a show of solidarity.

On January 23rd Geir Haarde address his countrymen on national television and announced that he was resigning due to illness. His governing coalition fell apart and the new government was clean up the incredible mess left by bankers and politicians who preceded them. Iceland's extreme privatization that was driven by greed and bad practices in business had a terrible ending Icelandic people paying the price and as usual it was not the people who caused the problem that had to clean it up with many Icelanders believing that they are living in a ruined society as many people have lost their jobs and become despondent. As a result of the Meltdown young people in Iceland face decades of high taxes and reduced services to pay off the debts run up by Icelandic banks. As a result there is a great fear that many young educated people will give up and move away from Iceland as most young people feeling there is little or no future want to leave and immigrate to countries where there are more opportunities. In confronting the problems of a failed economy Iceland at least has the advantages of a strong social safety net. The situation is much more difficult in what is called the Western's World surprising failed state, California.

In the three months following the Meltdown there was an estimated 1 million foreclosures in the United States sweeping many middle-class families into poverty. Tent cities began springing up across the country as the homeless desperately searched for somewhere to spend the night, including one in a field in the city of Sacramento, the capital of a state which was long considered America's richest. It was reminiscent of the cities that appeared during the Great Depression in the 1930s. In those days they were called "*Hoovervilles*" after then U.S. President Herbert Hoover. Back then homeless people camped along the banks of the Sacramento River at the edge of town and again today the homeless had pitch their tents against in the exact same spot. It is a dangerous place because the river can suddenly overflow its banks and flood the area. Municipal officials in Sacramento quickly ordered the big tent cities disbursed and did everything in their power to drive the homeless out of their jurisdiction. Many were arrested or fined.

After the global financial collapse so many families were driven in to poverty that by the end of 2010 there were more than one and a half million homeless children in the United States. And although charity organizations stepped up providing food and clothing it wasn't enough as an estimated 15 million Americans go to sleep hungry every night even today. Two years after the Meltdown began there were more than 1 million homeless military veterans with the greatest number in the Los Angeles area. Many of them suffer from post-traumatic stress and other mental illnesses. The **LA County Jail** now houses the greatest collection of mentally ill people in the country. The local government can't provide any other facilities or treatment for them. During this same period Governor Arnold Schwarzenegger more budget cuts which made the situation even worse.

The video goes on to tell the story of Windsor Ontario Canada. As **General Motors** closed its last plant in Windsor ending a 90 year history with the last 500 workers losing their jobs and joining the millions of workers around the world who lost their jobs since the Meltdown. The auto industry was one of the worst hit as a result of the Meltdown. At its height General Motors employed 7000 workers at its plants in Windsor but in 2010 GM said that there was not enough work to keep the plant open. These were people who took pride working at the biggest company in the world and often were the second or third generation from their family to work at General Motors and in many cases at the same plant. They were loyal employees who took pride in their work, assuming that they had jobs for life and didn't know how to do anything else. So it became a total shock to most, when GM told them in 2008 it was closing the plant.

At the height of the Financial Crisis it looked like General Motors would not only casualty in the automobile sector as Chrysler was in dire straits as well. The **Chrysler minivan plant in Windsor** employed over 4300 workers. Chrysler management invited Canadian government officials to their headquarters to explain that the company was on the verge of bankruptcy. At the height of the 2008 Financial Crisis the CEOs from the Big Three Automakers came to Washington to lobby for a massive bailout, which turned into a PR fiasco when it became public that they all flew in on private jets. There was a wave of revulsion from politicians and workers. Still the U.S. Government came up with the money and so did Canada as there were many jobs at stake beyond those at the Big Three Automakers, especially because three of the largest auto parts companies in the world were located in Canada.

If the Big Three Automakers closed, most likely these and many of the other auto parts companies would go out of business as well. One group of workers in Canada decided to fight back against their plant's closing. The incident came at the **ARADCO auto parts plant** that manufactured stamped

metal components for Chrysler. In March 2009 workers were called on a Monday night and told to stay home. The American own plant was shutting down.

