



**MILLENNIUM DIGGERS
ASSOCIATION
Keizer, Oregon**



Secretary: Marlea Sheridan

Editor: Penny Esplin

2014 Officers:

-President: PENNY ESPLIN

-Vice-President: KEN ORNDORFF

-Treasurer: ALICE PHILLIPS

DATE: April 24th, 2014

Call to Order: Penny called the meeting to order. Welcomed all new members and guests.

In Attendance: We had 25 present.

Meeting Minutes: Last month's minutes were read by Alice. Accepted and approved by members.

Treasurer's Report: Alice reported her work on the treasury and checkbook balance. The report was approved and accepted by members.

Claims Report: Claudia –No news from FERC was good news for us Jeeter Creek has been approved by BLM. Directions will be forthcoming. We are not required by the state to mark corners however we need a work party to set some sort of boundaries for our members.

Millennium Diggers Raffle: Ken encouraged members to purchase tickets during the break.

Reminder: 10% of proceeds go to Stream Savers so let's step up and help them out. Check out the **STREAM SAVERS** Facebook Site:

<https://www.facebook.com/streamsavrs>

or contact **Karen Darnell** at: **streamsavrs.org@gmail.com**

50/50 to be drawn at the Christmas Party – Question was presented to run two 50/50's a year? One at the Briggs Creek or Jeeter Creek meeting potluck in June and one at Christmas? **Members voted to have only one at Christmas potluck.**

Miner sculpture raffle proceeds will split 50/50 with SB 838 court case and M.Diggers association. Drawing will be held at the Golden Jubilee in July along with ½ pound gold drawing.

Notice to members: Please think of more items to bring to upcoming meetings for the General Raffle table that we can use as prizes. If they are for “rocking” or mining of any kind, all the better!

Old Business:

-PLG'S ½ pound of Gold Raffle. Tickets are for sale at

<http://www.waldominingdistrict.com>

-Next drawing to be held in July at the Miner's Jubilee in Baker City

July 20, 2014 at the GEISER POLLMAN PARK

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**New Business:** Reminder our new claim at Diggers LNF Jeeter Creek is now open for business. Jeeter Creek was reviewed by FERC and they notified BLM that they have no plans of using the area at this time. We were notified by BLM that it is open for mineral entry and all's a go.

**Events/Outings:**

**June outing will be at Jeeter Creek Saturday June 7, 2014. Meet at Swiss Village at 9:30am.**

**Next Field Trip:** Rye Patch, Nevada. We will meet at Poker Brown **May 20<sup>th</sup>**. We plan to look for quartz crystals, Garnets, and gold. It will be a great time to explore for other minerals also.

Ken will be taking a grade school class on a rock hounding field trip out of Quartzville area, May 29, 2014?? **CANCELLED**

Miners need to support Doernerer and oppose Senator Bates in the mid-year elections. Senator Bates is supporting environmental extremist groups to push mining out of Oregon. Let's put some effort out to defeat Bates efforts.

**Rocks/Treasures letter “T”:**

Delman – Thunder eggs

Don Esch – petrified wood/ St Johns petrified forest, Prineville thunder egg slices,  
Washington petrified wood, rock bird house

Ken – Pyrite Crystals, Tourmaline

**Next Month’s letter is “U”**

**ATTENTION! ATTENTION! ATTENTION! ATTENTION!**  
**Special Guest Speaker TOM BOHMKER at May’s meeting**  
**Our Next Club Meeting: Thursday, May 22nd, 2014**

Visit our website at <http://www.millenniumdiggers.com/>

The Millennium Diggers Club is a group based in Keizer, Oregon, which is near Salem, Oregon. The club is for people that share an interest in searching for things of value. The club's charter is to provide members with a club that will help promote the hobbies of metal detecting, prospecting, rock hounding, and treasure hunting. Part of our yearly dues pay for mining claims that are available for all club members to use. We use club meetings to share information about locating gold, silver, coins, jewelry, gemstones, fossils and metal detecting. We plan club outings each month where we can help each other learn all aspects of our hobbies. This is a great family activity, bring the kids! Please feel free to drop in on one of the monthly meetings or outings.

**We meet the 4<sup>th</sup> Thursday of each month, 7:00 p.m, at:**  
**Clear Lake United Methodist Church**  
**920 Marks Drive**  
**Keizer, OR 97303**

We meet in the church's Fellowship Hall; a real a nice meeting place complete with tables, chairs and a kitchen. The church is located across the street from the Clear Lake Fire Station. There's plenty of parking in the church's parking lot.



# GOLD

## Scientists verify world's largest single crystal piece of gold

Nick Lavars, gizmag, April 16, 2014

<http://www.gizmag.com/los-alamos-largest-single-crystal-gold/31662/>



The scientists were able to confirm the 7.68 oz (217.78 g) specimen as a single-crystal piece of gold

Scientists at Los Alamos National Laboratory (LANL) in the US have confirmed a 7.68 oz (217.78 g) piece of gold is in fact a singular crystal, increasing its value from around US\$10,000 to an estimated \$1.5 million. The specimen, the largest single crystal piece of gold in the world, was discovered in Venezuela decades ago, but it is only by using advanced probing instruments that experts can now verify its authenticity.

Gold found in the ground will generally have a polycrystalline structure, meaning it is made up of many crystallites, varying in shape and size. Gold of a mono-crystalline structure, where the material is unbroken, are rarer and of significantly higher value. The US-based owner provided geologist John Rakovon with four gold specimens, hoping to determine whether they were of a polycrystalline or mono-crystalline structure.

Using a single-crystal diffraction (SCD) tool and a high-pressure/preferred orientation (HIPPO) instrument at the Los Alamos National Laboratory, Rakovan was able to examine the minerals using a technique called neutron diffractometry. As opposed to other probes, such as x-rays or electrons, neutrons allow the scientists to peer deep inside the materials and evaluate their structure.

The team found three of the four samples to be single-crystal pieces of gold. It is now preparing a scientific report and is examining the results to gain further insights into how the rare pieces may have originally formed.

“The structure or atomic arrangement of gold crystals of this size has never been studied before, and we have a unique opportunity to do so,” says Rakovan.

## **Sunken Gold Untouched for 157 Years off U.S. Lures Hunter**

By Liezel Hill, Bloomberg, Apr 25, 2014

<http://www.bloomberg.com/news/2014-04-25/sunken-gold-untouched-for-157-years-off-u-s-lures-hunter.html>



Crew members from Odyssey Marine Exploration Inc. work aboard the Seabed Worker vessel during recovery operations at the SS Gairsoppa shipwreck site in the North Atlantic, in this handout photo on July 3, 2012. Odyssey set out this week with treasure-hunter Bob Evans to revisit the remains of a 19th-century sidewheel steamer, which sank in 1857 with the loss of 425 lives and an undetermined amount of gold.

Treasure-hunter Bob Evans has spent half his life dreaming about the SS Central America, a pre-Civil War steamship decaying in the lightless depths off South Carolina. Now he's returning to the shipwreck after 23 years.

Evans, 60, set out this week with deep-ocean explorer [Odyssey Marine Exploration Inc. \(OMEX\)](#) to revisit the remains of the 19th-century sidewheel steamer, which sank in 1857 with the loss of 425 lives and an undetermined amount of gold. Despite recovery efforts in 1989 through 1991 that netted more than two tons of the precious metal, Odyssey says there may still be \$86 million of gold lying more than a mile below the surface of the Atlantic.

"This is the greatest lost treasure in United States history," Evans, who was chief scientist on the earlier expeditions, said in a phone interview before the ship sailed.

Even with the plunge in gold last year, the metal is still more than triple its price in the early 1990s, when previous recovery efforts were suspended because of legal battles over rights to the treasure. And the rare coins that have been found at the site are selling for much more than their weight in gold.

For Odyssey, the Central America shipwreck offers another chance to show the potential gains from deep-sea salvaging. While the Tampa-based company had its biggest profit in the fourth quarter and has recovered tons of treasure in past projects, some chronicled in the Discovery Channel series "[Treasure Quest](#)," it's failed at others and hasn't posted an [annual](#) profit in eight years.



**Odyssey Marine Exploration Inc. Remotely Operated Vehicle pilots navigate the advanced robotics used to recover silver bars from the SS Gairsoppa shipwreck site in the North Atlantic, in this handout photo on July 2, 2012. For Odyssey, the Central America shipwreck offers another chance to show the potential gains from deep-sea salvaging**



## **'Very Atypical'**

Odyssey is a "very atypical company in an atypical industry," Mark Argento, a Minneapolis-based analyst at Lake Street Capital Markets, said by phone. "It's more like a biotech company: Not every biotech company gets every drug approved."

Ryan Morris of hedge fund Meson Capital Partners LLC says it's unlikely Odyssey will find any easily recoverable gold. He's shorting Odyssey's [stock](#) and vowed to give any personal profit to charity.

Odyssey is undeterred. The company cites a court-appointed expert for its estimate of how much gold may still be at the wreck site, assuming that the bullion is in the form of 19th-century U.S. coins called Double Eagles.

"Our research department and the court-appointed experts all believe there is enough gold remaining at the SS Central America to warrant the expense of conducting an expedition," Odyssey President Mark Gordon said last month in an e-mail.

## **California Gold**

In 1857, the quickest way to get from San Francisco to New York was to take a steamship to [Panama](#), cross the isthmus by train and then sail up the coast via Havana. The Central America, which ran the Atlantic leg, was on its 44th round trip when it sank on Sept. 12 after being caught in a hurricane. Only about 150 passengers were saved.

The ship was carrying, among other things, a large consignment of gold for businesses, including ingots and coins, from [California](#)'s Gold Rush, according to the 1998 book "Ship of Gold in the Deep Blue Sea."

Based on information in "Ship of Gold" and other references, there may be an additional cargo, often referred to as the army-guarded gold. The company wasn't counting on finding any of that in its cost calculations, Gordon said on a March 17 earnings conference call.

## **'Collapsed Building'**

The shipwreck site was located in 1988 by a group led by explorer Tommy Thompson, who raised financing for and led a series of expeditions beginning in the 1980s. Evans, a geologist, began working with Thompson, his former neighbor, in 1983.

"It's essentially a four-story collapsed building at the bottom of the sea," said Evans, who was one of a handful of people in the ship's control room who watched the deep-water discoveries via video transmissions from a camera aboard a remotely operated robot called Nemo.

Using the robot, which can withstand deep-sea pressures of 4,000 pounds per square inch, the expeditions found gold flakes, coins and bars over the following three years, according to Thompson's 1998 book "America's Lost Treasure."

Thompson's operations were cut short by legal battles, beginning with lawsuits filed by insurance companies, banks and underwriters. Thompson's group eventually successfully defended the right to 92.5 percent of the artifacts it recovered and the right as salvor to recover what remained at the wreck.

### **Arrest Warrant**

The salvaged gold was sold in a series of auctions and private sales. Today, you can bid on a so-called \$20 Double Eagle from the Central America on EBay Inc.'s [website](#) priced at about \$11,000.

Still, the legal disputes dragged on when investors didn't receive any money from the expeditions, according to Ira Owen Kane, who was appointed by a court to manage Thompson's companies for the benefit of the investors and their creditors.

An arrest warrant was issued for Thompson in August 2012 after he failed to appear at a hearing before U.S. District Court Judge Edmund A. Sargus.

Avonte Campinha-Bacote, a lawyer in Columbus, [Ohio](#), who represented Thompson from 2012 to 2013, said he was unable to provide current contact details for Thompson.

### **'Incredibly Unlikely'**

Odyssey, which was selected for the Central America project by Kane, said it will receive 80 percent of recovery proceeds until a fixed fee and a negotiated day rate are paid, without disclosing those amounts. After that, Odyssey will receive 45 percent of the proceeds.

Meson Capital's Morris said in a March phone interview he believes Thompson probably would have tried to retrieve any remaining gold "if there was really stuff worth finding."



Odyssey discounts the possibility that anyone has been able to access the site since 1991.

One of many impediments is the depth of the wreck, Odyssey said. Though not as deep as the RMS Titanic, discovered in about 12,500 feet (3,810 meters) of water, Odyssey said the site of Central America at about 7,200 feet would make it inaccessible to most groups.

An expert retained by the court estimated that the gold remaining on the ship was probably worth \$343,000 to \$1.37 million in 1857, according to Odyssey. Using the low end of the estimate, there would be at least 17,150 coins still at the site if the gold was in the form of Double Eagles, Gordon said March 17.

Using a conservative average price per coin of \$5,000, the potential cargo would now have a value of \$85.8 million, Gordon said, in what he described as a hypothetical exercise. The value would be reduced if some of the bullion is in ingots, bars or gold dust. Gold for immediate delivery rose 0.7 percent to \$1,302.55 an ounce at 9:16 p.m. in [London](#).

Evans, who will represent the original investors and act as a scientific adviser, says he's sure the Odyssey expedition will more than pay for itself -- though he won't be more specific.

"I publish and I teach about what we did recover and the history of the site," Evans said. "But all along I've known what it still holds."

## **Mercury may put Rogue mining at risk**

[Mark Freeman](#), Mail Tribune, April 19, 2014

<http://www.mailtribune.com/apps/pbcs.dll/article?AID=/20140419/NEWS/404190307>

The recent discovery of elevated levels of mercury in the Rogue River's resident pikeminnow could, at least temporarily, regulate suction-dredge miners off 216 miles of the Rogue River and other Oregon streams beginning in 2015.

The Oregon Department of Environmental Quality is proposing a five-year renewal of a general water-quality permit needed by miners to suction-dredge in Oregon streams.

But the renewal specifically does not cover dredging in certain "water quality-limited" streams, a status now pending for the Rogue River after it was found to have mercury levels as much as 10 times higher than state standards for toxic pollutants.

The water quality-limited designation for the Rogue was expected to become official this summer. If so, the Rogue would not qualify for suction dredging under the general statewide water-quality permit as currently proposed for 2015, said Beth Moore, the DEQ's general permit coordinator in Portland.

Suction dredgers, however, could return to the Rogue under the proposed general permit if the DEQ's designated total limit loads for mercury specifically account for the effects of dredging, Moore said.

Dredgers who would no longer have their operations covered under the general statewide water-quality permit could pay \$300 and apply for an individual permit that would be site-specific, Moore said.

A public hearing to gather comment on the permit proposal will be held at 5 p.m. Monday at the Medford library, 205 S. Central Ave. Other hearings were scheduled next week for Portland and Baker City.

The current permit expires at the end of 2014.

The permit proposal specifically regulates how much turbidity dredges can legally create as they suck up stream gravels in their search for precious metals such as gold.

Suction-dredge mining employs a floating vacuum to suck gravel from a stream bottom. Materials from the river bottom then go through a sluice to allow miners to strain out gold and other heavy metals and discharges sand, silt and other fine materials into the water.

Under the permit proposal, dredgers would be able to operate during daylight hours and in approved areas as long as their turbidity plume did not travel more than 100 yards downstream or cause a plume that covered the entire stream.

Wild salmon advocates say the process damages spawning grounds and rearing habitat. Miners have argued that current laws already protect salmon and their habitat and that the rule changes harm their industry.

The dredging season differs between rivers and follows the legal in-water work period to protect wild salmon eggs and young fry in the gravels.

Dredgers have flocked by the hundreds to Oregon after states such as California enacted moratoriums on dredging and the price of gold skyrocketed. A new state law temporarily rolls back dredging permits for 2014-15 at 850 — the level they were in 2009 before they rose to about 2,400 permits last year.

The two-year dredging cap was to allow lawmakers, state agency representatives and stakeholders to work out a comprehensive new mining law to go into effect in 2016.

Independent of the cap debate is the extension of the general water-quality permit.

If the DEQ simply rolled over the language from the current permit, the Rogue may qualify as suction-dredging territory in 2015, Moore said.

Current rules allow for an exemption if the stream segment was properly mined under the permit before the stream was listed as water-quality impaired, Moore said. The Rogue fit that criteria in 2013.

The proposed water-quality permit also would cover suction dredges powered by motors 16 horsepower and under and with nozzle diameters no bigger than 4 inches in essential salmon habitat. In areas not designated as essential salmon habitat, miners would be banned from using dredges with motors larger than 30 horsepower and suction hoses with diameters larger than 6 inches.

The water-quality limited exemption from the current proposal is for those streams not meeting standards for sediment, turbidity and toxics. Mercury fits under the toxic designation.

The proposed permit also does not cover any mining outside the wet perimeter of a stream in essential salmon habitat, designated state scenic waterways or tribal lands.

Dredgers can operate in the Kalmiopsis Wilderness Area and several other federally designated wilderness areas in 2015 under the proposed permit, provided they cause no measurable increase in turbidity.

Dredgers also would have to pay \$150 a year to be covered under the water-quality permit, according to the draft language.

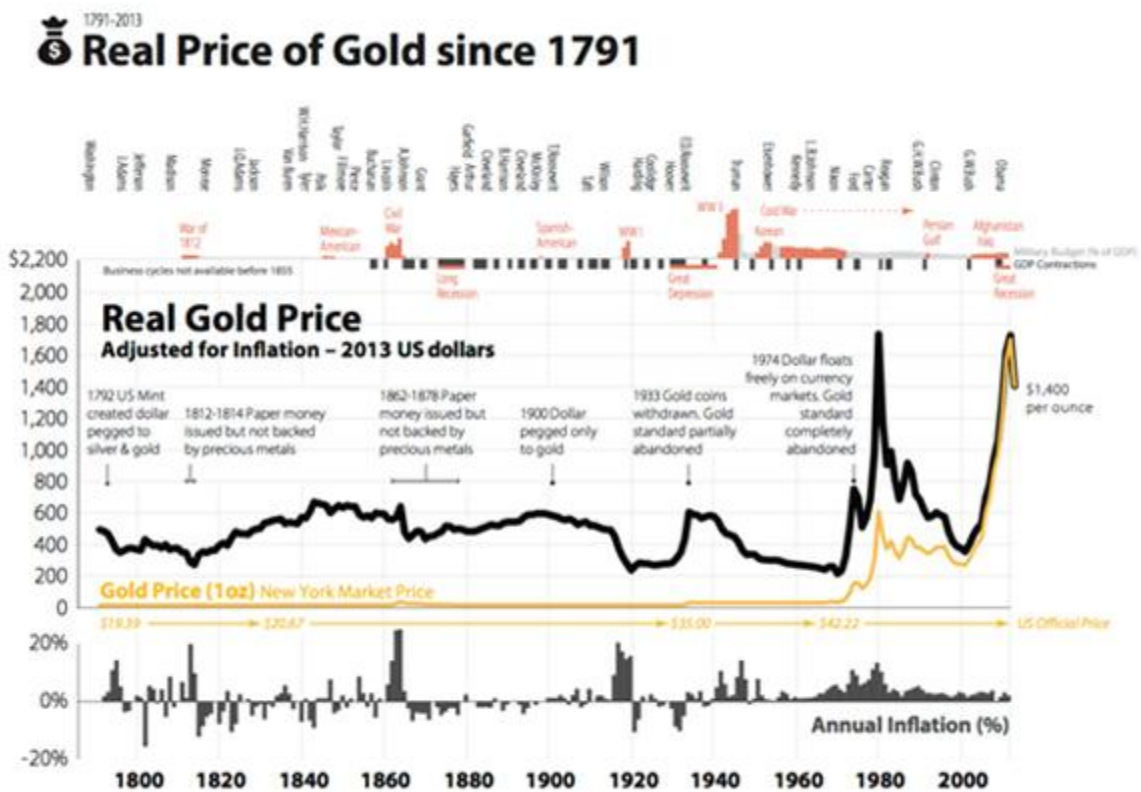
Reach reporter Mark Freeman at 541-776-4470, or email at [mfreeman@mailtribune.com](mailto:mfreeman@mailtribune.com).