The ARADICO workers discovered that management was trying to sell the equipment and sneak off without paying compensation to employees, some who had worked for decades and were owed \$30 and \$40 thousand and more. They decided to stop trucks that were coming to empty out the plant. And then when management still refuse to negotiate with them workers occupied the plant. The battle moved on to a downtown Hotel where ARADICO's parent company was trying to auction off the equipment inside the plant disrupting the proceedings. The police were able to bring down the tension by announcing that there would be no auction that day at the hotel.

It then turned out that the American owners of the plant were fugitives from justice as the owners had already dissolve the corporation and had done the same thing and France where they had been convicted of breaking French law. Canada had similar laws but rarely enforce them. In the end Chrysler stepped in and paid the workers a quarter of what they were owed which ended the ARADICO occupation as most workers realized that they most likely won't be able to find work paying similar salaries.

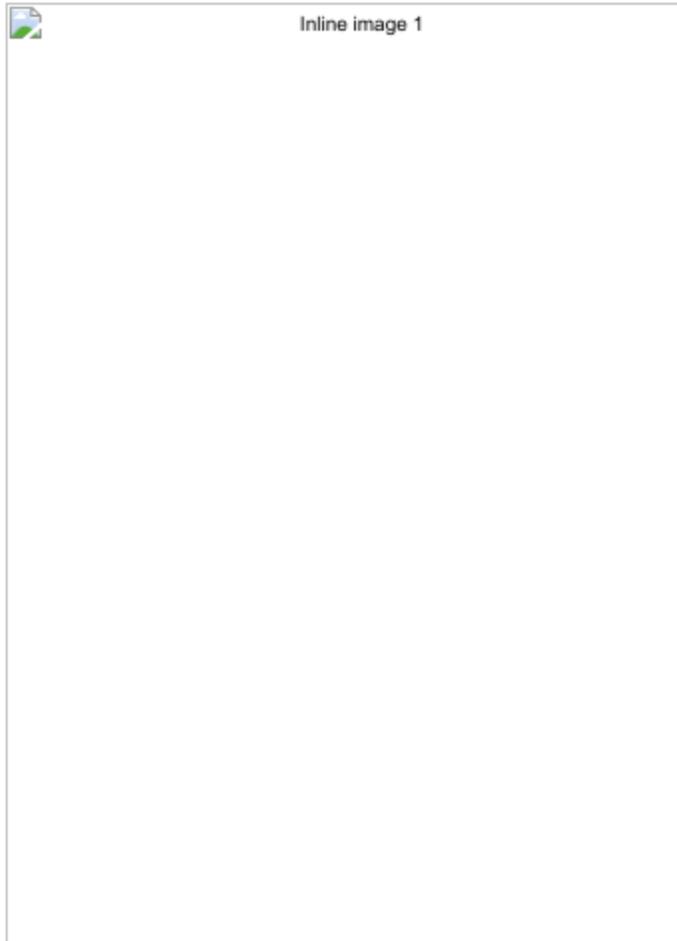
The most devastating effects from the financial collapse was felt in the countries that flew the highest during the global real estate boom, such as in **Spain** and in **Dubai**. Most workers around the world had little way to fight back against the effects of the meltdown. During the boom years Spain was called the "*Miracle of Europe*." But as a result of the Financial Crisis, no more. With a large immigrant population and unemployment quickly moving north of 20% they were the first to lose their jobs causing the Spanish Government to offer to pay immigrants to go back home, except that few took the offer holding on to hope that things will improve, even though there is little evidence that this will happen any time soon. Still today, in July 2015, unemployment is above 23% with youth unemployment above 50% down from almost 56% two years ago.

The real estate crash was even worse in Dubai for the army of construction workers who came from India, Pakistan and all over south Asia. They were paid on average \$3 a day and most were thrown out of work. And those still working were not paid for months but stayed on the job rather than returning home having paid middlemen for their visas and jobs which is deducted from their salaries during the first year. So when they are laid off many still owe money to the middlemen. And when workers protested Dubai authorities round them up and deported them. With a large number of them returning home still indebted to middlemen and loan-sharkers in their towns and villages. These poorest of workers were among the biggest losers as a result of the Financial Crisis.