# Time to Admit that Gold Peaked in 2011?

[Jeff Clark](#), Senior Precious Metals Analyst, Casey Daily Dispatch May 5, 2014

Have you seen this “real price of gold” chart that's been making waves? Among other things, it purports to show the gold price adjusted for inflation over the past 223 years. Notice the 1980 vs. 2011 levels.

The chart makes it seem that on an inflation-adjusted basis, gold has matched its 1980 peak in 2011, or nearly so. A mainstream analyst who still thinks of gold as a “barbarous relic,” a government official who doesn't want people to think of gold as money, or an Internet blogger looking for some attention might try to convince you that this proves that the gold bull market is over, arguing that the 2011 peak of \$1,921 is the equivalent of the 1970s mania peak of \$850 in January of 1980.



Source: Lawrence H. Officer and Samuel H. Williamson, "The Annual Consumer Price Index for the United States, 1774-2012," MeasuringWorth, 2013. <http://www.measuringworth.com/usapi/> & "The Price of Gold, 1257 - Present," <http://www.measuringworth.com/gold/>.

VisualizingEconomics.com

The logic is flawed, however; even if it were true that gold has matched its 1980 peak in inflation-adjusted prices, it would not prove that the top is in *this* time.

This is not the 1970s, the global economy is under very different pressures, and there's no rational basis at all for saying the top this time has to be at the same or similar level as last time.

That's even if it were true that gold has matched its 1980 peak—but it hasn't.

## **Anti-gold Investors will be Destroyed**

Henry Bonner, Sprott Global, April 18, 2014

<http://sprottglobal.com/thoughts/articles/why-rick-rule-says-anti-gold-investors-will-be-destroyed/>

Gold has made its way down again, to around 1,300 per ounce this month. Rick Rule, Chairman of Sprott Global Resource Investments Ltd. says that a few years out, you will be happy you stuck with gold.

For context to today's downturn, look back at the great bull market for gold in the 1970s'.

During that time, gold rose from \$35 per ounce to around \$200, and then came crashing down to around \$100 per ounce. Weak hands, who lacked the courage or the financial strength to hold on, sold their gold. It was a disaster for them, but a great opportunity for investors who believed in the metal. They were able to enjoy an 850% gain over the following five years. The 'anti-gold' investors watched as gold soared.

As Rick recently put it to *King World News*, "that is the kind of regret that no investor wants to live with for the rest of their lives."

Rick believes the overall bull market will return and produce substantial returns to investors who own gold.

Today, low yields on bonds help maintain confidence in the U.S. dollar and in U.S. bonds.

As of April 16<sup>th</sup>, 10-year U.S. Treasuries yielded a paltry 2.6% in interest, which is close to historic lows. Low interest rates are a helping hand for the Feds, who have a debt burden of over \$17 trillion<sup>1</sup>, and off-balance sheet liabilities – payments they will need to make, but that are not considered debt – estimated at around \$70 trillion<sup>2</sup>.

Now, if you are an investor that holds a 10-year Treasury, you will make more than the officially-reported inflation numbers<sup>3</sup>. But those numbers don't tell the

whole story. For one, they leave out food and fuel. They also do not include taxes. That's fine if you do not eat, drive, or pay taxes.

Using the pre-1980's inflation index for inflation, we find that your cost of living is increasing at around 5% per year<sup>4</sup>. So by holding a 10-year Treasury, assuming inflation remains steady, you will be losing 2.4% in purchasing power every year for 10 years.

It won't be long before investors begin to slow down their bond purchases, says Rick, as they see their purchasing power erode. They will look at other investments to help them avoid that guaranteed loss.

As interest rates grow, so too will the Fed's debt problem. The more expensive it is to borrow, the more bonds they will have to issue to cover interest payments. And the more dollars the Fed will have to print to soak up the excess.

As the investment public sees rising rates and the Fed picking up the pace on money printing, it won't be long before they dump their bonds altogether, Rick believes.

As Rick warns, 'anti-gold' investors may once again witness gold shining on through the resulting calamity.

## **Geopolitical shifts make betting on gold a sure thing**

*The crisis in Crimea is seen as the beginning of a larger global power shift from West to East. Stephan Bogner gives a European viewpoint on what these shifting power dynamics will mean for gold in a Mining Report interview.*

Brian Sylvester, THE MINING REPORT, 02 Apr 2014

<http://www.mineweb.com/mineweb/content/en/mineweb-independent-viewpoint?oid=235535&sn=Detail>

PETALUMA, CA - **The Mining Report:** In his recent interview with *The Gold Report*, Robert Cohen said that now that Crimea has joined Russia, the crisis in Ukraine has run its course, which is why the price of gold has dropped. As a European mining analyst, do you agree with Cohen's assertion?

**Stephan Bogner:** In my view, high-level Wall Street players are orchestrating the gold price drop as a means of making people believe everything is in order again. They're attempting to convey that the crisis premium has been deducted from the gold price after its rise in the wake of the Crimea crisis, but I wouldn't bet on that.



Remember when gold rose from \$300/ounce (\$300/oz) to almost \$400/oz in 2002-2003 due to the widely propagated Iraq War premium? When the war was over in early 2003, the price fell back to \$320/oz. People used the same argument then: the gold price is dropping because the crisis is over. In a few months, the price rose to \$500/oz for no reason the experts could explain.

Don't bet on TV experts and commentaries. Bet on your gut feeling, especially when it's getting quiet and experts are going silent.

## **Safe Deposit Boxes Are Not Safe for Silver & Gold Buyers**

James Anderson, GoldSilver.com, APRIL 22, 2014

<http://goldsilver.com/article/safe-deposit-boxes-are-not-safe-for-silver-and-gold-buyers/>

Many silver and gold buyers forget one of the main reasons to buy physical silver and gold bullion today is due to the world's current fragile financial system. Some even make the mistake of buying physical bullion and then storing it in a Safe Deposit Box at their local bank.

Why is that a mistake?

Safe "deposits" held within regulated bank boxes are not very safe, nor private, nor FDIC insured deposits.

Here are some major drawbacks of putting bullion into Safe Deposit Boxes:

- ★ *Most likely not insured by the bank.*
- ★ *In the USA, the FDIC does not ensure your "Safe Deposits".*
- ★ *The IRS can freeze and even seize your box.*
- ★ *A Safe Deposit Box is not cost effective for bulk silver storage.*
- ★ *Difficult to diversify internationally via Safe Deposit Boxes.*
- ★ *Safe Deposit Boxes are subject to bank holidays (for example during 9/11 banks were closed in the USA. Brink's Salt Lake City remained open for business).*
- ★ *In the USA, bank Safety Deposit Boxes are beholden to bank regulations.*

Silver and gold are some of the only financial assets which can be completely private held fully outside of failing financial institutions.

We believe every investor should have investment grade bullion in hand first. But given that home insurance policies will most likely never cover silver or gold

bullion, segregated non-bank vault storage is also a cost effective and intelligent ownership option.

## **Jim Rogers Says Governments Will Loot Pensions, Savings – Hold onto your Gold**

<https://us-mg5.mail.yahoo.com/neo/launch?.rand=feklkfbufakm6#632963326>

Jim Rogers co-founded the Quantum Group of Funds in 1973. He has warned investors that governments could loot savings and pension plans soon. With gold coming down again over the last month, I asked him about his gold holdings now.

### **Why still own gold?**

“You see, there is going to be chaos out there over the next decade,” he began. “It could be a monetary disaster or even war. This turmoil could come from a gigantic debt problem, for instance, which could cause world economies to fall apart as well. Politicians don’t know what to do besides printing money – so that’s what they end up doing. We will see a wave of turmoil from all this that will surely take gold higher.

“I am on the record extensively since the fall of 2011, saying that gold would be going down for quite some time. Well, correcting, I should say. That is still happening; I am not rushing in to buy gold. I also have not sold any of my gold. A 50 percent correction from the top would put gold under 1,000 dollars. I am not predicting that will happen, but it is possible.”

# SILVER

## **Silver being left behind in latest gold price surge – but don't despair!**

*Silver was left behind as gold surged following the FOMC minutes release. But despite some adverse analytical comment the overall picture may be rather more positive.*

Lawrence Williams, MINEWEB, 10 Apr 2014

<http://www.mineweb.com/mineweb/content/en/mineweb-gold-news?oid=236977&sn=Detail>

LONDON - Silver investors will have been a little disappointed by the metal's performance vis-a-vis the gold price following the latter's gains after the release of the latest U.S. FOMC meeting minutes. The minutes suggested that the low interest rate regime may well continue longer than expected and resulted in a major boost to the stock market and a significant uptick in the gold price. But it had rather less impact on silver which initially remained stuck below the \$20 mark, although this morning's trade has at last see it move up above this mark. Perhaps European investors are less pessimistic about silver's investment credentials.

Now silver usually moves with gold, but in a more exaggerated manner so the silver investors could have been forgiven for expecting that the near 2% rise in the gold price since Tuesday would be accompanied by an even greater rise in silver in percentage terms. This may yet happen should the gold price continue its latest mini-surge, but silver has been more volatile and indeed the price actually fell back sharply on some adverse comment in the U.S. before recovering quite well in this morning's trade... But over the same 3 day period that gold rose the 2% mentioned above the silver price was, in effect, flat following a very sharp temporary dip yesterday.

So why is silver behaving in this manner. Perhaps the short answer is China. Silver in reality should perhaps trade as an industrial commodity rather than as an investment grade precious metal – at least that is what most of the bank analyst pundits would say. And China, which is such an important consumer of all industrial metals appears to be experiencing something of a downturn at the moment – or again perhaps that should be restated as a smaller upturn than seen in recent years. After all any Western industrialised economy would give their eye teeth for a growth rate of over 7% which is still projected for China. True this is well below the double digit growth figures being credited to the Asian dragon only a couple of years back – but it is growth nonetheless and analysts

often seem to lose sight of the fact that the Chinese economy is still advancing at even this kind of rate.

Now the major bank analysts will tell you that silver should be trading in a similar market pattern to copper – the benchmark industrial metal. But they also seem to lose sight of the fact that the production scenarios for silver and copper are very different. Copper – so GFMS tells us – is heading into a significant surplus this year and prices may well weaken further accordingly – see: [Copper market set for moderate surpluses as mine supply ramps up](#) – GFMS. However silver is primarily mined as a byproduct from gold mining (where production is likely to be flat) and even more importantly from lead and zinc mining where most projections see production falls over the next couple of years as some major mines come to the ends of their lives with few, if any, similar sized projects due to start up. It's a very different scenario! There are actually very few primary silver mining operations – and in truth some of these should be really considered as base metal mines with strong silver values.

And industrial usage growth in silver – particularly in electronics and as a biocide - is growing fast. It is true that photographic usage has declined hugely over the past decade or so as traditional photographic demand has been replaced by digital technologies. But it is also conveniently forgotten by the silver bears that recycling from the photographic sector was a very significant source of silver supply while that from the new usages is at a very much lower level. And perhaps the photographic demand has now fallen to a sustainable level – silver is still heavily used in some important specialist areas of photography – like x-rays for example.

So despite comments from analysts who we think should know better, like the perma bears at Natixis – see: [\\$10/oz silver in 2015 among Natixis](#) scenarios we are not convinced that any shortfall in industrial demand is actually likely to be seen. Indeed we suspect that industrial growth in silver usage will continue while mine production may actually begin to decline along with the likely fall in lead and zinc output.

This brings us back to gold and silver's general tendency to move in line with the yellow metal's price but faster – in both directions. Should gold continue its upwards progress this year it is certainly on the cards that silver will resume this kind of relationship with its sibling. Currently the Gold:Silver ratio is around 65 – as against an oft quoted historical ratio of 16. Now while we don't think the 16 level is likely to be achieved again as silver can no longer be seriously considered as a monetary metal as it used to be when this ratio was prevalent, it is definitely possible the ratio level will drop, and it could drop sharply below its current level. There remains huge investor interest in silver and coupled with what we see as a

likely growth in industrial usage, along with a possible drop in mine supply over the next couple of years, the prospects for it to perform better than gold remain strong. However it should be borne in mind too that silver is a very small market in the overall scheme of things and thus perhaps more subject to potential market manipulation than for any other major traded metal we know as it does not take a lot of money to move the market up or down. This will continue to make investment in silver probably more risky than in gold – it's not known amongst traders as the Devil's metal for nothing. But overall the portents do not look to this writer nearly as gloomy as some would have you believe.

## **Silver, We Need to Talk**

[Jeff Clark](https://us-mg5.mail.yahoo.com/neo/launch?.rand=a14sh4dfd8jd#3774766450), Senior Precious Metals Analyst, Casey Research, April 28, 2014  
<https://us-mg5.mail.yahoo.com/neo/launch?.rand=a14sh4dfd8jd#3774766450>

I wrote to Silver last week, and she answered back. I'd like to share our correspondence with you...

Dear Silver,

Happy anniversary. It was on April 25, 2011 that you hit \$49.80 per ounce in the New York spot market.

Today, three years later, you sell for around \$20, nearly 60% less.

Is your bear market almost over—or are these low prices here to stay? Your price has lagged gold this year, so your normal volatility is lacking. How much longer will you be stuck?

Jeff Clark, silver investor

Here's her polite response:

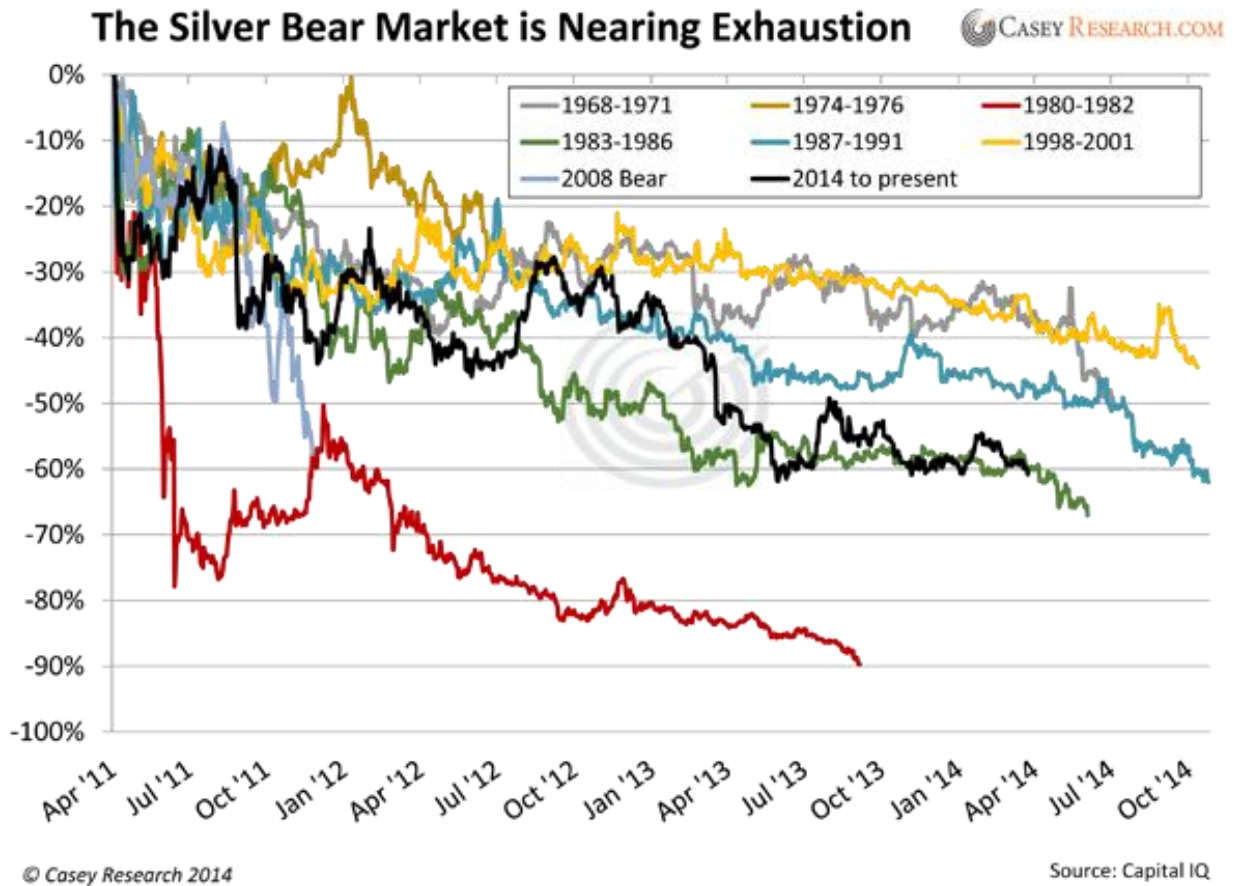
Dear Mr. Clark,

I have good news for you. While some investors have lost interest in me and my price is at 2010 levels, things will soon change.

I put together this historical chart for you, and I hope you'll share it with your fellow silver investors. It shows every major bear market over the past four decades. The black line represents what's taken place from April 2011 through last Friday.