**Part 4** is the conclusion of Meltdown which will be included in next week's offerings. And because most people and countries survived reasonably well lessons were ignored and economists and others are saying that a major Financial Crisis could happen again.

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## Poverty rates



A recent report by the OECD, a club of rich countries, produced further evidence on the widening gap between rich and poor. In the 1980s the richest 10% of the population of OECD countries earned seven times more than the poorest decile. Today they earn ten times more. The poor are also more likely to be young. Poverty rates are now highest among 18- to 25-year-olds, having dropped drastically among those aged over 65. This shift reflects both the financial support offered by pension systems in the developed world and the disproportionate effect of the recession on young people. Wealth is far more concentrated than income, with the poorest 40% of people in OECD countries holding just 3% of the wealth.

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## The Future of Music Making?



Inline image 5

Cherno Jobatey: 04/27/2015

Since the dawn of mankind there has been music. Sounds were celebrated during gatherings for their ability to set a specific mood. Drums were most likely the first instruments. Somewhere down the line, strings were plucked and strummed. But since the discovery of sound recording, and especially since its digitalization, concerts have become increasingly more monotonous: it is increasingly rare that musicians can get on the stage and deliver what the legend, or the recording, promises. Many professional performers insist that musicality and digitalization are in direct contradiction. A new discovery, the "**LinnStrument**," might change that.

### Instruments are constantly being discovered

Tinkerers have a history of discovering new instruments to suit their various needs: the Belgian clarinetist Adolphe Sax felt there needed to be deeper but nevertheless melodious woodwinds. So he created the saxophone in 1840.

Since the sound produced by a guitar is too soft for an orchestra, the now musically independent electric guitar was developed in the 1920s

Rhythm devices like the Rhythmicon have been making it easier for solo entertainers to bring their audience on tour since the 1930s.

The rock 'n' roll revolution once again made music a very physical experience: electric guitars ruled -- and they were supported by bass and drums.

### Digitalization changed music

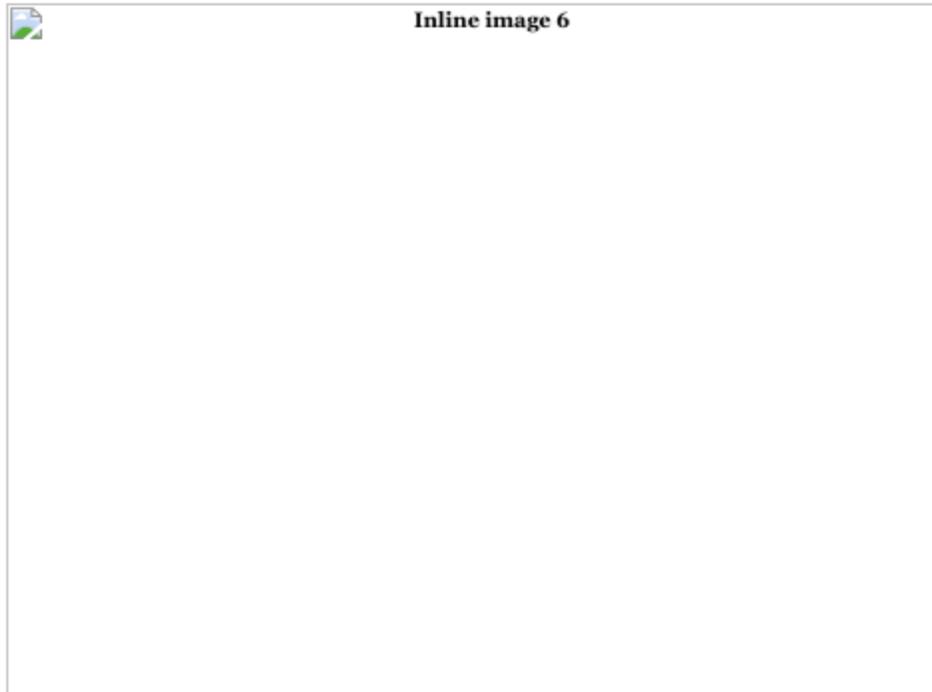
Digitalization changed music and how it is performed. Electronic music, like ambient, new age and electronica, produced with sound machines has been around for a while. However, in the 1970s, it was nothing more than niche music. Philistines dismissed the melancholic tones, like those from Tangerine Dream, as "*pothead music*."