Of the seven prior bear markets, four lasted longer and three were shorter. Four declined less than today; two were about the same; and only one was significantly deeper.

If I were to match the two longest bear markets, my price would stay down until this October. If it matched the other two longer bear markets, it would end this summer.



**Over the past 40 years, there has been no bear market that would extend my low past this October.**

Or my low may already be in.

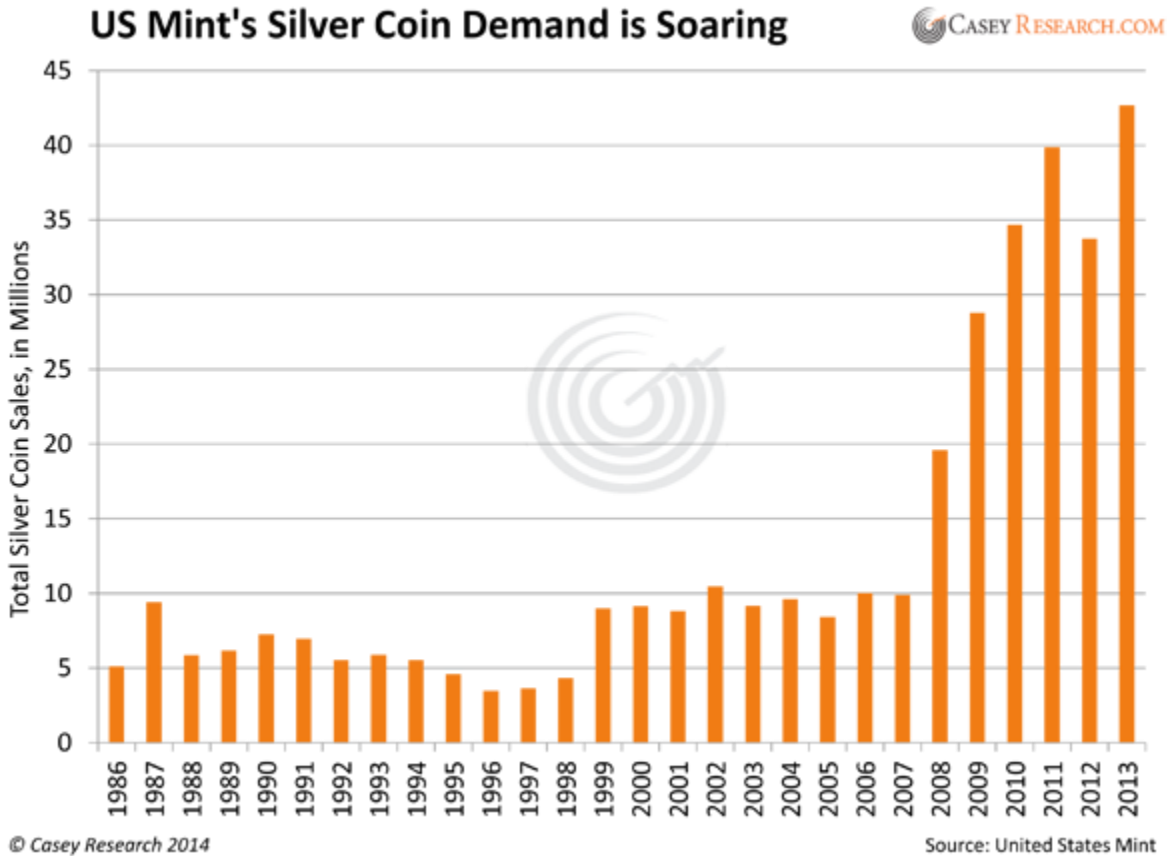
Either way, I think it's safe to say that I'm close to the end of my down cycle. In fact, the historical data say the opportunity to buy me at \$20 or less will soon be unavailable.

Let me relay some other data to you that also signal current prices can't last too much longer...



## The US Mint (Still) Can't Keep Up with Demand

The sharp drop in my price in 2013 unleashed a wave of pent-up demand for silver coins. Look at the response from investors.



The question this year is if those record levels could continue to be supported. The first quarter is over, so I can tell you the answer...

The US Mint sold 13,879,000 ounces of me in Q1, 2.4% less than the 14,223,000 sold in the first quarter last year. Here's the monthly breakdown:

|             | 2013      | 2014      | Gain/Loss |
|-------------|-----------|-----------|-----------|
| <b>Jan.</b> | 7,498,000 | 4,775,000 | -36.32%   |
| <b>Feb.</b> | 3,368,500 | 3,750,000 | 11.33%    |
| <b>Mar.</b> | 3,356,500 | 5,354,000 | 59.51%    |

January's 36% decline from the prior year looks big, but it's not what you think: the Mint didn't begin sales until the end of the second week of the month. The monthly total thus reflects only 2.5 weeks of sales.

And March sales were the fourth-biggest month ever. **Add in April's sales figures and the US Mint is now on pace to exceed 2013 totals.**

It's clear that your fellow investors think my price will go higher.

### **Silver ETFs Have Net Inflows (Again)**

You might remember that silver ETFs' holdings were largely flat last year, unlike the mass exodus seen in gold funds. The pattern is continuing this year.

Holdings in my exchange-traded products (ETPs) have risen 3.5% year to date, an additional 17.5 million ounces. In fact, the net purchases by silver ETPs have totaled \$354 million YTD, the largest influx of all commodity ETPs!

Meanwhile, gold-backed ETPs have seen sales of 500,000 ounces, about a 1% drop.

### **Jewelers Love Low Prices**

Low prices for me have led to increased silver jewelry purchases.

As just one example, the UK reports that silver jewelry sales jumped 40.4% in February, to 351,791 items.

### **India Just Won't Stop Buying**

India imported 5,500 tonnes of me last year, 180% more than 2012. Imports comprised 20% of all global demand.

Last month's silver imports were 250% lower. This was mostly due to the recent increase in import duties, and the fact that six banks got permission to import gold, which would soften purchases of me. This could partly explain why my price has struggled.

But as long as politicians keep gold restrictions in place, Indians will keep buying me.

### **China: More Silver for Solar**

Chinese imports of me rose drastically in February, up by 75% month on month and 90% year on year to 358 tonnes, the highest since March 2011. Though lower the following month, March imports were up 16% year over year.

China's solar industry is growing explosively. In 2009, it represented about 0.2% of the global market; this year, it's estimated to be one-third.

It's interesting to note that my price rose in February and fell in March, which suggests that Chinese demand affects my price, too.

### **Supply Sources Are Concerning**

So far, suppliers have managed to meet demand. However, there are dark clouds on the horizon...

- Very little excess supply is expected this year, as production is projected to remain flat, and demand for me shows no signs of letting up.
- Solar power accounted for 29% of added electricity capacity in America last year. "More solar has been installed in the US in the past 18 months than in 30 years," says the US Solar Energy Industries Association. **"Eventually solar will become so large that there will be consequences everywhere."**
- Supply from recycling will probably be weak, because it's not cost effective to recover every tiny bit of me from cellphones or prescription eyewear or casino chips. One report says that Americans threw away 130 million cellphones last year, containing over 46 tonnes of me.
- Several major base-metals mines are expected to be depleted over the next several years. The problem is that two-thirds of me is a byproduct from base-metals operations—if their output falls, there will be less of me, as well.
- The Silver Institute says that demand for industrial products made from me continues to grow.

### **No Regrets**

As I look at your current situation from a historical perspective, I see a lot of catalysts that will catapult my price higher in the near future. It seems rather clear that as demand continues to grow, supply tightens, and my role as money grows more substantial, I will trade at much higher levels in just a few short years.

In fact, I offered to bet my cousin gold that I will outperform him before this cycle is over. He declined to take the bet.

The clock is ticking. Don't set yourself up for regret when my price leaves \$20 in the dust.

Your friend, Silver

# THE UNITED STATES DOLLAR

## **This is Your One Wake-Up Call**

Jeff D. Opdyke, Editor of *Profit Seeker*, Apr 25, 2014

<https://us-mg5.mail.yahoo.com/neo/launch?.rand=6re6qfciib205#2779421603>

No wisdom is quite as dangerous as conventional wisdom.

When the masses believe a truth is so self-evident that they fail to question the possibility that another reality exists, disaster awaits. I direct your attention to last decade's conventional wisdom that housing prices move only in one direction ... to the conventional wisdom a decade earlier that tech stocks were the future ... to the conventional wisdom before 2001 that America was immune to outside terror attacks.

Another self-evident belief is now quietly under assault: The belief that because the U.S. dollar accounts for 81% of global trade, its supremacy is beyond question. New events in New Zealand, however, hint at the radical change to come.

Like the housing crash, the bursting of the tech-stock bubble and the events of September 2001, the unquestioned belief that the dollar will remain the axis around which global trade spins will destroy financial lives across America ... though you don't have to be one of the victims.

So, here's what happened ...

Last month, China and New Zealand hooked up in a currency deal that will now allow the two countries' currencies to trade against one another directly. Seems boring, technical, pedestrian ... right?

Well, it is ... unless you happen to understand the ramifications that ripple through the U.S. dollar.

See, the Chinese and Kiwis do a lot of trading, mainly in dairy products. New Zealand is the world's largest [milk exporter](#) — by a landslide — and China is slurping up more than \$3.2 billion worth of New Zealand dairy annually. Until now, all of that trade has gone through the U.S. dollar. The Chinese would convert yuan to greenback and then transfer those greenbacks to New Zealand, where milk producers would have to reverse the process and convert the greenbacks into New Zealand dollars.

It's a process occurring untold numbers of times around the world — every day of every year. Ever since the Bretton Woods Agreement of 1944, the dollar has occupied center stage in world trade, with countries converting their currencies into dollars to buy goods elsewhere. The equivalent of more than \$5 trillion flows through the global currency markets daily, and more than \$4 trillion of that is in U.S. dollars. Some of it is currency speculation, but the great bulk of it is global trade.

In the 21st century, it's a giant waste of time and added costs for the countries involved ... but it's a boon to your lifestyle here in America, what a French finance minister once called an “exorbitant privilege.”

The incessant trade in dollars — more than \$500 billion every hour — means unnatural demand for our currency as a trading vehicle. It means unnatural support for a currency that, fundamentally, should not be very strong because of the weakness in financial leadership up and down the ranks of Congress and the exceedingly precarious position of America's finances. It means unnatural demand for U.S. Treasury paper as a hedge against currency moves.

That, in turn, means a lower cost of goods for you and me, since in a world where the dollar is not so widely traded, our currency would trade at a lower value relative to all the consumer goods we import. It means lower gas prices at the pump, since oil is priced in dollars. It means lower food prices, since global agricultural commodities are priced in dollars.

Conventional wisdom would have you believe this state of affairs is permanent.

It is not.

All the proponents who mouth that mantra are leading the gullible to a slaughter.

The China/New Zealand currency pact, though certainly small beer relative to global trade, is indicative of a much larger trend that will impact your life in the not-too-distant future.

### **Even Our Friends are Abandoning the Dollar**

Looking just at the BRICS nations (Brazil, Russia, India, China and South Africa), we find that they represent 41% of the global population and 20% of global trade. Internal trade among the BRICS exceeds \$200 billion annually and is

growing at more than 25% a year. How much sense does it make for them to trade among themselves by way of the U.S. dollar?

It makes zero sense ... and business and political leaders in the BRICS nations fully recognize this. They've signed their own pact to begin moving the dollar out of the equation. Separately, China and Russia are now pricing their oil trades in Russian rubles. The Russians, meanwhile, are looking to set up a similar arrangement with other countries as a way to push [America's petrodollar](#) out of the global oil patch.

It's not just the BRICS, though, that are abandoning the dollar. So, too, are our friends.

Just last month, Germany's central bank and China's central bank signed a memorandum that would allow Frankfurt to become a center for settling trades in yuan — a move that would mean German and other European businesses could trade directly in the yuan without going through the dollar. No coincidence that German and Chinese leadership also recently announced that they're expanding a cargo rail service between the two countries that has effectively rebuilt the [famed Silk Road](#).

Oh, and just for added measure, the Bank of England last month also signed a preliminary accord with China that will allow London to become a trading center for yuan as well, which will soon axe any need for British firms to first convert pounds to dollars before trading with China.

Can you see the writing on the Great Wall?

### **You Have One Choice — and *Only One Choice***

The conventional wisdom that insists the dollar will always be the reserve currency at the center of global trade is about to be proven painfully wrong. The U.S. dollar, though 81% of global trade today, will soon enough represent substantially less, and that will be problematic for Americans who subscribe to conventional wisdom.

Take a quick, mental assessment of your life. How much of your income, your assets, your investment portfolio, your insurance, your retirement plan is priced in dollars? Pretty close to 100%, I would bet. As all these new currency deals sidestep the dollar in global trade, demand for the dollar will wane and our dollar's value will slide ... and your lifestyle will absolutely be under threat.



You have one — and only one — choice: Get some of your wealth out of the U.S. dollar.

## **Tensions over money flows bode poorly for global economy**

Jason Lange , Reuters Canada, Apr 13, 2014

<http://ca.reuters.com/article/businessNews/idCABREA3C02K20140413>

WASHINGTON (Reuters) - For a bunch of people who just agreed the global economy is doing better, top officials from the world's rich and poor nations sound rather worried.

For poor nations, the easy monetary policies in advanced economies are leading to big swings in capital flows that could destabilize emerging markets. For rich countries, the hoarding of currency by developing nations is blocking progress toward a more stable global economy.

Those tensions, which have been brewing for years, seemed to be rising as finance ministers and central bank chiefs from the Group of 20 economies gathered last week in Washington, as evidenced by harsh words from Washington and Delhi.

Both rich and poor say they are acting in their own self interest, and what makes the conflict so intractable is that both have very rational arguments.

Even though the G20 agreed the global economy was on better footing, the tensions suggested little progress ahead in rebalancing the global economy away from a state where the rich world borrows massively to buy things from the poor world.

"This is not a healthy place," Raghuram Rajan, governor of India's central bank, told a panel ahead of the G20 meeting.

Rajan has become a leading agitator for reforming the global monetary order, and he urged central bankers in advanced nations to avoid experimental monetary policies that might hurt the global economy.

He argued that years of easy money policies in the developed world had pushed emerging markets to hold bigger dollar reserves so they can intervene in currency markets to protect their economies from big swings in capital flows.

The need to hoard is only growing, as it now appears that the United States, Europe and Japan could keep easy money policies in place for several more years.

"You have to consider the feedback or spillover effects on other economies," Brazilian central bank chief Alexandre Tombini said of rich nation policies, speaking alongside Rajan.

Developed countries, led by the United States, argue their stimulus efforts are in the best interest of emerging nations because they lift the global economy. They say the poors' reliance on currency interventions is holding the world back.

Emerging markets often build dollar reserves by keeping their currencies weak to spur more exports, forcing developed economies to borrow to cover their import tab. Many economists feel heavy borrowing by the world's biggest consumer, the United States, fueled the asset bubble that sparked the 2007-09 financial crisis.

"Resistance in many emerging markets to moving more quickly to market-determined exchange rate regimes are hindering the rebalancing needed to ensure a lasting, strong global recovery," a senior U.S. Treasury official told reporters.

Officials in rich countries have largely rejected a call by Rajan call for increased coordination of monetary policy.

Vitor Constancio, the vice president of the European Central Bank, said a more cooperative approach among policymakers would work if emerging markets allowed their currencies to strengthen more, but that this had already failed.

"There was never the acceptance of some degree of appreciation in the emerging economies," he said, speaking on the same panel as Tombini and Rajan.

The root problem could be that central bankers

Most economists think politicians around the world could do a lot more to help their economies grow. But rich nations are hesitant to rely on deficit spending and poor countries habitually lag in promoting competition in their markets.

If the governments stepped up, monetary policies wouldn't have to play such an outsized role in spurring economic growth and maintaining financial stability.

Eswar Prasad, an economist at the Brookings Institution and Cornell University, said this bodes poorly for future global growth.

"We end up having the central bankers fight proxy battles on behalf of politicians who are feckless and not willing to do the right thing," he said. "I don't see this moving in a productive direction."

## **Is America the Sun or the Moon?**

**By Jeff D. Opdyke, Editor of *Profit Seeker*, April 23, 2014**

<https://us-mg5.mail.yahoo.com/neo/launch?.rand=6ibfii76aqqni#5869779956>

Strolling through Warsaw last year, I stopped to take a few photos in the snow of 16th century astronomer and mathematician, Nicolaus Copernicus, who proved that the heavenly stars and planets orbit the sun. Most thought Nick was mad, given the conventional wisdom of the day that insisted the Earth was center of the known universe.

But with time — *lots of time* — people came around to the truth.

Today, many people think I'm mad when I contend that America is not the center around which the world economy spins. Conventional wisdom has them convinced that no other reality can exist.

But with time — far less than Copernicus's theory needed — they, too, will be forced to accept the truth.

They will realize, probably too late, that this dog had its day in the sun and is now fat and lazy and pretty much living on its laurels, sleeping on the porch. The world, in reality, is now spinning around Asia, China in particular. And as soon as you drop your belief in conventional wisdom, the sooner you can begin to build your wealth.

To believe that America is the epicenter of our modern world is a dangerously dated and simple-minded belief.

We still throw our weight around — sometimes for good, sometimes for not-so-good. And the world still sort of shows us some respect, much like a teenage son shows dad a little respect on the basketball court ... right before schooling him.

The rest of the world is rapidly moving away from an American-centric view; even some of our Western partners are beginning to look away.

Australia's main trading partner today: China, which buys more than 30% of all the goods the Aussies sell to the world; exports to the U.S. are one-fifth the size. Clearly, China is more important to Australia's long-term economic health than the U.S., and, thus, Australians clearly see greater utility in strengthening ties in the East.

Neighboring New Zealand in the last few weeks signed a currency deal with China that removes the U.S. dollar from trade deals between the two countries. Though largely overlooked here in the States, this opens the door to many more such arrangements and seriously weakens the already-specious but nonetheless conventional argument that the U.S. dollar will always be relevant because it represents 81% of world trade. Great ... for now. But in which direction does the 81% go when other countries begin following New Zealand (and they most assuredly will, since trading through a third currency like the dollar adds unnecessary costs)?

Germany, meanwhile, announced last month that it's expanding the new Silk Road with China — 7,000-mile railway already connects Chongqing, in south-central China, to Duisburg, in western Germany. That once-a-week rail link takes half the time of seaborne trade and is half the cost of air freight. Now, China and Germany want to expand it to thrice-weekly service, with the idea of one day making it a daily service.

China's imports into Germany now are nearly double America's. As for exports from Germany ... well, China only marginally trails the U.S. Erich Staake, president of a Duisburg port company, says large trading partners like the U.S. simply don't have the growth potential to be as meaningful as China will be to Germany's future.

### **Sadly Regressing While the World Progresses**

As someone who pays a great deal of attention to the ways the world is changing, it's not very hard to see how these individual data points coalesce into a picture very different than the one that conventional thinkers here in America want you to believe represents global reality.

Yes, we are a great country ... though certainly not as great as we used to be: 12th in economic freedom, 29th in education, 19th in corruption. We are, however, No. 1 in health care spending — yay! — but somehow manage 35th place in longest lifespan and 1st place in egregiously expensive medical care — not so yay! We lead the world in public debt and are No. 6 in household debt.

We have the fourth-highest poverty rate among OECD countries, and we're one of the world leaders in child poverty. Per-capita income is declining, not rising.

We are, as a country, sadly regressing as much of the rest of the world — including, yes, China — are progressing. The rest of the world is taking over the mantle of supremacy that the West, and the U.S. in particular, once controlled.

The emerging nations — led by China; sorry if you're unhappy about that — are the new center of the world. They represent the global growth of tomorrow.

We will still be an important part of the train that is the world economy, but we will no longer be the lead engine. In a Copernican world, we're not the sun; just one of the larger planets.

For investors open-minded enough to accept that, this is an opportunity. This new world that's taking shape will create vast wealth for those who put their money to work away from America.

You just have to realize how the orbit is changing.

## **Penning the Sheep for a Shearing— Capital Controls, Part 1**

by [Nick Giambruno](#), Senior Editor, April 16, 2014

<http://www.internationalman.com/articles/penning-the-sheep-for-a-shearing-capital-controls-part-1>

Capital controls are a favorite tool in a bankrupt or domineering government's toolbox. You should be familiar with them and how to preempt them.

There are numerous countries that currently have capital controls in one form or another—China, Colombia, Iceland, Cyprus, India, Argentina, Venezuela, Ukraine, and Cuba, to name a few.

It's not exactly a secret that the West generally and the US in particular are moving deeper into bankruptcy and are seeking more and more control over all facets of their citizens' lives. These trends will sooner or later lead to an overt attempt to control the flow of money in some way—just as they have in other countries throughout history that have headed down similar paths.

It's crucially important to your financial future that you understand what capital controls are, how and why they are implemented, the harm they can cause, and what you can do to protect yourself.

This is because I believe it is a near certainty that the US dollar will lose its role as the world's premier reserve currency. And when that happens, capital controls are sure to follow.

The purpose of capital controls is straightforward: to restrict and control the free flow of money into and out of a country. Capital controls come in all sorts of shapes, sizes, and labels. But no matter what they're labeled or how they're implemented, the end result is always the same—restricting, controlling, and taxing the flow of money.

The effects are always harmful. Strategies on how you can protect yourself are frequently discussed on the [International Man](#) site.

### **Why Governments Impose Capital Controls**

It's simple: imposing capital controls is similar to penning sheep that are about to be sheared so that they cannot escape.

Capital controls are not usually used unless a government has run out of ways to otherwise steal money from its people, such as when it can no longer borrow, inflate the currency, or tax like it used to.

In most cases, capital controls are used during acute crises, like financial and banking collapses, wars, or in countries with chronic economic problems. In other cases, it's just the dominating nature of the particular government to control its citizens by denying them the means of taking their wealth abroad.

No matter the immediate reason, an always attractive effect of capital controls for governments is that they trap as much money within their borders and their reach as possible. They of course do this to optimize the amount of money that's available for them to tax or otherwise confiscate.

Capital controls are also used because they can be politically popular. The government will try to get the average person to incorrectly believe that moving your money offshore or investing in foreign assets is something that is only for the rich or is otherwise unpatriotic (both are obviously false). It's also a way for the government to show that it is "doing something" during a crisis.

## **How It's Usually Done**

In order to be effective, capital controls naturally have to come as a surprise... well, to the average person at least. The political and economic elite are usually tipped off well in advance and take action accordingly.

Announcing them to the public beforehand would cause people to get their money out before the controls are put in place, which would defeat the purpose of implementing them in the first place.

In Cyprus they came in a flash, on a seemingly ordinary Saturday morning when people would least suspect it. From the perspective of the government, weekends and holidays are ideal times to implement capital controls.

Here are the four most common ways they're imposed:

### **1. "Official" Currency Exchange Rates**

The first way capital controls are imposed is when a government sets an "official" currency exchange rate. Since gold's value is universally recognized across the globe and is the international money par excellence, "official" prices for gold also fall under this category.

The "official" rate is always unfavorable compared to the black market rate (i.e., the free market rate). This is exactly what's happening in Argentina and Venezuela. Unless you go through some convoluted process, whenever you wire or otherwise bring large amounts of money into and out of the country, you'll likely get stuck with the unfavorable "official" exchange rate set by the government. Getting the more-favorable black market rate usually involves informal transactions on the street, which is of course technically illegal since you're supposed to use the government-approved "official" rate. The penalties and enforcement of this vary widely among countries with this type of capital control.

In reality, the difference between the market rate and the "official" rate amounts to a wealth transfer from you to the government. It's a form of implicit taxation.

### **2. Explicit Taxation**

Another form of capital controls is when a government imposes explicit taxes that specifically target foreign investments, foreign currencies, or gold in order to discourage you from buying them. An example of this is India, which imposed a 10% tax on gold imports in 2012.

Governments prefer you stored your wealth in the local currency, where it's easier for them to tax, outright confiscate, or siphon via inflation.

Taxation on inbound/outbound money transfers is also another tactic. While you would still be able to send money abroad to an offshore bank (or receive it from abroad), there would be a tax, of say 20%—or whatever the government wants.

No matter the type of taxation-based capital control, you will still be able to move your capital... though it will likely be very costly to do so.

### **3. Restrictions and Regulations**

Capital controls can also come in the form of restrictions on the amount of foreign currency or gold that can be imported, exported, or otherwise possessed. This may come in the form of a regulation that prohibits you from taking a certain amount of money out of the country (usually only a couple thousand dollars) without special permission from the government.

### **4. Outright Prohibition**

This is the most severe form of the capital controls. This is where a government outright prohibits the ownership of foreign currencies, offshore bank accounts, foreign assets, gold, or moving any form of wealth abroad.

## **Penning the Sheep for a Shearing— Capital Controls, Part 2**

by [Nick Giambruno](#), Senior Editor, April 23, 2014

<https://us-mg5.mail.yahoo.com/neo/launch?.rand=6ibfii76aaqni#3657576547>

I think it's a near inevitability that at some point the US will again enact official capital controls.

While the US doesn't have explicit capital controls right now, I believe that the onerous reporting requirements of foreign financial assets backed up by truly [draconian penalties](#), combined with measures like the burdensome [FATCA](#) law, amount to an indirect form of capital controls.

Rather than comply with FATCA, many if not most foreign banks simply show Americans the "unwelcome mat" rather than deal with the extra and costly regulations that come from having them as customers. This severely limits the options available, but does not shut the window completely.



This momentum is clearly not positive. It's becoming more obvious that the US government is getting all its ducks in a row in case it ever wants to impose capital controls at some point in the future.

Capital controls are nothing new for the US. In 1933 under [Executive Order 6102](#), FDR forced Americans to turn in their gold at the unfavorable "official" government price. That was a form of capital controls. So too was the subsequent period of prohibition of personal gold bullion ownership that lasted until 1974.

With no conceivable material slowdown (let alone reversal) in the growth of US government spending, debt, and currency creation, I believe it's just a matter of time until a tipping point will be reached and capital controls will be presented as the solution.

It could all happen in an instant. All it would take would be the stroke of Obama's pen with a new executive order.

The breakdown of the [petrodollar system](#) and the loss of the dollar's role as the world's premier reserve currency will probably be the triggering event.

The critical point here is that you **must** be prepared beforehand in order to effectively protect yourself.

### **What Could Happen if You're Too Late**

Capital controls are almost always a prelude to something bad. It could be a currency devaluation, a so-called "stability levy," a bail-in, or something else. Whatever the government and mainstream media labels it, the end result will be the same: a theft of purchasing power.

The remainder that isn't stolen is then trapped for future shearings.

That could make it hard or impossible to pay for medical care abroad—an increasingly necessary move for many, as the full destructive effects of Obamacare begin to be felt.

In addition to the direct damage, there is of course indirect damage. Capital controls permit an out-of-control government to better insulate itself from market forces that would otherwise help restrain its destructive policies. Capital controls also hurt businesses and pump further politically caused distortions into the economy. On the flip side, such distortions can create profitable speculative opportunities for astute [crisis investors](#).

## **What You Can Do About It**

You can preempt capital controls and protect yourself by internationalizing your savings. Moving your money offshore ensures that you won't get penned for the shearing that always follows capital controls. You will have protected yourself from the "stability levy," currency devaluation, or whatever form of wealth confiscation the government chooses to implement.

Doug Casey and I met a few people in Cyprus who shrewdly saw the writing on the wall and chose to move their money outside of the country **before** the crisis. They were thus spared from the confiscatory bail-in and free to use their money without worrying about the restrictive capital controls that forced everyone else to keep their money on the island.

Timing is the essential ingredient. I cannot emphasize enough how important it is to be prepared. A year or two early is always better than one day too late.

You will never know precisely when the day of reckoning will come... until it's too late. And it will likely come as a surprise in order to ensure its effectiveness—like the sneak attack on Cypriot bank depositors did on that Saturday morning.

Nobody knows what the trigger will be for the US nor when it will be. We could wake up one morning to find out that the Russians and Chinese have decided to dump their Treasuries, causing a run on the dollar, and the reaction of the US government is to impose capital controls. There are many possibilities.

Even if capital controls are never imposed, you are no worse off for internationalizing your savings. In all likelihood, you'd be better off. You could sleep better at night knowing that you have insured your savings by diversifying your political risk. Also, many offshore banks are better capitalized and otherwise sounder than any bank you would find in your home country—at least if you live in the US or the EU.

But it's not just offshore banks. Foreign real estate and storing your physical gold abroad are other options that will also protect you from capital controls and the wealth confiscation that always follows. These are the kinds of topics and actionable strategies that we cover in great detail in our [Going Global](#) publication. If you haven't already, I'd recommend that you check it out while the window of opportunity is still open.

# GLOBAL DYSFUNCTION

**Sorry Folks!!!**

**"Global Warming" and "Climate Change" are out. Those terms did not work so we will invent another descriptive term to assist the low-information voters in revealing just how stupid and lazy they really are!**

**Listening to MSNBC to learn about politics is like listening to farts to learn about cooking.**

**SIMILE**

Of the day...

## **Critics are 'immoral, unethical and despicable'**

### **Climate crusader rants: 'The future of civilization is at stake'**

Bob Unruh, WMD, April 17, 2014

<http://www.wnd.com/2014/04/al-gore-critics-are-immoral-unethical-and-despicable/#HEr6AhLhpyIAThgC.99>



Al Gore, known for wild rants about global warming, including one [where his foul language earned him the description "mentally unstable,"](#) is at it again.

Only this time he's complaining about those who put up "barriers" to his agenda that critics say includes cracking down on carbon emissions, buying and selling credits for that activity and putting the American coal industry out of business.

"The 'barriers' to doing something about climate change are business and political interests that profit off of fossil fuels – 'dirty energy that causes dirty weather,'" he said, according to an online report [about a recent speech he made.](#)

"He compared fake science from polluters stating that humans are not to blame for the climate to tobacco companies that used to hire actors to play doctors who denied cigarettes were dangerous," the report said.

"That's immoral, unethical and despicable," he said of both.

Gore spoke recently to a crowd at the Stan Sheriff Center at the University of Hawaii.

Speaking largely to supporters and fans, Gore said climate change, the newest evolution of what started out as global warming, is getting worse.

The Civilbeat blog that reported on his visit to the island state said, "Gore's talk was an updated version of the one he's been giving for years and that he first laid out in his 1992 book 'Earth In the Balance.' The planet is in trouble because humankind burns too much coal and oil, which is trapping greenhouse gases and raising temperatures."

Gore blamed that for “famine, drought, floods, refugees, species extinction, to name just a few.”

Gore claimed that the number of hotter days over the past 80 years has been growing “alarmingly disproportionate to the number of cooler days and days with average temperatures,” the report said.

“The way we have to respond to this is going to require a set of changes that are beyond our routine,” he said, his voice growing to a shout. “I know that we are capable of that. Our way of life is at stake, our grandchildren are at stake, the future of civilization is at stake.”

The 66-year-old Gore was vice president under Bill Clinton from 1993 to 2001. His 1988 and 2000 presidential bids failed.

[WND reported earlier on an earlier Gore rant that prompted](#) Brian Sussman, author of [“Eco-Tyranny,”](#) to conclude, “He’s clearly becoming mentally unstable.”

Sussman, a weather expert turned journalist, cited an August 2011 speech Gore gave in Colorado to a gathering of elites at the Aspen Institute, an address that turned into a wild rant filled with repeated obscenities.

During his address, Gore claimed special interest groups “pay pseudo-scientists to pretend to be scientists to put out the message: ‘This climate thing, it’s nonsense. Man-made CO2 doesn’t trap heat. It may be volcanoes.’

“Bullsh—!”

“‘It may be sun spots.’

“Bullsh—!”

“‘It’s not getting warmer.’

“Bullsh—!”

“It was a gorebasm in which Al totally lost it,” Sussman said, explaining that gorebasms are Al’s pejorative statements directed toward deniers and skeptics of climate change.

“Listening to audiotape of the speech makes it abundantly evident even the Aspen audience was uncomfortable witnessing the ravings of a madman.”

In case someone had been present with a view contrary to his, Gore then intimidated the crowd, blustering:

“When you go and talk to any audience about climate, you hear them washing back at you the same crap over and over and over again. They have polluted the sh—. There’s no longer a shared reality on an issue like climate even though the very existence of our civilization is threatened. People have no idea!”

Gore continued: “It’s no longer acceptable in mixed company, meaning bipartisan company, to use the G— damn word ‘climate!’”

[WND also reported](#) that Marc Morano, editor of ClimateDepot.com, confirmed the chairman of a U.N. panel on climate, Rajendra K. Pachauri, admitted in an [interview last September with the London Guardian](#) that the purpose of the periodic U.N. climate report was to make the case that “action is needed on climate change.”

“Top United Nations officials apparently knew years in advance exactly what this new U.N. climate report was going to say,” Morano said. “The U.N. IPCC is guilty of nothing short of making the science fit their political agenda.”

At a press conference in Yokohama, Japan, March 25, Pachauri released [the U.N. panel’s fifth climate assessment](#), which concludes a continued rise in carbon dioxide levels in the earth’s atmosphere threatens the fundamental systems that support human civilization, to the extent “no one will be untouched.”

[There also was the recent allegation](#) by an independent data analyst whose work has been published by [Principia Scientific](#) that global warming activists were manipulating data.

In this case, lowering the historical temperatures for years prior to 2000. Which makes the temperatures after that look like they’ve risen. Which makes it look like global warming.



“A newly uncovered and monumental calculating error in official U.S. government climate data shows beyond doubt that climate scientists unjustifiably added a whopping one degree of phantom warming to the official ‘raw’ temperature record,” the report says.

It comes from the discovery by independent data analyst Steven Goddard, who did a study of the official U.S. temperature records used by NASA, the National Oceanographic and Atmospheric Administration and others.

He found that for the records, when global temperatures plummeted in 1999, on the official U.S. chart, they didn’t.

Essentially, he said, the charge was revised downward by one degree for readings before 2000. But they “left post-2000 temperatures more or less intact.”

Also weighing in was well-known scientist Art Robinson, who spearheaded [The Petition Project](#), which to date has gathered the signatures of 31,487 scientists who agree that there is “no convincing scientific evidence that human release of carbon dioxide, methane or other greenhouse gases is causing or will, in the foreseeable future, cause catastrophic heating of the Earth’s atmosphere and disruption of the Earth’s climate.”

“This kind of shenanigan has been going on for decades,” he told WND.



[WND reported](#) only weeks ago that Sen. Jim Inhofe, R-Okla., author of [“The Greatest Hoax: How the Global Warming Conspiracy Threatens Your Future,”](#) says not only has he seen through the “hoax,” but so have his fellow lawmakers.

In that recent interview with Aaron Klein of [“Aaron Klein Investigative Radio,”](#) the host asked Inhofe – in light of Al Gore and other global warming alarmists' failed predictions – how progressives continue to “get away” with pushing their “green schemes” in the name of climate change.

“They don't get away with it in the eyes of the American people,” Inhofe answered. “I find fewer and fewer members of the United States Senate that are sympathetic to this whole cause.”

Hear the entire interview below:

[Just before the end of 2013 came a really bad week for global warming.](#)

Cairo saw its [first snow in 100 years](#). Oregon, like several other states, reached its [coldest temperature in 40 years](#). Chicago saw its [coldest days ever](#), and – as if to add finality to the trend – Antarctica reached the [coldest temperature ever recorded anywhere on earth](#).

Ironically, just a few years ago, believers in anthropogenic (man-caused) global warming – since renamed “climate change” – claimed cold weather and snow would soon be just a memory.

[“Snowfalls are now just a thing of the past,”](#) announced the headline in Britain's newspaper the Independent at the turn of the millennium. The report quoted David Viner, senior research scientist at the Climatic Research Unit of the University of East Anglia, long considered an authoritative resource for global warming research, as saying snow would soon be “a very rare and exciting event” in Britain.

“Children just aren't going to know what snow is,” he said.