The niche also remained small because only professional musicians who were both technically and musically adept were in a position to convert the complex technology into harmonies. Only with the discovery of the PC was the playing field suddenly opened up to everyone. Unknown Hamburg tinkerers set the standards. The consequence: just a few mouse clicks and the right software could make anyone sound pretty good.

This manipulation of reality didn't just change entertainment. Concerts also lost their excitement as fewer people were willing to spend years practicing in order to produce a certain sound. And why should they when everything you could imagine, and then some, can be found tucked away in some corner of the Internet. And once you're on the stage, you just need to play it.

## Digitalization vs. musicality?

This whole situation got on the nerves of a certain Roger Linn. He couldn't get rid of the "ghosts" he himself had played. He became world-renowned in the 1980s for his Linn Drum Machine, a drum computer that worked with so-called samples, basically sound recordings from various drums. These little tone samples could be programmed and reproduced. The sound of an entire generation was influenced. Think of George Michael's 1980s major hit "*I Want Your Sex*."

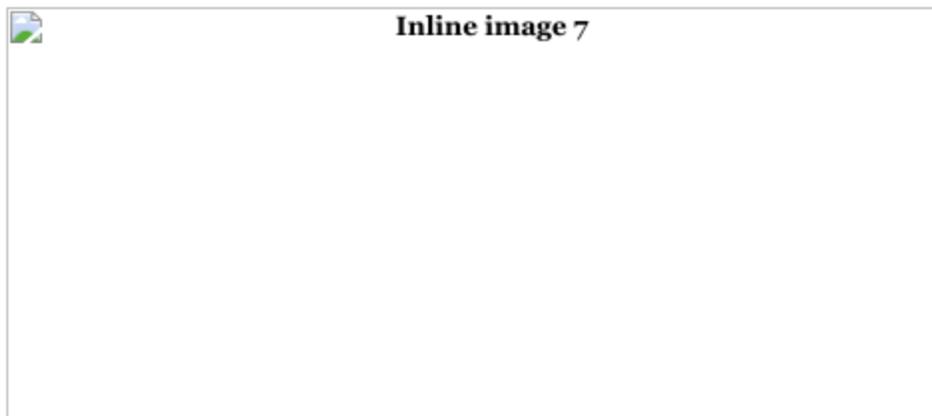


Web Link: <https://youtu.be/vldh7oQD-a4>

Thanks to the Linn Drum Machine everyone had the most precise drummer with them on the stage or in the recording studio. But that was it. The stored sounds were great, but stage performances increasingly less so. Apparently Roger Linn was exasperated with the whole phenomenon.

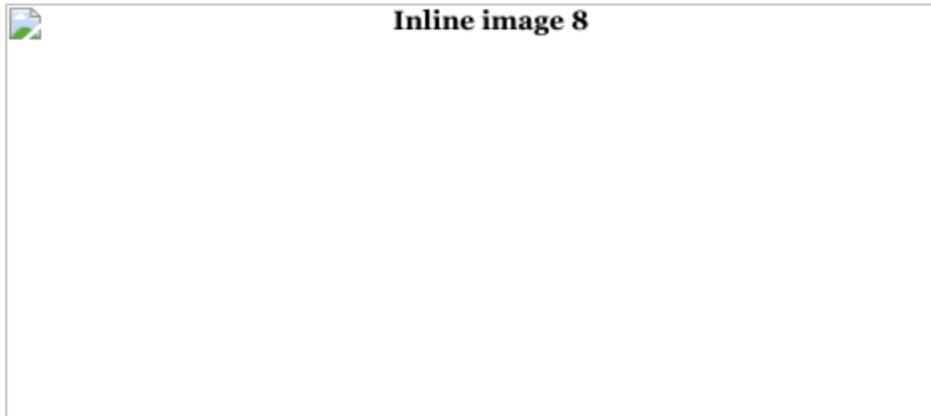
## LinnStrument -- the future?