However, the authoritative reputation of East Anglia was seriously downgraded in 2009 when leaked emails proved researchers there were engaged in a major scheme to manipulate and suppress evidence against global warming, misconduct London's [Telegraph newspaper called “the worst scientific scandal of our generation.”](#)

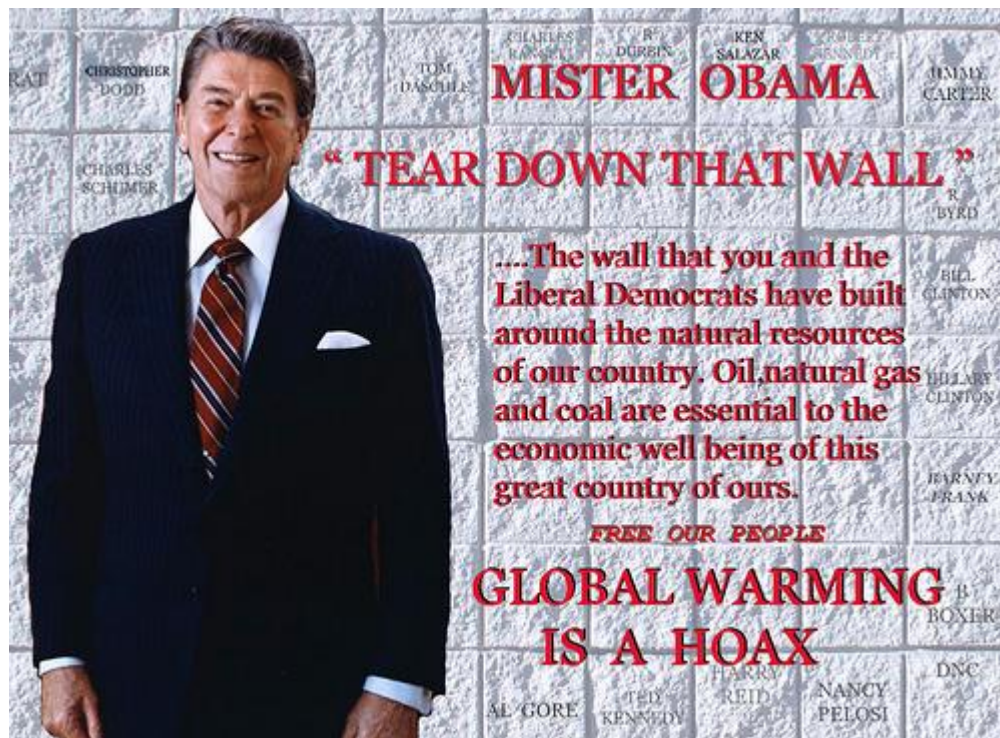




## This Survey Tells You All You Need To Know About Global Warming

EPAAbuse.com April 11, 2014

[http://epaabuse.com/16152/news/survey-tells-need-know-global-warming/?utm\\_source=EPA+Abuse&utm\\_campaign=3f0e7f9417-RSS\\_EMAIL\\_CAMPAIGN&utm\\_medium=email&utm\\_term=0\\_bdf7c53c9e-3f0e7f9417-305309407](http://epaabuse.com/16152/news/survey-tells-need-know-global-warming/?utm_source=EPA+Abuse&utm_campaign=3f0e7f9417-RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_bdf7c53c9e-3f0e7f9417-305309407)



The theory of global warming, or 'climate change' as it's called by activists trying to hedge their bets, has come under increased scrutiny in recent years. What was once considered settled science is now slowly being exposed for the political power grab it was always intended to be.

By convincing individuals that they must curb consumption, pay higher taxes, and otherwise modify their behavior for the good of the planet, statist officials are able to mold the citizenry into obedient government drones.

More and more Americans are becoming aware that they are only being used

by pseudo-scientists and opportunistic bureaucrats. It seems the only people still on board with the global warming myth are those who actually want to live under the totalitarian rule of today's Democrat Party.

Gallup recently conducted a [survey](#) designed to gauge the public's opinion on global warming and other environmental issues. About one in three responded that they worry about this issue "a great deal;" however, when the results are broken down by political affiliation, the results are staggering.

Well over half of all Democrat respondents –56 percent, to be exact – are stressed out about potentially being baked alive by a constantly warming planet. By comparison, only 16 percent of Republicans and fewer than three in 10 independents feel the same way.

Conversely, more than half of all independents and a full 63 percent of Republicans worry very little – or not at all – about global warming. Just 18 percent of Democrats can rest easy when considering the subject.

"Democrats appear to have widely accepted the warnings about global warming," the study concludes, noting the issue "remains a politically charged issue" that will "likely lag behind other environmental issues as a public concern."

Gallup also asked the question using the "climate change" moniker and received similar results. This seems to prove that, no matter what it is called, the idea of man-caused climatological disaster is becoming a non-starter among political activists.

## White House Issues Threat to Global Warming Opponents

B. Christopher Agee, EPAAbuse.com, May 6, 2014

[http://epaabuse.com/16285/news/white-house-issues-threat-global-warming-opponents/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=white-house-issues-threat-global-warming-opponents&utm\\_source=EPA+Abuse&utm\\_campaign=5e202c39c3-RSS\\_EMAIL\\_CAMPAIGN&utm\\_medium=email&utm\\_term=0\\_bdf7c53c9e-5e202c39c3-305309409](http://epaabuse.com/16285/news/white-house-issues-threat-global-warming-opponents/?utm_source=rss&utm_medium=rss&utm_campaign=white-house-issues-threat-global-warming-opponents&utm_source=EPA+Abuse&utm_campaign=5e202c39c3-RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_bdf7c53c9e-5e202c39c3-305309409)



As he has proven with healthcare, amnesty, and plenty of other issues, Barack Obama is fully prepared to rule by fiat decree when he feels opposition to a particular policy might hinder his efforts. According to White House advisor John Podesta, the issue of global warming is yet another topic about which Obama is determined to force his will onto the American populace.

Speaking to reporters this week, Podesta [asserted](#) that critics of proposed regulations designed to fight climate change are facing an immovable force in the Obama administration.

"They may try, but there are no takers at this end of Pennsylvania Avenue," he said of global warming skeptics and those who believe added restrictions would only further hinder the nation's struggling economy.

Despite the fact that legislators in both parties have described Obama's stance on the issue as too radical, the administration is apparently sticking to its guns.

Efforts to effectively shut down any new coal-burning plants before they can be built have earned Obama widespread scorn – especially from leaders whose states depend on the natural resource.

Last year, Democrat West Virginia Gov. Joe Manchin expressed his disgust with the dichotomous tone the federal government has taken regarding coal.

“They just beat the living daylights out of little West Virginia,” he said to Roy Binz, then Obama’s pick to lead the Federal Energy Regulatory Committee; “but they sure like what we produce. We could do it a lot better if we had a government working with us as a partner.”

Manchin ultimately sided with the GOP to vote against Binz during the nomination process, expressing his concern that the nominee’s environmental ideology would take precedence over the benefits of coal production.

Coal is hardly the only focus of Obama’s climate initiative, however; and realists on both sides of the aisle continue to fight what they see as destructive policy proposals.

Whether Podesta is accurate in his allegation that such criticism is futile remains to be seen. In any case, it is vital for dissenting voices to be heard on this issue.

## **5 Ways Environmentalism Harms the Environment**

Mart van der Leer, The Raw Report, March 24, 2014

<http://therawreport.org/2014/03/24/5-ways-environmentalism-harms-the-environment/>

Friends of the Earth, Earthwatch, Environmental Defense Fund, Green Cross International, The Climate Project, World Resources Institute, WWF, and of course the inevitable Greenpeace.

These are just some of the [environmental organizations](#) that have for decades been pushing for – and in many cases [outright lobbying](#) for – ever more stringent environmental regulations to save the Earth and humanity from supposed catastrophe. Undoubtedly the majority of the people involved with these and other organizations are well-intentioned individuals that sincerely believe in their cause. That is not to say, however, that they are absolved from scrutiny as to the consequences of their (political) actions; you judge a tree by its fruits.

As it turns out, it can be quite convincingly argued that the very people and organizations purportedly fighting for protection of the environment are achieving much different outcomes, and one does not have to dig very deep at all to discover what those outcomes really are. As you read this, understand that this is not a ringing endorsement of a [throw-away society](#), but rather an honest attempt at dissecting the arguments made for increasingly strict environmental policies and examining the results thereof.

## **1. Tilting the balance in favor of large corporations**

“Green” regulations, like any and all forms of regulation, disproportionately hurt small and medium-sized businesses. After all, large (multinational) corporations have the financial resources and manpower that their [smaller competitors lack](#) to deal with the regulatory burden. As such each and every new law passed further threatens the very existence of mom-and-pop stores in your neighborhood. And unlike multinationals they don't have the lobbying power to turn the regulatory tide, either. The result? Fewer local stores in your area, forcing you to drive farther away for your groceries. True, you will likely plan ahead to avoid having to go to the store every day, but that means you now need a car to transport all those groceries in. You might not have needed that car to begin with if you could just stop by your local grocer that's now gone out of business.

## **2. Increasing pollution with “green” energy**

Wind turbines don't come falling from the sky. They require vast amounts of steel produced in steel mills and the fiber composite that make up the blades is [manufactured in a chemical plant](#). Then there is the issue of rare earth metals (or rare earths), [used in everything](#) from electric car batteries to wind turbines to solar panels. Nearly all production today takes place in China, where both [people and the environment suffer](#) due to the [hazardous and radioactive byproducts](#) released in the process. Mines and processing plants are [struggling to keep up with the demand](#) artificially pushed up by governments in the form of tax incentives and massive subsidies.

## **3. Impoverishing people**

Speaking of subsidies, one of the major recipients has been the “green jobs” industry. In an attempt to appeal to a broader audience, the argument is that [specific policies](#) would lead not only to a better environment, but also boost the economy through the creation of “[good jobs](#)”. Though the proponents of green jobs [have yet to find agreement](#) on what defines such a job, what has become clear is that the net effect on employment is actually negative. In the UK [3.7 jobs are lost](#) for every green job while in Spain the ratio stands at [2.2 jobs lost](#) per green job. Poof!

To make matters worse, prominent green jobs reports such as the [UNEP report](#) even go so far as to rail against high-productivity jobs lest they “pose the dual challenge of environmental impact and unemployment”[\[1\]](#). Apparently the report's authors are totally oblivious to the fact that increased productivity is what makes a society wealthier, and that the inefficient use of resources for the sake of “spreading the work” will inevitably [make everyone poorer](#).

It goes without saying that poor people will naturally care less about the environment and more about where their next meal is going to come from.



While rich people have the luxury of worrying about the environment, poor people do not. So the wealthier a society, the more likely it is to take good care of the environment.

#### **4. Wasting resources mandating recycling**

I know this is going to sound counterintuitive – as it did to me – but recycling does not always save energy or money. The latter makes sense considering the top-down approach that has dominated environmental initiatives; if there was any money in recycling, force would not have been necessary to bring it about. New York City's recycling program, for instance, costs the taxpayer [almost double](#) what it would cost to just throw glass, metal, and plastic away.

Still, it would be one thing to spend all that taxpayer money on recycling if it actually saved resources. Unfortunately even that is not necessarily the case. Trees are planted and grown on tree farms [specifically to make paper](#) and as such do *not* contribute to deforestation. Other materials such as glass and aluminum can be [effectively recycled](#), benefitting both the environment and the economy. However, businesses involved with the production of these materials have an inherent incentive to recycle anyway, so there is no need for regulatory requirements there.

#### **5. Carbon taxes**

Carbon taxes help funnel money into wind and solar power, which also come with environmental problems even in addition to the aforementioned. Solar thermal technology, for instance, consumes [huge quantities of water](#) – you know, the substance that is generally already lacking in areas where solar panels are the preferred “renewable energy” source (e.g. California, southern Spain).

Solar panel fields and wind farms are also very land-intensive, and wind farms [negatively impact animals](#) in the form of habitat loss and fragmentation. Besides, few people find wind turbines scattered over the countryside to be of benefit to the landscape. Some even suffer [negative health effects](#) that have been linked to living near a wind farm.

Finally, carbon taxes aggravate the aforementioned problems of favoring large over small businesses and impoverishing people.

Given these issues it would behoove environmentalists to consider the unintended consequences of their push for continued “climate action”, even aside from the debate over whether or not climate change is man-made to begin with. Having blind faith in politicians and special interest groups that try to

greenwash their agenda to appeal to your sense of justice may not be the best strategy if you really care about the environment.

## **Environmentalism's 10 Biggest Scams, Hoaxes, and Frauds**

Congressman Steve Stockman (R-TX), EPAAbuse.com, April 23, 2014,  
[http://epaabuse.com/16231/editorials/environmentalisms-10-biggest-scams-hoaxes-frauds/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=environmentalisms-10-biggest-scams-hoaxes-frauds&utm\\_source=EPA+Abuse&utm\\_campaign=228ba5eb33-RSS\\_EMAIL\\_CAMPAIGN&utm\\_medium=email&utm\\_term=0\\_bdf7c53c9e-228ba5eb33-305295069](http://epaabuse.com/16231/editorials/environmentalisms-10-biggest-scams-hoaxes-frauds/?utm_source=rss&utm_medium=rss&utm_campaign=environmentalisms-10-biggest-scams-hoaxes-frauds&utm_source=EPA+Abuse&utm_campaign=228ba5eb33-RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_bdf7c53c9e-228ba5eb33-305295069)

### **#10 – “Man-made global warming”**

So after decades of junk science, scare tactics, alarmist wailing and calls for the death of capitalism, what is the single biggest hoax in environmentalist history?

“What we’ve got to do in energy conservation is try to ride the global warming issue. Even if the theory of global warming is wrong, to have approached global warming as if it is real means energy conservation, so we will be doing the right thing anyway in terms of economic policy and environmental policy.” — Timothy Wirth, former U.S. Senator (D-Colorado)

And you are wrong, Tim.

When the “population bomb” fizzled in the 1970s and “global cooling” was proven to be another lie in the 1980s, environmentalists needed a new vehicle to drive their calls for centrally planned economies and controls on human population.

The solution? Scratch out the word “cooling” on all their alarmist materials and write in the word “warming.” They didn’t even bother changing much else.

The Obama administration has jumped in with both feet, declaring the carbon dioxide you exhale a “pollutant” and calling for a “cap and tax” system that places a price on carbon dioxide and forces Americans to pay a tax for the CO<sub>2</sub> they emit.

So is the earth warming and is it caused by humans producing carbon dioxide?

No. That's silly.

"It is now known that both Atlantic and Pacific temperatures can get 'stuck,' for a decade or longer, in relatively warm or cool patterns. The North Atlantic is now forecast to be in a cold stage for a decade, which will help put the damper on global warming. Another Pacific temperature pattern is forecast not to push warming, either...we have simply overestimated the amount of warming that results from increases in atmospheric carbon dioxide." writes internationally distinguished climatologist Pat Michaels of the independent Cato Institute.

This isn't the first time environmentalists have made wildly inaccurate claims human activity is causing global climate change, and the end of capitalism is the only answer.

"The battle to feed humanity is over. In the 1970s, the world will undergo famines. Hundreds of millions of people are going to starve to death in spite of any crash programs embarked upon now. Population control is the only answer." — Paul Ehrlich – The Population Bomb (1968)

"The continued rapid cooling of the earth since WWII is in accord with the increase in global air pollution associated with industrialization, mechanization, urbanization and exploding population." — Reid Bryson, "Global Ecology; Readings towards a rational strategy for Man", (1971)

"This cooling has already killed hundreds of thousands of people. If it continues and no strong action is taken, it will cause world famine, world chaos and world war, and this could all come about before the year 2000." — Lowell Ponte "The Cooling", 1976

"If present trends continue, the world will be about four degrees colder for the global mean temperature in 1990, but eleven degrees colder by the year 2000...This is about twice what it would take to put us in an ice age." — Kenneth E.F. Watt on air pollution and global cooling, Earth Day (1970)

"This [cooling] trend will reduce agricultural productivity for the rest of the century." — Peter Gwynne, Newsweek 1976

## **#9 – "Man-made global cooling"**

"There are ominous signs that the Earth's weather patterns have begun to change dramatically and that these changes may portend a drastic decline in food production – with serious political implications for just about every nation on Earth. The drop in food output could begin quite soon, perhaps only 10 years from now. The regions destined to feel its impact are the great wheat-producing lands of Canada and the U.S.S.R. in the North, along with a number of



marginally self-sufficient tropical areas – parts of India, Pakistan, Bangladesh, Indochina and Indonesia – where the growing season is dependent upon the rains brought by the monsoon.

“The evidence in support of these predictions has now begun to accumulate so massively that meteorologists are hard-pressed to keep up with it...

“...Climatologists are pessimistic that political leaders will take any positive action to compensate for the climatic change, or even to allay its effects. They concede that some of the more spectacular solutions proposed, such as melting the Arctic ice cap by covering it with black soot or diverting arctic rivers, might create problems far greater than those they solve. But the scientists see few signs that government leaders anywhere are even prepared to take the simple measures of stockpiling food or of introducing the variables of climatic uncertainty into economic projections of future food supplies. The longer the planners delay, the more difficult will they find it to cope with climatic change once the results become grim reality.”

That was Newsweek, April 28, 1975, predicting mass deaths and global catastrophe – from man-made global cooling.

As the United States experienced cooler-than-usual winters in the 1960s and 1970s, the popular scientific theory at the time was that automobile and industry were filling the atmosphere with pollutants that were causing the globe to hurtle toward a new Ice Age.

The prescription was dramatic. Environmentalists demanded world leaders place strict curbs on industry and impose massive new taxes to redistribute income and stave off the soon-to-happen “Snowball Earth.”

One problem. Most of their alarmist demands weren't met, and the Ice Age didn't happen.

That didn't stop radical environmentalists, however. They simply changed their story and now declared the same policies that would stop the Earth from cooling would now somehow magically stop the Earth from warming.

It's all bunk however. When considering sheer power of global climate dynamics it is scientifically laughable to claim human emissions can cause climate change on a global scale. Perhaps that's why more than 31,000 climatologists and other scientists publicly refute the politically-motivated claim of “man-made climate change” that only higher taxes and a more centrally-planned state can reverse.

## **#8 – “The Population Bomb”**

Before there was “man-made global warming,” there was the “population bomb.”

Radical environmentalist Paul Ehrlich caused a global stir in 1968 with the release of “The Population Bomb.” Written at the request of Sierra Club Executive Director David Brower, an advocate of human extinction, the book claimed human population would soon grow so large the planet could not sustain, and mass death would follow.

“The battle to feed all of humanity is over. In the 1970s and 1980s hundreds of millions of people will starve to death in spite of any crash programs embarked upon now. At this late date nothing can prevent a substantial increase in the world death rate,” Ehrlich wrote.

Specifically, Ehrlich pointed to India, then-population of 400 million. “India couldn’t possibly feed two hundred million more people by 1980?I have yet to meet anyone familiar with the situation who thinks that India will be self-sufficient in food by 1971.”.