For a while now, rumblings in the music industry about the grayed technical genius and his latest device, the **LinnStrument**, have been getting louder.



Web Link: [https://youtu.be/amO-I\\_mDxJE](https://youtu.be/amO-I_mDxJE)

The LinnStrument is actually "*only*" a controller that is attached to a computer to forward commands. Just as you would click on a keyboard to enter letters, the LinnStrument transmits commands for sounds and their modulation. Every imaginable sound is possible, be it solo or polyphonic. Why not recreate a Beatles class with a bunch of cellos?



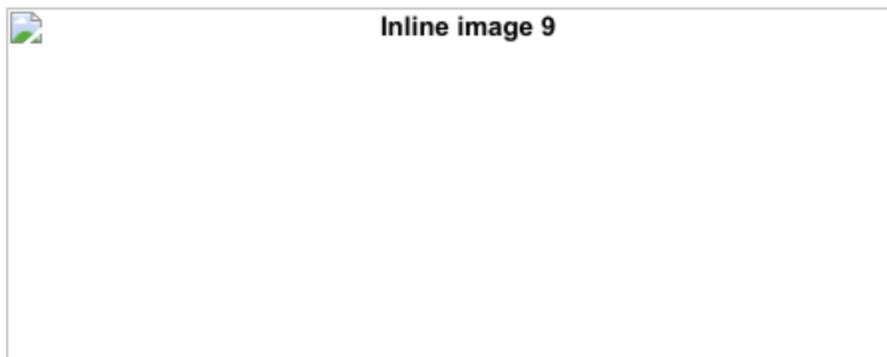
**Web Link:** <https://youtu.be/ymDI6LcK4BQ>

Whereas before it was only possible to adjust sounds with on and off switches, computers now apparently make everything possible. Simply put, the musician is guided by a grid-like diagram. The x-axis is the pitch and the y-axis determines the kind of sound/sounds.

If you've stored all the right sounds, everything becomes possible. Like a cowboy on a Hawaiian beach with his pedal steel guitar. Or a breathy saxophone.

### Virtuosity and musicality in harmony with the Digital Age?

These videos performed by the master himself show that not everything is going to sound good without a certain level of musicality. Maybe it's too premature, but one might be able to say that music, musicality, music creation and digitization appears to have finally found a way to work together.



**Web Link:** <https://youtu.be/74H91iPZp7U>

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Being that technology changes everything else, it is understandable that it has and will continue to change music. And I don't have any problem and nor should you as long as our composers and musicians don't sacrifice their souls while in the process of gaining proficiency and commercial success.

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# What is the most nutritious vegetable you can buy?