The book sold more than two million copies and formed the foundation of much of the environmentalist movement’s legislative agenda. Radical environmentalists used the “population bomb” threat to demand greater central control and planning of economies, agriculture and family planning programs.

Brower, who inspired the book, founded the League of Conservation Voters, led the Sierra Club and whose teachings still shape environmentalist policy, demanded “childbearing [should be] a punishable crime against society, unless the parents hold a government license... All potential parents [should be] required to use contraceptive chemicals, the government issuing antidotes to citizens chosen for childbearing.”

But much like the “man-made global warming” conspiracy theory, “the population bomb” throws out an alarmist claim whose implications are so serious they compel environmentalists to demand total compliance from legislators just in case it may be true.

And since you’re not reading this on top of a pile of graves, you know Ehrlich’s “population bomb” was completely falsified. Not only has the world’s population grown drastically since 1968, our ability to produce food has grown even faster thanks to technologies opposed by radical environmentalists.

And India, which Ehrlich claimed couldn't grow much beyond 400 million people without mass deaths? They are now at 1.2 billion people and rapidly increasing both their population and standard of living.

In fact, Ehrlich made sure that any copies of his book printed after 1971 had the sentence "I have yet to meet anyone familiar with the situation who thinks that India will be self-sufficient in food by 1971?" removed from the texts, much like how today's "man-made global warming" conspiracy theorists frequently doctor and omit wildly incorrect predictions and contrary data.

But proving environmentalism is as shameless as it is scientifically baseless, the exposure of "the population bomb" as a hoax did not deter environmentalists from demanding nations convert to socialist, centrally-planned economies where industry, agriculture and family planning are controlled by government. They simply created a new hoax, the "climate bomb," if you will.

### **#7 – MTBE will reduce pollution!**

Pushed by radical environmentalists as the magic cure to pollutants in gasoline, methyl-t-butyl ether has instead proven to be a toxic nightmare.

MTBE is supposed to reduce carbon monoxide and high ozone levels caused by auto emissions and has replaced lead as an octane enhancer since 1979. Beginning in 1992, MTBE use in gasoline was increased to fulfill the 1990 Clean Air Act Amendments' oxygenate requirements.

One problem. Those environmentalist mandates are now pumping massive amounts of the toxic chemical into the air and drinking water.

When research animals inhaled high concentrations of MTBE some developed cancers or experienced other non-cancerous health effects. Research also shows when ingested in water MTBE is a potential human carcinogen at high doses.

That's important because this environmentalist-required chemical is probably in your family's drinking water.

MTBE is found throughout aquifers in North America, detected in tens of thousands of contaminated sites in water wells distributed across the country. MTBE's high solubility and persistence cause it to travel faster and farther than many other components of gasoline when released into an aquifer. Because it is water soluble, it easily moves through soil, polluting both surface and

groundwater. MTBE gets into water through leaking underground storage tanks and pipelines, spills, emissions from marine engines into lakes and reservoirs, and to some extent, from its release into the air.

The San Francisco Bay Area Regional Water Quality Control Board reports MTBE is one of the widespread pollutants in local groundwater. In 1996, the city of Santa Monica found two of its drinking water wellfields were contaminated as high as 610 ppb and 86 ppb. The toxic contamination, mandated by environmentalists, forced the two wellfields, representing 50 percent of the city's drinking water supply, to be shut down. The city began purchasing replacement water. .

Removing MTBE from groundwater and soil is estimated to cost from \$1 billion to \$30 billion. Recent state laws have been passed to ban MTBE in certain areas. California and New York, which together accounted for 40 percent of U.S. MTBE consumption, banned the chemical starting January 1, 2004.

As of September 2005, twenty-five states had signed legislation banning MTBE. In 2000, the EPA drafted plans to phase out the use of MTBE nationwide over four years. As of fall 2006, hundreds of lawsuits are still pending regarding MTBE contamination of public and private drinking water supplies.

Have MTBE contamination in your community? Thank an environmentalist.

## **#6 – Expensive Energy Mandates**

Gang Green is deadly serious about aggressively pushing policies intended to make energy unaffordable.

And the Expensive Energy Mandate is one of their biggest weapons.

Sold to consumers as “doing your part for the environment” by forcing them to buy a specific percentage of their electricity from more expensive wind and solar experiments, the unpopular Mandates not only fail at reducing air pollution, they also send electric prices skyrocketing.

The only ones who benefit from the Expensive Energy Mandate are wind and solar speculators and Gang Green politicians. Money forcibly taken from the pockets of consumers bails out the speculators who invested in failing wind and solar experiments. Speculators then funnel much of their ill-gotten profit into the campaign accounts of Gang Green politicians.

The new Gang Green politicians then join up with Gang Green incumbents to raise the Expensive Energy Mandate on consumers, forcing you to hand more of your money to the politically-connected speculators in a vicious cycle of crony corporatism.

Those most punished by the Expensive Energy Mandate are working families on a budget.

Research by the American Tradition Institute, finds the higher electricity prices under a 30 percent Expensive Energy Mandate would force employers to eliminate between 409,000 and 1.526 million jobs by 2021 to stay in business. The workers who manage to keep their jobs would see their gross wages plummet between \$416 and \$1,552.

Under a 20 percent Expensive Energy Mandate, residents would face \$175 in higher electric bills, commercial business would pay \$1,204 more and industrial companies would pay \$20,613 more for electricity in 2021. A 30 percent Expensive Energy Mandate would more than double these figures.

## **#5 – The Antiquities Act land grab spree**

The Antiquities Act of 1906 was signed into law over 100 years ago to protect tiny, individual Indian archaeological sites from looters. In one of Gang Green's most brazen displays of abuse of power, the Act is now being used to snatch up millions of acres of land at a time and declare it a "national monument" – without congressional approval.

Under "national monument" designation, natural resource development and most recreational activities are outlawed, a move that eliminates badly-needed jobs and robs citizens of property rights.

The Clinton administration notably used the Act in 1996 to shut down clean coal development in 2,600 square miles of southern Utah.

The Obama administration is undertaking multiple abusive land grabs under the Act.

An Interior Department internal document indicates the Administration is considering using Antiquities Act to designate as many as seventeen different sections of the West as "national monuments." The list was leaked just days after a story appeared in The New York Times outlining the administration's plans to use executive power to pass Obama's agenda over the disapproval of Congress, Fox News reports.

Obama's use of the Antiquities Act comes as the administration also seeks to grab land and shut down recreational and employment activity through passage of the Northern Rockies Ecosystem Protection Act, the so-called "Clean Water Restoration Act" and a bill by Montana Senator Jon Tester to expand federal "wilderness" designations.

The intended product of Antiquities Act land grabs? Shut down resource development and eliminate jobs created by employers Gang Green considers their enemies.

#### **#4 – Gang Greens's campaign of terror against safe, clean hydraulic fracturing**

"Giving society cheap, abundant energy would be the equivalent of giving an idiot child a machine gun." – Environmentalist "founding father" Dr. Paul Erlich

"[W]e have to offer up scary scenarios, make simplified, dramatic statements, and make little mention of any doubts we may have. Each of us has to decide what the right balance is between being effective and being honest." – Professor of Environmental Biology and Global Change at Stanford University and Obama adviser Stephen Schneider

Don't believe Gang Green when they openly admit they must destroy any form of clean, affordable energy, and lying is a perfectly acceptable means to environmentalist ends?

Always ready to destroy any form of clean, affordable energy by any means necessary, Gang Green is waging a nasty multi-million war of lies, smear tactics and outright terror in an effort to stop the safe, clean practice of hydraulic fracturing, in which high-pressure water is used to break shale and capture the natural gas inside.

The practice not only creates thousands of jobs and provides millions of Americans with affordable energy, the practice is 100% safe and clean.

But Gang Green's war on working families includes paid agitators who travel to communities to terrorize families with debunked urban legends and even a fake documentary whose multi-million dollar publicity campaign bought it an Oscar nomination, despite the fact it was utterly falsified.

Because as with virtually every effort of Gang Green to limit energy and prosperity, it's all based on admitted lies.

Gang Green openly admits they are lying about hydraulic fracturing. For example, there is this exchange between “Energy & the Environment TV” and the Environmental Defense Fund’s Scott Anderson:

E&E TV: “Do you believe that [hydraulic fracturing] can be used safely?” (5:23)

EDF’s Scott Anderson: “Yes I do. I think in the vast majority of cases, if wells are constructed right and operated right, that hydraulic fracturing will not cause a problem.” (5:19) [Note: The EPA reports wells ARE constructed and operated correctly, with no proven cases of contamination whatsoever.]

E&E TV: “How difficult is it for states to regulate this practice? And should it be done on a state-by-state bases, a region-by-region bases or nationally?” (2:11)

EDF’s Scott Anderson: “The states actually have a lot of knowledge and experience in regulating well construction and operation. We think that states have every reason to be able to tackle this issue and do it well. We also think that if states fail in that and the federal government has to takeover, the states will have no one but themselves to blame.” (2:00)

E&E TV: “Without this practice of hydraulic fracturing, what would our natural gas supplies look like?” (1:38)

EDF’s Scott Anderson: “Our natural gas supplies would plummet precipitously without hydraulic fracturing. About 90 percent of gas wells in the United States are hydraulically fractured, and the shale gas that everyone talks about as being a large part of the future of natural gas production is absolutely dependent on fracturing in each case.” (1:33)

E&E TV: “So you would say that this is a necessary part of our energy future?” (1:09)

EDF’s Scott Anderson: “Yes. At the Environmental Defense Fund we don’t pick fuels, we are realist, we recognize that fossil fuels will be around for a while, a long while most likely. We recognize that natural gas has some environmental advantages compared to other fossil fuels, so we do believe that natural gas will be around, and has a significant role to play....” (1:05)

Tennessee State Rep. David Hawk also notes hydraulic fracturing is absolutely safe and clean.

“Hydraulic fracturing is routinely and safely performed nationwide. Production is carefully regulated and closely monitored by federal, state and local regulators. The Environmental Protection Agency, the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission have examined the process and found it to be safe.” Rep. Hawk writes in the Nashville Tennessean.

“Over the past 60 years, more than 1 million wells in the U.S. have successfully used hydraulic fracturing. This proven process has unlocked access to more natural gas in the U.S. than Saudi Arabia has oil, and has allowed for the success of an industry that supports more than 2.8 million jobs and contributed \$385 billion to our nation’s economy in 2008,” writes Rep. Hawk.

### **#3 – The “Endangered Species” Act**

Sold as legislation that would protect vulnerable species, the Endangered Species Act and other wildlife preservation laws are instead routinely abused by environmentalists as weapons against employers.

A favorite tactic is to use junk science and strong-arm tactics to get species that are not threatened or endangered listed as “threatened” or “endangered” to shut down agriculture, homebuilding, energy and timber development and other job-creating activities in targeted areas.

Among the earliest attempts to pull such scams occurred in 1973 when radical environmentalists successfully delayed construction of the Tellico Dam when a University of Tennessee biology professor claimed a rare fish called the “snail darter.” Greens filed a lawsuit under the National Environmental Policy Act claiming construction of the dam would alter the Little Tennessee River and destroy the “snail darter,” which would be placed on the Endangered Species List in 1975.

They did not succeed in their goal of stopping construction of the dam, but they did succeed in inflicting lengthy and expensive delays in its construction.

Not only did the species not go extinct, it was plentiful enough to be taken off the Endangered Species List less only a year after completion of the dam environmentalists claimed would wipe it out.

In the most famous case of fraudulent use of the ESA, environmentalists petitioned the U.S. Fish and Wildlife Service in 1986 to list the spotted owl as an “endangered species” in order to shut down timber harvesting across vast areas of the northwest United States. Waging a ferocious public pressure campaign,



environmentalists claimed the bird could only nest in “old growth” forests, and logging would lead to the bird’s extinction.

The scare tactics paid off in 1990 when the government declared the owl threatened, forcing loggers to leave at least 40% of the old-growth forests intact within a 1.3 mile radius of any spotted owl nest or activity site.

The result? Timber harvesting was virtually shut down in the American northwest and thousands of loggers lost their jobs. To add insult to injury, not only is the spotted owl not threatened, it is more than capable of nesting in secondary and newer forests.

Environmentalists were not at all ashamed of their fraudulent use of the Endangered Species Act. League of Conservation Voters founder and former Sierra Club Executive Director David Brower proudly crowed, “Loggers losing their jobs because of Spotted Owl legislation is, in my eyes, no different than people being out of work after the furnaces of Dachau shut down.”

## **#2 – The unelected, unaccountable and radical EPA**

The Endangered Species Act. Vicious federal attacks on a safe and long-used drilling method. National carbon dioxide caps. The Expensive Energy Mandate.

None of it would be possible without Gang Green’s bureaucratic “enforcers” – the Environmental Protection Agency.

Launched in 1970 by Richard Nixon, the EPA has mutated from a consolidation of several then-existing smaller agencies into an unaccountable, unchecked and power-hungry Leviathan. Not content with simply monitoring air pollution, today’s EPA has declared an all-out war on the American economy.

And now Barack Obama plans to use this bureaucratic army to launch a full scale invasion of virtually every American employer and home through his calls for Cap and Tax, national carbon dioxide limits the Expensive Energy Mandate, all of which would be enforced with the lead pipe that is unaccountable EPA regulation.

The EPA has rightfully been criticized for:

\* Abandoning reliance on scientific data to make decisions in favor of the opinions of political activists.

\* Doctoring and outright falsifying documents on so-called “global warming” in order to steer the political agenda in favor of Gang Green.

\* Proposing federally-dictated controls on “very fine airborne particulates” with no scientific evidence to back such a decision.

\* Proposing to regulate the natural dust that kicks up behind a truck or tractor as a toxic pollutant.

\* Proposing to regulate spilled milk as toxic waste.

And that’s just a tiny handful of the radical and abusive power grabs in recent history. Barack Obama proposes to unleash the EPA’s bureaucratic power and simply declare as federal regulations any law Congress deems to radical to pass.

## **#1 – Environmentalists’ DDT ban kills 102 million people, and counting**

For Africans struggling to survive against malaria and starvation, DDT was a lifesaver. The pesticide not only killed the disease-carrying mosquitos that killed millions, it also killed the ravenous pests that ate their crops.

“In 1970, the U.S. National Academy of Sciences estimated that DDT saved more than 500 million lives during the time it was widely used,” writes economist Dr. Walter Williams.

But riding a wave of public sentiment fueled by Rachel Carson’s book “Silent Spring,” which falsely claimed DDT would cause many species of birds to go extinct, radical environmentalists pushed for a ban on the life-saving chemical.

The facts didn’t matter. “A scientific review board of the EPA showed that DDT is not harmful to the environment and showed it to be a beneficial substance that ‘should not be banned.’ According to the World Health Organization, worldwide malaria infects 300 million people. About 1 million die of malaria each year. Most of the victims are in Africa, and most are children,” writes Williams.

EPA Administrative Law Judge Edmund Sweeney stated that “DDT is not a carcinogenic hazard to man. ... The uses of DDT under the regulations involved here do not have a deleterious effect on freshwater fish, estuarine organisms, wild birds, or other wildlife. ... The evidence in this proceeding supports the conclusion that there is a present need for the essential uses of DDT.”

But armed with falsified environmental “studies,” they succeeded in winning an EPA ban on the chemical 1972, and bans in other countries. EPA Administration William Ruckelshaus, who was also a fundraiser for the Environmental Defense Fund, overturned Sweeney’s ruling despite never having attended a single hearing on DDT and banned the chemical entirely.

The result?

“In Sri Lanka, in 1948, there were 2.8 million malaria cases and 7,300 malaria deaths. With widespread DDT use, malaria cases fell to 17 and no deaths in 1963. After DDT use was discontinued, Sri Lankan malaria cases rose to 2.5 million in the years 1968 and 1969, and the disease remains a killer in Sri Lanka today. More than 100,000 people died during malaria epidemics in Swaziland and Madagascar in the mid-1980s, following the suspension of DDT house spraying. After South Africa stopped using DDT in 1996, the number of malaria cases in KwaZulu-Natal province skyrocketed from 8,000 to 42,000. By 2000, there had been an approximate 400 percent increase in malaria deaths. Now that DDT is being used again, the number of deaths from malaria in the region has dropped from 340 in 2000 to none at the last reporting in February 2003,” writes Williams.

An estimated 102 million people have needlessly died from malaria since DDT was banned.

Why would environmentalists push for a worldwide ban on a chemical that saved the lives of millions of people living in Third World countries? Ask the environmentalists themselves:

“People are the cause of all the problems. We have too many of them. We need to get rid of some of them, and this (referring to malaria deaths) is as good a way as any.” – Dr. Charles Foster, one of the architects of the ban on DDT

“My own doubts came when DDT was introduced. In Guyana, within two years, it had almost eliminated malaria. So my chief quarrel with DDT, in hindsight, is that it has greatly added to the population problem.” – Alexander King, founder of the Malthusian Club of Rome

And those aren’t isolated cases. Viewing humans as the parasite to be exterminated is a mainstream view in the environmentalist community:

“I suspect that eradicating small pox was wrong. It played an important part in balancing ecosystems.” — John Davis, editor of Earth First! Journal

“Human beings, as a species, have no more value than slugs.” — John Davis, editor of Earth First! Journal

“The extinction of the human species may not only be inevitable but a good thing....This is not to say that the rise of human civilization is insignificant, but there is no way of showing that it will be much help to the world in the long run.” — Economist editorial

“We advocate biodiversity for biodiversity's sake. It may take our extinction to set things straight/” — David Foreman, Earth First!

“Phasing out the human race will solve every problem on earth, social and environmental.” — Dave Forman, Founder of Earth First!