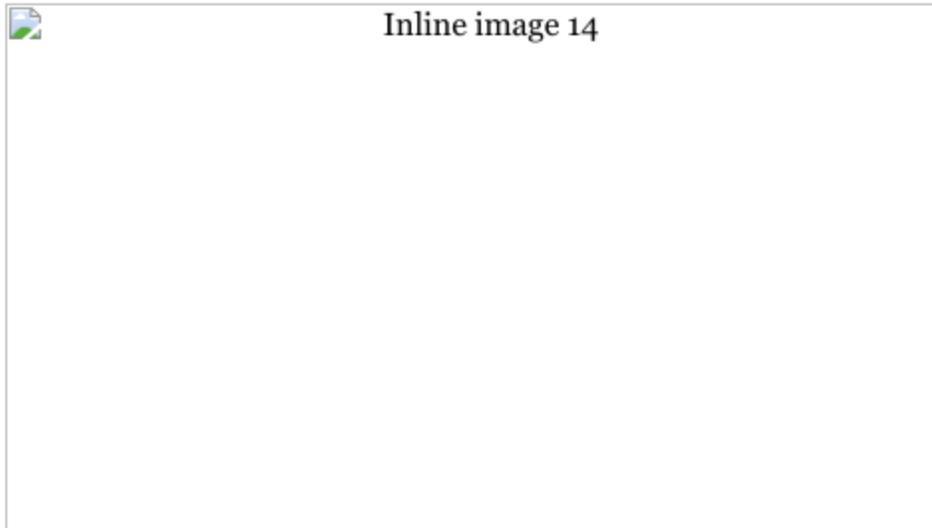
Joanna Fantozzi: January 26, 2015

We all know that Americans should be eating more fruits and vegetables. But there's a big difference between eating a handful of carrots or a tangerine, and munching on some leafy greens. The CDC recently ranked 47 of America's most common fruits and vegetables, and 41 out of 47 tested were determined to be "powerhouse" sources of nutrition.

Each of the fruits and vegetables were analyzed on a scale that measures the amount of fiber, protein, potassium, and vitamins.

But Mason jar, Mason jar on the wall, who is the fairest (and most nutritious) vegetable of them all? As it turns out, the answer is, "all of the vegetables that are green and leafy." Here are the most nutrient dense vegetables, according to the CDC.

## 1. Watercress



With a nutrient density score of 100, watercress ranks as the most nutritious vegetable to eat. This small, peppery green is a great addition to salads and makes a wonderful tea sandwich.

## 2. Chinese Cabbage



Inline image 13

Chinese cabbage, or bok choy, is more tender than Western varieties but can also be incorporated into soups and stews very well.

### 3. Chard



Inline image 12

Yes another leafy green vegetable at the top of the list. Chard is distinguished by its red-purple stalk and dark green leaves. Though slightly bitter, chard can be used in a ton of ways the numerous nutrition benefits outweigh that slightly bitter aftertaste.

### 4. Beet Greens



Inline image 11

Next time you're enjoying a red fleshy beet, don't throw out the tops. Beet greens are almost as nutritious as chard but pack in more vitamins and minerals than plain lettuce leaves.

## 5. Spinach



Inline image 10

Good old Popeye knew something was special about this tried and true side. Spinach may be one of the most popular leafy greens available but its also rounds out the top five that are great for you.

**THIS WEEK'S QUOTE**

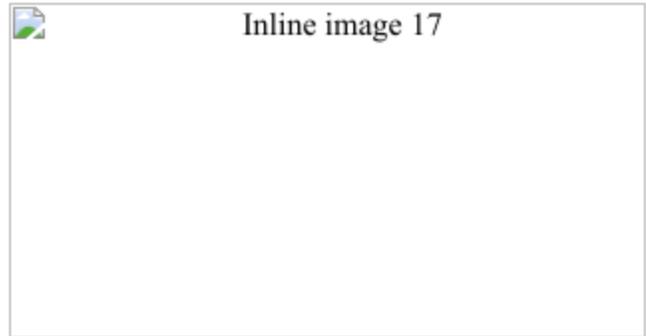
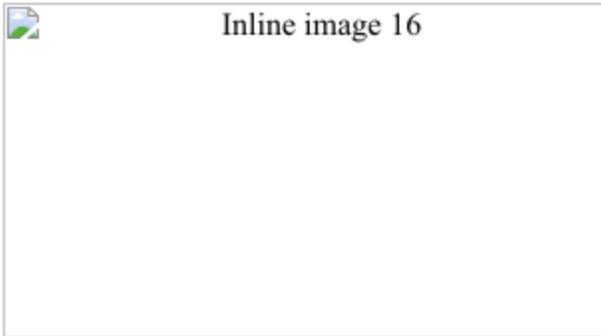


Inline image 1



Inline image 15

Special Digital Morphing....