“If radical environmentalists were to invent a disease to bring human populations back to sanity, it would probably be something like AIDS.” — Earth First! Newsletter

“Human happiness, and certainly human fecundity, is not as important as a wild and healthy planets...Some of us can only hope for the right virus to come along.” — David Graber, biologist, National Park Service

“The collective needs of non-human species must take precedence over the needs and desires of humans.” — Dr. Reed F. Noss, The Wildlands Project

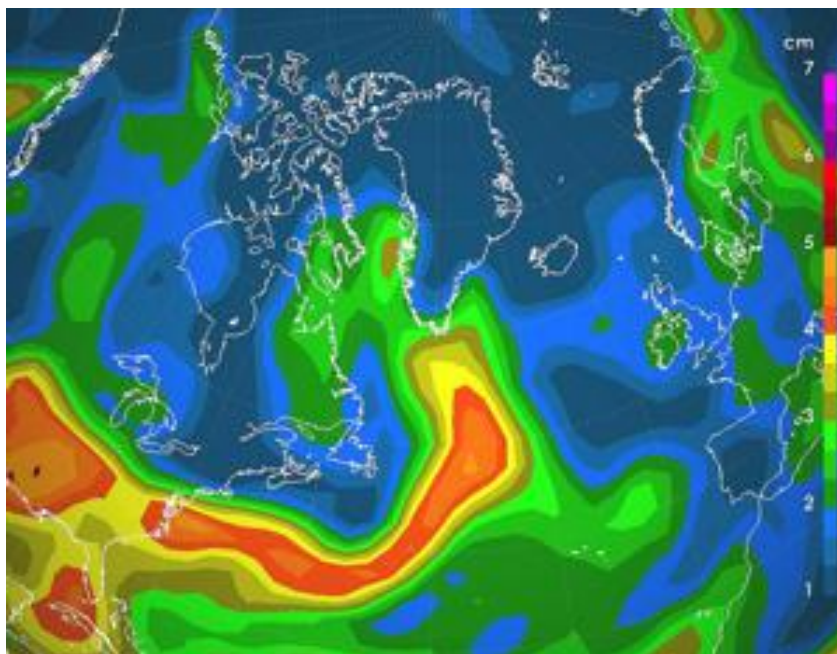
“If I were reincarnated, I would wish to be returned to Earth as a killer virus to lower human population levels.” — Prince Phillip, World Wildlife Fund

Cannibalism is a “radical but realistic solution to the problem of overpopulation.” — Lyall Watson, The Financial Times, 15 July 1995.

# Polar Vortex Revenge? US Heat Waves Melted Greenland's Ice

Becky Oskin, Senior Writer, , April 27, 2014

<http://news.yahoo.com/polar-vortex-revenge-us-heat-waves-melted-greenlands-132445947.html>



Atmospheric river events on July 5, 1889, and July 9, 2012, swept warm, moist air up toward Greenland.

In a reversal of this year's extraordinary winter weather, Greenland suffered the wrath of North America's epic heat waves in 1889 and 2012, a new study reveals.

"Last winter in the eastern United States, people associated the cold with the behavior of [the polar vortex](#)," said lead study author William Neff, a fellow at the Cooperative Institute for Research in Environmental Sciences (CIRES) at the University of Colorado, Boulder. "In fact the polar vortex can show two faces: a cold one or a warm one depending where you are. Last winter it showed its cold face to folks in the East. In the summer of 2012 it showed its warm face."

Though more than a century apart, both massive surface melts were triggered by soaring temperatures east of the Rocky Mountains, according to findings published yesterday (April 24) in the *Journal of Geophysical Research: Atmospheres*. It turns out that North America's furnacelike heat was funneled toward Greenland by an atmospheric river, a narrow, fast-flowing current of

moist, warm air, Neff and his co-authors found. A warmer-than-average ocean off Greenland moistened the scorching air as it blasted north.

"Air was taken from the heat wave in the Midwest, moved to the east and then traveled over the ocean picking up moisture on the way to Greenland, where the warm air and clouds helped melt the ice over highest levels of Greenland," Neff told Live Science by email.

Both 1889 and 2012 saw [record-shattering summer melts](#) that liquefied nearly all of Greenland's icy surface. Ice core records suggest similar extreme melts hit about once a century between A.D. 750 and A.D. 1250, during a warmer North Atlantic climate known as the Medieval Warm Period.

Earlier research had already identified the culprits in 2012's incredible thaw — [warm air and thin clouds insulating the island](#) like a blanket — but scientists were curious about what caused the remarkable weather pattern.

Atmospheric river events on July 5, 1889, and July 9, 2012, swept warm, moist air up toward Greenland ...

"These rare melt events on the highest elevations of Greenland require an unusual coincidence of factors," Neff said. "Understanding how they come together may help us better forecast the future of Greenland's ice and snow."

On the West Coast of the United States, atmospheric rivers deliver winter rain and snow, such as the Pineapple Express, which carries tropical moisture from Hawaii to California. But [atmospheric rivers](#) can form around the world, even in Antarctica.

### **Heat, drought and dissolving ice**

The findings help explain why it's so rare for the entire Greenland ice sheet to melt in toasty summer weather.

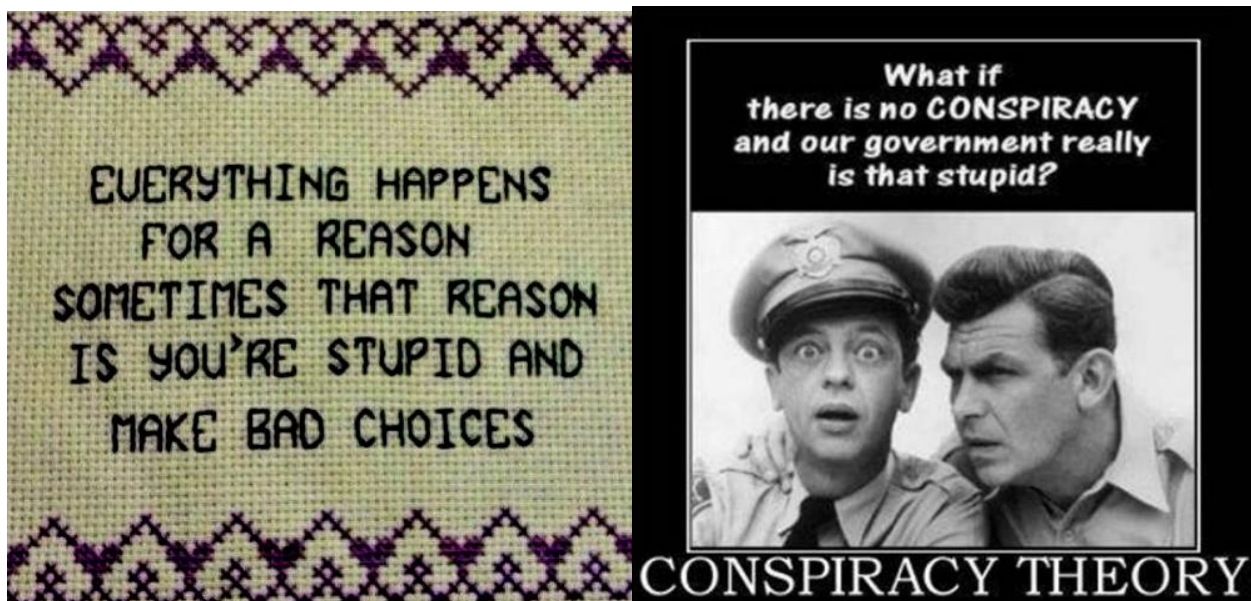
Atmospheric rivers reach Greenland only when atmospheric pressure patterns, such as ridges and lows, free a path for North America's heat and moisture to travel northward.

"Distortions in the jet stream must happen in just the right place to direct atmospheric rivers toward [Greenland](#)," Neff said. "That may be one reason extreme melt events there have been relatively rare."

A sophisticated computer model of historic weather patterns suggests the same factors underlie Greenland's 1889 surface melt. In the summer of that year, heat waves in the Rocky Mountains and eastward drove temperatures as much as 15 to 20 degrees Fahrenheit (8 to 11 degrees Celsius) higher than average, and a severe drought gripped the northwestern and Upper Midwest states, according to weather records.

In the summer of 2012, temperatures east of the Rocky Mountains were also about 15 F (8 C) higher than normal.

Neff did note one significant difference between the two heat waves — Rocky Mountain forest fires. In 1889, [forest fires](#) burned freely, and soot from the extensive flames can be found in Greenland ice cores. Studies show snow and ice coated in soot will melt faster than clean snow and ice.



## Political Correctness

There's an annual contest at Bond University, Australia, calling for the most appropriate definition of a contemporary term. This year's chosen term was "**political correctness**".

## **The winning student wrote:**

"Political correctness is a doctrine, fostered by a delusional, illogical minority, and promoted by mainstream media, which holds forth the proposition that it is entirely possible to pick up a piece of shit by the clean end."

**UNITED STATES  
GOVERNMENT**

## **America's Decadence Signals End of an Empire**

**By Erika Nolan, Executive Publisher of The Sovereign Society**

<https://us-mg5.mail.yahoo.com/neo/launch?.rand=f8el1m82ftrse>

Sir John Glubb, a British author and lecturer, argued that most empires generally don't last longer than 250 years.

Greek Empire? 231 years. Roman Empire? 207 years. Ottoman Empire? 250 years. Romanov Russian Empire? 234 years. British Empire? 250 years.

The United States of America?

Well, we're sitting at a ripe old age of 237 and deep in the midst of what Glubb called the Age of Decadence — the final stage of an empire that is marked by defensiveness, pessimism, materialism, frivolity, and the Welfare State.

*But we're too big and powerful to fail! This is America, the land of freedom and opportunity.*

I'm sure the Greeks and the Romans felt much the same way.

The fall of the Greek empire is, among other things, a story of a top-heavy government that could not tax enough producers to sustain a growing number of bureaucrats. Conflict and competition between city-states destroyed a sense of national unity. And the citizens were more interested in living the good life than in nurturing their culture.

The demise of ancient Rome has been assigned to many culprits. The empire



became a dictatorship, with the citizens removed from the act of governing. Heavy taxes were paid by the provinces to support the luxuries of Rome. To pay for their excesses, emperors devalued the currency. And a generous welfare state, manipulated by elites to gain power, eventually bankrupted the empire.

*But that was hundreds of years ago. Things are different now.*

Really? Let's see ...

American citizens have never been more affluent. We have wondrous new discoveries of oil and natural gas; the biggest threat to our national health is obesity, not hunger; we have easy access to the greatest technology in the world; we have the world's strongest military; and we enjoy a relatively stable system of government.

We are on a course of destruction and decay that has struck down too many countries before us. As a nation, we have lost sight of our founding principles of liberty and the pursuit of prosperity.

### **The Age of Decadence**

We have become a nation that pursues a policy of enforced equality, rather than unconstrained opportunity and liberty. We have become a nation that argues over receiving entitlement goodies, even as we continue to pile up trillion-dollar annual deficits. And we have become a nation addicted to debt-fueled instant gratification, spending our future on consumption today.

The result is the some \$17 trillion of national debt — more than \$148,000 per taxpayer. We have also created trillions of dollars in new money supply that, besides creating asset bubbles in housing and student loans, will ultimately destroy our currency. And our government passed a wasteful and ineffective \$800 billion economic “stimulus” plan packed with spoils for its key constituencies — and that was just for starters.

What this ruling class chicanery has produced are real unemployment figures that show that nearly every fifth person in America is out of work. At the same time, every fifth person relies on food stamps. And we have loaned more than \$1 trillion of money that we don't have to college students who can't pay it back because they are relying on jobs that no longer exist.

Much like the ruling classes in ancient Greece and Rome, our government is focused on redistributing our declining wealth, instead of pursuing policies that foster the private sector's creation of it.

## **The Dangers of Decline**

The United States is but 237 years old, but her decline is clearly underway. U.S. debts are so large they will never be fully repaid, so a default is coming. Meanwhile, U.S. interest rates are so low and government is so reliant on short-term debt to fund daily operations that when interest rates begin to rise, the cost of running American government could spiral out of control, destroying the dollar.

We've seen the fall before. We're not able to personally recall the demise of the Greeks and Romans, but we watched as Argentina, Zimbabwe and the Balkans suffered political and economic collapse during the past couple decades. During each of the instances, lives were lost, savings were wiped out and families were destroyed.

## **17 Facts To Show To Anyone That Still Believes That The U.S. Economy Is Just Fine**

Michael Snyder of [The Economic Collapse blog](#), 04/30/2014

<http://www.zerohedge.com/news/2014-04-30/17-facts-show-anyone-still-believes-us-economy-just-fine>

**No, the economy is most definitely not "recovering".** Despite what you may hear from the politicians and from the mainstream media (shrugging off today's terrible GDP print), the truth is that the U.S. economy is in far worse shape than it was prior to the last recession. In fact, we are **still pretty much where we were at when the last recession finally ended.** When the financial crisis of 2008 struck, it took us down to a much lower level economically. Thankfully, things have at least stabilized at this much lower level. For example, the percentage of working age Americans that are employed has stayed [remarkably flat for the past four years](#). We should be grateful that things have not continued to get even worse. It is almost as if someone has hit the "pause button" on the U.S. economy. But **things are definitely not getting better, and there are a whole host of signs that this bubble of false stability will soon come to an end** and that our economic decline will accelerate once again. The following are 17 facts to show to anyone that believes that the U.S. economy is just fine...

- #1** The homeownership rate in the United States has dropped to the lowest level [in 19 years](#).
- #2** Consumer spending for durable goods has dropped [by 3.23 percent](#) since November. This is a clear sign that an economic slowdown is ahead.
- #3** Major retailers are closing stores at the fastest pace that we have seen [since the collapse of Lehman Brothers](#).

- #4** According to the Bureau of Labor Statistics, [20 percent](#) of all families in the United States do not have a single member that is employed. That means that one out of every five families in the entire country is completely unemployed.
- #5** There are [1.3 million fewer jobs](#) in the U.S. economy than when the last recession began in December 2007. Meanwhile, our population has continued to grow steadily since that time.
- #6** According to [a new report from the National Employment Law Project](#), the quality of the jobs that have been "created" since the end of the last recession does not match the quality of the jobs lost during the last recession...
- Lower-wage industries constituted 22 percent of recession losses, but 44 percent of recovery growth.
  - Mid-wage industries constituted 37 percent of recession losses, but only 26 percent of recovery growth.
  - Higher-wage industries constituted 41 percent of recession losses, and 30 percent of recovery growth.
- #7** After adjusting for inflation, men who work full-time in America today [make less money](#) than men who worked full-time in America 40 years ago.
- #8** It is hard to believe, but [62 percent](#) of all Americans make \$20 or less an hour at this point.
- #9** [Nine of the top ten occupations in the U.S.](#) pay an average wage of less than \$35,000 a year.
- #10** The middle class in Canada now [makes more money](#) than the middle class in the United States does.
- #11** According to one recent study, [40 percent](#) of all Americans could not come up with \$2000 right now even if there was a major emergency.
- #12** Less than one out of every four Americans has enough money put away [to cover six months of expenses](#) if there was a job loss or major emergency.
- #13** An astounding [56 percent](#) of all Americans have subprime credit in 2014.
- #14** As I wrote about the other day, there are now [49 million Americans](#) that are dealing with food insecurity.
- #15** Ten years ago, the number of women in the U.S. that had jobs outnumbered the number of women in the U.S. on food stamps by more than a 2 to 1 margin. But now the number of women in the U.S. on food stamps [actually exceeds](#) the number of women that have jobs.
- #16** [69 percent](#) of the federal budget is spent either on entitlements or on welfare programs.
- #17** The number of Americans receiving benefits from the federal government each month exceeds the number of full-time workers in the private sector [by more than 60 million](#).

Taken individually, those numbers are quite remarkable.

Taken collectively, they are absolutely breathtaking.

Yes, things have been improving for the wealthy for the last several years. The stock market has soared to new record highs and real estate prices in the Hamptons have skyrocketed to unprecedented heights.

But that is not the real economy. In the real economy, the middle class is being squeezed out of existence. The quality of our jobs is declining and prices just keep rising. This reality was reflected quite well in a comment that one of my readers left [on one of my recent articles...](#)

It is getting worse each passing month. The food bank I help out, has barely squeaked by the last 3 months. Donors are having to pull back, to take care of their own families. Wages down, prices up, simple math tells you we can not hold out much longer. Things are going up so fast, you have to adopt a new way of thinking. Example I just had to put new tires on my truck. Normally I would have tried to get by to next winter. But with the way prices are moving, I decide to get them while I could still afford them. It is the same way with food. I see nothing that will stop the upward trend for quite a while. So if you have a little money, and the space, buy it while you can afford it. And never forget, there will be some people worse off than you. Help them if you can.

And the false stock bubble that the wealthy are enjoying right now will not last that much longer. It is an artificial bubble that has been pumped up by unprecedented money printing by the Federal Reserve, and like all bubbles that the Fed creates, it will eventually burst.

None of the long-term trends that are systematically destroying our economy have been addressed, and none of our major economic problems have been fixed. In fact, as I showed in [this recent article](#), we are actually in far worse shape than we were just prior to the last major financial crisis.

**Let us hope that this current bubble of false stability lasts for as long as possible.**

That is what I am hoping for.

But let us not be deceived into thinking that it is permanent.

**It will soon burst, and then the real pain will begin.**

## **Is America past the tipping point?**

### **Reveals 'only way to turn nation around'**

Greg Corombos, is news director for [Radio America](#), May 3, 2014

<http://www.wnd.com/2014/05/demint-is-america-past-the-tipping-point/#5QeRb0UfV74uU6sV.99>

With the national debt continuing to soar, bloated government getting further entrenched and the nuclear American family in decline, America's brightest days might seem to be behind her. But Heritage Foundation President and CEO Jim DeMint has good news: The nation can rise stronger than ever simply by following the proven course that triggered greatness in the first place.

DeMint served in both the U.S. House and Senate before resigning in 2013 and taking the helm at Heritage. In his new book, "[Falling in Love with America Again](#)," DeMint says he decided to apply his efforts to the private sector because making real change happen within the government proved to be very difficult.

With a national debt well north of \$17 trillion, federal government gathering more power and families seemingly facing more challenges than ever, DeMint said it's a fair question as to whether America can right the ship.

"An intellectual analysis of where we are would say we probably passed the tipping point. Technically, it's going to be very difficult to turn around. That's my head analysis," DeMint said. "My heart analysis is that I know the spirit of freedom still runs deep within the hearts of millions and millions of Americans. I also know that this country has been blessed by God, it's in His hands and that spiritual revival is still very possible in our country.

"We've got a better chance of turning our country around than our founders did, winning a war of independence against Britain. The odds have been against us before. We can turn it around, but only if people understand what's wrong," he said.

DeMint added, "If they continue to think, 'Well, the Democrats aren't doing it right in Washington, now let's try the Republicans' version of national education or national health care,' it doesn't matter who's in charge. The country is too big to manage, and it was never intended to manage all the things it's doing in Washington."