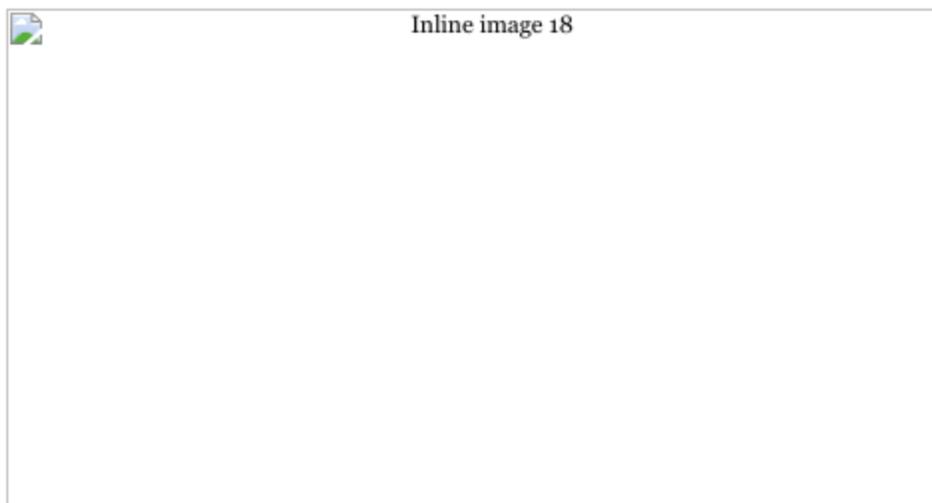
**Web Link:** <https://youtu.be/foqGirKxbvk>

Funny photo film of photos that blend together, using Morphing

Titel music: Dwo dwiddle dwevils by Karpa

## **SOMETHING SPECIAL**

One of the most amazing roller coasters in the world



This short HD video shows some of the highlights of The Griffon Roller Coaster at Busch Gardens Europe in Williamsburg, Virginia



Inline image 19



Inline image 20

Web Link: <https://youtu.be/tdl8wnQOkjM>



Inline image 21

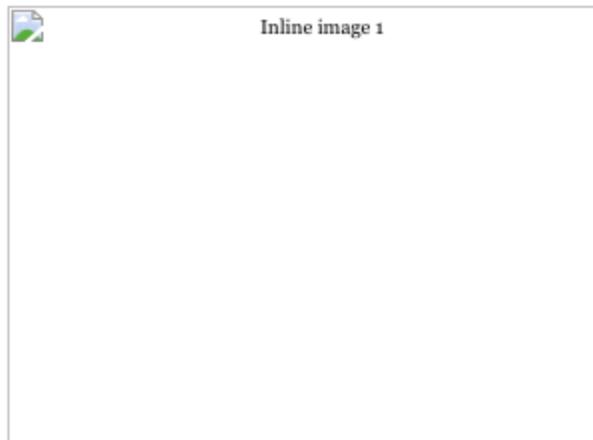


Inline image 22

You don't have to be crazy..... but it sure helps!!

**THIS WEEK'S MUSIC**

Tracy Chapman



This week I invite you to enjoy the music of Ms. Tracy Chapman (born March 30, 1964) who is an American singer-songwriter, known for her hits "*Fast Car*" and "*Give Me One Reason*", along with other singles "*Talkin' 'bout a Revolution*", "*Baby Can I Hold You*", "*Crossroads*", "*New Beginning*" and "*Telling Stories*". She is a multi-platinum and four-time Grammy Award-winning artist.

Chapman was born in Cleveland, Ohio. She was raised by her mother, who recognized Tracy's love of music and, despite not having much money, bought her a ukulele when she was just three. Chapman began playing guitar and writing songs at the age of eight. She says that she may have been first inspired to play the guitar by the television show *Hee Haw*. Raised Baptist, Chapman attended an Episcopal high school. She was accepted into the program "*A Better Chance*", which helps minority students attend private schools. She graduated from Wooster School in Connecticut, then attended Tufts University. She graduated with a B.A. degree in anthropology and African studies.

During college, Chapman began busking in Harvard Square and playing guitar in Club Passim, the Nameless Coffeehouse, and other coffeehouses in Cambridge, Massachusetts. Another Tufts student, Brian Koppelman, heard Chapman playing and brought her to the attention of his father, Charles Koppelman. Koppelman, who ran SBK Publishing, signed Chapman in 1986. After Chapman graduated from Tufts in 1987, he helped her to sign a contract with Elektra Records.

At Elektra, she released *Tracy Chapman* (1988). The album was critically acclaimed, and she began touring and building a fanbase. "*Fast Car*" began its rise on the US charts soon after she performed it at the televised Nelson Mandela 70th Birthday Tribute concert in June 1988; it became a number 6 pop hit on the Billboard Hot 100 for the week ending August 27, 1988. Rolling Stone ranked the song number 167 on their 2010 list of "*The 500 Greatest Songs of All Time*". It is the highest-ranking song both written and performed by a female performer.

"Talkin' 'bout a Revolution", the follow-up, charted at number 75 and was followed by "*Baby Can I Hold You*", which peaked at number 48. The album sold well, going multi-platinum and winning three Grammy Awards, including an honor for Chapman as Best New Artist. Later in 1988, Chapman was a featured performer on the worldwide Amnesty International Human Rights Now! Tour. According to the VH1 website, "Her album helped usher in the era of political correctness—along with 10,000 Maniacs and [redacted], Chapman's liberal politics proved enormously influential on American college campuses in the late '80s."

Since *New Beginning's* release, the musician has released a handful of albums, including *Telling Stories* (2000) and *Our Bright Future* (2008), and toured through 2009. Although Chapman has yet to match her early successes and largely stayed out of the spotlight she continues to tour and play selected dates supporting social activism. With this said, I invite you to enjoy the music that spoke to the social conscience of her generation Ms. Tracy Chapman....

Tracy Chapman – ***Fast Cars*** -- [https://youtu.be/Orv\\_F2HV4gk](https://youtu.be/Orv_F2HV4gk)

Tracy Chapman – ***Give Me One Reason*** -- <https://youtu.be/fpmN9JorFew>

Tracy Chapman – ***Talking About a Revolution*** -- <https://youtu.be/7rZbvi6Tj6E>

Tracy Chapman – ***Baby Can I Hold You*** -- [https://youtu.be/kjRo\\_CHSdt0](https://youtu.be/kjRo_CHSdt0)

Tracy Chapman – ***Crossroads*** -- <https://youtu.be/4SCysf13l2Y>

Tracy Chapman – ***Bang Bang Bang*** -- <https://youtu.be/IrRA7WMI1ks>

Tracy Chapman – ***Stand By Me*** -- <https://youtu.be/DlZxx3elxBE>

Tracy Chapman – ***Telling Stories*** -- <https://youtu.be/wapCTd5fS2Y> and <https://youtu.be/BMfRxfuNsQY>

Tracy Chapman – ***Smoke And Ashes*** -- <https://youtu.be/EQRLnXquHpo>

Tracy Chapman – *All That You Have Is Your Soul* -- <https://youtu.be/xV6emEbfOxk>

Tracy Chapman – ***Three Little Birds*** -- <https://youtu.be/4xA9pfaGGXg>

Tracy Chapman & B.B. King – ***The Thrill Is Gone*** -- [https://youtu.be/xVxCtt3s\\_1M](https://youtu.be/xVxCtt3s_1M)

Tracy Chapman & Buddy Guy – ***Ain't No Sunshine*** -- <https://youtu.be/neFzQ-vBXm0>

Tracy Chapman & Bruce Springsteen – ***My Hometown*** -- <https://youtu.be/aPQTrv2B1sw>

Tracy Chapman & Eric Clapton – ***Give Me One Reason*** -- <https://youtu.be/3d3iWPXvErQ>

Tracy Chapman & Pavarotti – ***Baby Can I Hold You*** -- [https://youtu.be/qQdnl0\\_IuRg](https://youtu.be/qQdnl0_IuRg)

#### BONUS TRACKS

Peter Gabriel and Tracy Chapman – ***Don't Give up*** -- <https://youtu.be/aEspNd251kk>

Youssou ████████ & Tracy Chapman – ***7 Seconds*** -- <https://youtu.be/9A1gc2tF0SQ>

*I hope that you are enjoying your summer as well as this week's offerings and I wish you and yours a great week.....*

**Sincerely,**

**Greg Brown**

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