Read more at <http://www.wnd.com/2014/05/demint-is-america-past-the-tipping-point/#5QeRb0UfV74uU6sV.99>

# What is Social Justice?

Jonah Goldberg

The American Enterprise Institute and National Review for Prager University

(Excerpted from the Redmond Patriots Newsletter, Apr 2014)

Almost without exception, labor unions, universities and colleges, private foundations and public charities claim at least part of their mission to be the spreading of Social Justice far and wide. Here's the Mission Statement of the AFL-CIO, but it could be the mission statement for a thousand such organizations: "The mission of the AFL-CIO is to improve the lives of working families -- to bring economic justice to the workplace, and social justice to our nation."

**In short, "social justice" is code for good things no one needs to argue for -- and no one dare be against.**

This very much troubled the great economist Friedrich Hayek. This is what he wrote in 1976, two years after winning the Nobel Prize in Economics. "I have come to feel strongly that the greatest service I can still render to my fellow men would be that I could make the speakers and writers among them thoroughly ashamed ever again to employ the term "social justice".

Why was Hayek so upset by what seems like such a positive, and certainly unobjectionable, term? Because Hayek, as he so often did, saw right to the core of the issue. And what he saw frightened him. Hayek understood that beneath the political opportunism and intellectual laziness of the term "social justice" was a pernicious philosophical claim, namely that freedom must be sacrificed in order to redistribute income.

Ultimately, "social justice" is about the state amassing ever increasing power in order to, do "good things." What are good things?

Well, whatever the champions of social justice decide this week. But first, last and always it is the cause of economic redistribution. According to the doctrine of Social Justice, the "haves" always have too much, the "have not's", never have enough. You don't have to take my word for it.

That is precisely how a UN report on Social Justice defines the term: "*Social justice may be broadly understood as the fair and compassionate distribution of the fruits of economic growth. Social justice is not possible without strong and coherent redistributive policies conceived and implemented by public agencies.*"

I repeat: "Strong and coherent redistributive policies conceived and implemented by public agencies."

That is precisely how a UN report on Social Justice defines the term: I repeat: "Strong and coherent redistributive policies conceived and implemented by public agencies."

And it gets worse. The UN report goes on to insist that: "*Present-day believers in an absolute truth identified with virtue and justice are neither willing nor desirable companions for the defenders of social justice.*" Translation: if you believe truth and justice are concepts independent of the agenda of the forces of progress as defined by the left, you are an enemy of social justice.

**Compassion -- or social justice -- is when government takes your money and gives it to someone else. Greed is when you want to keep it. The underlying point of social justice, then, amounts to a sweeping indictment of a free society. It suggests that any perceived unfairness, or sorrow, or economic want must be addressed by yet another government effort to remedy that unfairness, that sorrow, or that economic want. All we need to do is invoke the abracadabra phrase "social justice" and we're on our way.**

The invocation of social justice always works from the assumption that the right people -- the anointed few -- can simply impose fairness, prosperity and any other good thing you can think of. **And the only institution capable of imposing social justice is the state.** And keep in mind, the conventional wisdom among liberal elites is that conservatives are the ones who want to impose their values on everyone else.

The self-declared champions of social justice believe the state must remedy and can remedy all perceived wrongs. Anyone who disagrees is an enemy of what is good and right. And the state must therefore coerce them to do what is socially just. And that, as Hayek prophesized, is no longer a free society.

**Is that the kind of society you want to live in? If it isn't, beware of what will be done in the name of social justice.**

**#!#**

“I have never understood why it is “Greed” to want to keep the money you’ve earned, but not “Greed” to want to take somebody else’s money.” -- Thomas Sowell

## **Conflicting Canaries**

[Dan Steinhart](https://us-mg5.mail.yahoo.com/neo/launch?.rand=a14sh4dfdr8jd#9359793449), Managing Editor, The Casey Report, May 2, 2014  
<https://us-mg5.mail.yahoo.com/neo/launch?.rand=a14sh4dfdr8jd#9359793449>

Mark Twain had it 75% right when he said there are three kinds of lies: lies, damned lies, and statistics.

He just forgot one: media “interpretations” of those statistics.

Checking the economic data on Wednesday morning, I was surprised to learn that the US economy barely eked out 0.1% GDP growth in Q1 2014—a rounding error away from being negative. And given that the government revises its GDP numbers by an average of 0.5% after each initial release, we could easily have stagnation or contraction by the time the numbers are final.

Economists expected GDP to rise 1.1%, so however you slice it, the data are disappointing.

But far more interesting than the data itself is the media’s reaction to it. Even more than usual, the scapegoat varied by where on the political spectrum a news organization fell. Each of these supposedly unbiased organizations—which are supposed to report the facts, not interpret them—embedded their own “reasons” into headlines about why the economy barely grew.

Let’s take a tour around some US media outlets, and I’ll show you what I mean.

Beginning with the leftist of the left, Obama’s White House [assures us that the culprit for the weak GDP was the weather](#). An act of God that couldn’t be helped, you see. The White House also boasts that had it not been for Obamacare’s implementation, the GDP stats would’ve been even worse.



An interesting read. Read the rest of the article at <https://us-mg5.mail.yahoo.com/neo/launch?.rand=a14sh4dfdr8jd#9359793449>

## **This is Canada's Top Ten List of America's Stupidity**

August 2, 2013

<https://maddmedic.wordpress.com/2013/08/02/this-is-canadas-top-ten-list-of-americas-stupidity/>

**Number 10)** Only in America...could politicians talk about the greed of the rich at a \$35,000.00 a plate campaign fund-raising event.

**Number 9)** Only in America ...could people claim that the government still discriminates against black Americans when they have a black President, a black Attorney General and roughly 20% of the federal workforce is black while only 14% of the population is black 40+% of all federal entitlements goes to black Americans - 3X the rate that go to whites, 5X the rate that go to Hispanics!

**Number 8)** Only in America...could they have had the two people most responsible for our tax code, Timothy Geithner (the head of the Treasury Department) and Charles Rangel (who once ran the Ways and Means Committee), BOTH turn out to be tax cheats who are in favor of higher taxes.

**Number 7)** Only in America...can they have terrorists kill people in the name of Allah and have the media primarily react by fretting that Muslims might be harmed by the backlash.

**Number 6)** Only in America...would they make people who want to legally become American citizens wait for years in their home countries and pay tens of thousands of dollars for the privilege, while they discuss letting anyone who sneaks into the country illegally just 'magically' become American citizens (probably be number one).

**Number 5)** Only in America....could the people who believe in balancing the budget and sticking by the country's Constitution be thought of as "extremists."

**Number 4)** Only in America...could you need to present a driver's license to cash a check or buy alcohol, but not to vote.

**Number 3)** Only in America...could people demand the government investigate

whether oil companies are gouging the public because the price of gas went up when the return on equity invested in a major U.S. Oil company (Marathon Oil) is less than half of a company making tennis shoes (Nike).

**Number 2)** Only in America....could the government collect more tax dollars from the people than any nation in recorded history, still spend a Trillion dollars more than it has per year - for total spending of \$7-Million PER MINUTE, and complain that it doesn't have nearly enough money.

**And the Number 1)** Only in America...could the rich people - who pay 86% of all income taxes - be accused of not paying their "fair share" by people who don't pay any income taxes at all.

## **DOES PHILOSOPHY REALLY MATTER?**

*Leonard Melman* , MELMAN MINUTE, April 14th, 2014

<http://www.themelmanreport.com/minutes/minute1063.html>

The 'quick answer' is that I certainly believe it does. In my case, I believe deeply that supporting individual liberty and free markets is not only philosophically satisfying, but it is also sound in terms of freedom and prosperity. It is, therefore, with some pleasure that I have reviewed two recent commentaries by supporters of those concepts, William Watson in Canada and Charles G. Koch in the USA. Watson's commentary is more tilted toward economic considerations while Koch's deals more with ideas promoting a free society.

I would add that at The Melman Report we also believe that these philosophies, being economically sound, would lead to a stable, prosperous and free society - and therefore would actually tend to be negative for the precious metals over time. Also, we believe that their opposites, namely complications by intrusive and coercive governments tend to lead to economic inefficiencies resulting in more government debt, deficits, and, ultimately, greater creation of fiat currencies - all of which I believe would ultimately be positive for precious metals.

One of our loyal readers sent a contribution in during the past few days, and the author, I believe hit the nail on the head by writing, "...**As an economic model, socialism is dead, but in society it still thrives.**" In a nutshell, that reflect our basic position that as long as the socialist - or Keynesian - models continue to receive strong public support, the negative consequences noted directly above will continue, to the long term benefit of the precious metals.

Back to our two commentaries....

Watson, a regular contributor to Canada's *Financial Post* newspaper, wrote his commentary in response to the electoral victory of Quebec's Liberal Party under the leadership of brain surgeon Dr. Philippe Couillard and he offers this counsel to the good doctor.

*"...The job of the premier and his government in making the economy work better is not to try to 'run the economy' as Stalin used to do and as most journalists still phrase it, but to provide the conditions under which tens and hundreds of thousands of other instrumentalists can go about running their own detailed to-do lists dedicated to furthering their own interests and, as a side effect, employing and enriching millions of their fellow citizens."*

After reviewing Dr. Couillard's already-published statements regarding plans to rebuild Quebec's maritime industries, including a fisheries school which is barely functioning at present, Watson notes, *"...No doubt all this busy work will create well-paying jobs in the communications business - writing fishing industries ads for the Montreal Metro - and in government, including the tax department, administering the dozens of initiatives. BUT IT WILL COST JOBS IN OTHER INDUSTRIES THAT HAVE TO PAY THE TAXES THAT FINANCE ALL THE INITIATIVES..."*

His advice to the new premier is this: *"...take a scalpel to all those proposed forums, partnerships, working groups and initiatives and tell industry: My plan is that your taxes, like everyone else's, will go DOWN 10%. Now go out and run your businesses and if you have trouble, take two aspirins and **don't** call me in the morning. Figure it out for yourself..."*

Mr. Koch is an American industrialist who is a noted contributor to Libertarian and other free market causes and recently wrote an op-ed piece published in the *Wall Street Journal* under the title, *"I'm Fighting to Restore a Free Society."*

First, he states what he regards as the central problem by writing, *"...Unfortunately, the fundamental concepts of dignity, respect, equality before the law and personal freedom are under attack by the nation's own government. That's why, if we want to restore a free society and create greater well-being and opportunity for all Americans, we have to fight for those principles."*

He then details a warning offered by President Thomas Jefferson more than 200 years earlier which states, *"...The natural progress of things is for liberty to yield and government to gain ground."* Koch then stated how he agreed with

Jefferson's basic concept that, "...no government could possibly run citizens' lives for the better. The more government tries to control, the greater the disaster..."

Taken together, I believe these missives by Watson and Koch offer a blueprint for a better future.

But I also believe that the vast majority of Americans and Canadians do not yet share those ideas and, therefore, precious metals investments are well worth consideration.

By the way, and in line with the above, I remain VERY CONCERNED that the issue of "Climate Change" offers the opportunity for the greatest-yet expansion of governments around the world to regulate and control our lives. A statement by Science Reporter Ivan Semeniuk in this morning's "Globe and Mail" is noteworthy on that account. **"Without significant near-term action to reduce the output of heat-trapping greenhouse gases, the planet is on track to warm by roughly four degrees Celsius by the end of this century. Such an outcome would be costly for the developed world and potentially catastrophic for poorer nations..."**

My own thought is this kind of talk offers justification for the greatest expansion of government regulations and interference in history - to the detriment of the kind of freedom talked about by Koch and economic prosperity discussed by Watson.

And, in my opinion, Semeniuk's column offers sound reasons for our anticipation of an important future golden bull market.

## **The EPA's Abuse of Power**

**The government's startlingly aggressive and dishonest campaign against natural gas.**

[MARIO LOYOLA](#), The Weekly Standard, Aug 17, 2011

If you're looking for a dramatic example of a government regulatory agency run amok, consider EPA's arbitrary and shameful attack on one Texas natural gas company.

In December 2009, one Steven Lipsky noticed a problem with his water well at his new home just west of Dallas, Texas. He began to suspect that the source was a nearby natural gas well that Range Resources had built and "fracked" earlier that year to exploit a part of the massive Barnett Shale a mile underground.

The technique of hydraulic fracturing, which permits extraction of oil and gas from impermeable rock such as hard shale, has vastly increased the country's recoverable reserves of energy. In the last year, the U.S. has doubled its estimate of the recoverable natural gas in the U.S., and a single new find, the Marcellus Shale in Pennsylvania and New York, is thought to contain more total energy than all of Saudi Arabia.

Naturally, the prospect of a boom in fossil fuel production has driven environmentalists crazy. Environmental activists soon made contact with Mr. Lipsky, told him to watch a [largely fraudulent documentary called \*Gasland\*](#), and encouraged him to bring EPA into the action quickly. In later summer 2010, he duly filed a complaint with both federal and state regulators.

EPA testing soon showed that there were traces of methane in his drinking water, and that, like the methane deep in the Barnett Shale, it was "thermogenic" rather than "biogenic." All that proved was that both samples had come from deep underground, which was obvious anyway. But that was all the EPA needed to slap Range Resources with an endangerment finding and remediation order. "We know they've polluted the well," claimed EPA regional administrator Al Armendariz in a television interview at the time. "We know they're getting natural gas in there."

In fact, Armendariz didn't know anything. A week after the EPA order, its staff met with the company, which wanted to find out just how EPA thought it had polluted the well. The gas from the company's well could only have gotten into Mr. Lipsky's well in one of two ways: either it had migrated vertically over 5000 feet up to the Trinity Aquifer as a result of 10 days of fracking the new well, or it had migrated into the aquifer from a mechanical integrity failure in the well pipe. EPA staff agreed that fracking could not have caused the contamination, because there were no faults extensive enough to permit migration of gas over such a great distance. And they did not dispute the veracity of the pressure-testing that confirmed the mechanical integrity of the well. They couldn't propose a single theory as to how the gas had gotten into the well.

Range challenged the order in court, and after EPA fought mightily to avoid having anyone testify at all, a federal judge ordered EPA to provide information about its investigation and make someone available for a sworn deposition. Under oath, regional EPA enforcement chief John Blevins was confronted with internal emails in which an EPA engineer warned that the simple methane isotope test EPA had conducted was not "conclusive" proof.

Range lawyers asked Mr. Blevins whether he was aware that many of the water wells in the area had contained natural gas long before any drilling. He was.

Had he seen the email from an outside scientist telling EPA that it had to “evaluate the potential for other sources that would be thermogenic and the geology or structures that would store or transmit the gas from origin to aquifer.” He had. Had EPA had considered other possible geological sources of the gas in the Lipsky well? It had not.

In other words, **EPA hadn't even completed the most elementary investigation** before issuing the “emergency order.” If they had, they would have quickly realized what the source of the gas was. Just beneath the Trinity Aquifer, from which the Lipsky well draws its water, is a rock strata laden with natural gas and salt water called the Strawn formation, which extends down to about 400 feet underground. Over 5,000 feet below that is the Barnett Shale, from which Range was extracting natural gas.

The Trinity Aquifer and Strawn formation overlap in places, which allows gas and salty water to migrate from the Strawn to the aquifer. Residential development in the area has decreased the pressure in the aquifer, which causes gas and salt water to be drawn in from the formation underneath, particularly where water wells have drilled through the Trinity and into the Strawn.

Confronted with this information, Blevins backed away from the original order. He would not affirm that the company had “caused or contributed to” the endangerment; only that the company “may have” done so.

A complex battery of chemical finger-print testing, focused particularly on nitrogen content, quickly and irrefutably demonstrated that the gas in the Lipsky well was the same as that in the Strawn formation, and different than that in the Barnett Shale. That explained why area residents had found natural gas in their water wells years before any drilling for natural gas. Some water wells were even “flared” for days after drilling, to release dangerous levels of methane. One area subdivision’s water tanks warn “Danger: Flammable Gas.”

**At every step in this fast-moving fiasco, EPA’s legal position shifted: Its original order was based on the factual assertion that Range had caused the contamination; when it couldn’t explain how, it retreated to the position that Range “may have” caused it; and when that possibility was excluded, it retreated to the ultimate redoubt of government authority: arbitrary power.** Now, confronted with incontrovertible evidence that the source of the gas was something else entirely, **EPA claims that the law didn’t require to prove or even allege any connection** between Range and the contamination. It is suing Range for millions of dollars for failure to comply fully with its original order.

Agencies are not required to establish causation prior to issuing an emergency order; due process requires only a speedy determination of the facts. But was EPA required to make any factual inquiry at all? Apparently not: Under Sec. 1431 of the Safe Water Drinking Act, the EPA administrator may “take such actions as he may deem necessary” when he knows of a possible contamination of drinking water, including “issuing such orders as may be necessary to protect the health of persons.”

**The plain meaning of this provision is that EPA can commandeer anybody at random and force him to clean up, at his own expense, a problem that he can immediately prove he’s had nothing to do with.**

By now it should be no surprise to learn that the Lipsky well wasn’t even “contaminated” to start with. The methane measured in Lipsky’s well water, 2.3 parts per million, was well within the typical range for wells in that area, and significantly below the federal endangerment threshold of 10 parts per million. According to the Department of Interior, water wells bearing methane below that threshold pose no endangerment if properly monitored and vented.

There’s more. When the original order came down, EPA regional administrator Armendariz explained that he had to act fast because “Natural gas could be building up in the homes ... There’s a danger of fire or explosion.” In fact, Mr. Lipsky had disconnected his well from the house months before, and the other residential well mentioned in the order had been configured so that the gas never reached the resident’s house at all. Armendariz very simply had no idea what he was talking about, and has had none from the start.

What are the lessons of this crazy story? First, EPA administrator Armendariz should be fired. Second, **state regulators should have been allowed to deal with the problem from the start. They know the area**, they knew where the gas was coming from, and they knew that Lipsky’s house was not in imminent danger. EPA regulators, by contrast, don’t know the area, they have no experience with oil and gas operations, and they jumped to all of their conclusions based on uneducated guesses.

**By a deft use of the precautionary principle, environmentalists have learned to make their righteous indignation weigh more than the facts. It’s madness to give people in that frame of mind such a degree of arbitrary power.**

*Mario Loyola is a fellow at the Texas Public Policy Foundation.*

## **Stop Run Away EPA**

Do you want more jobs for Americans, more growth and a stronger economy?

### **Well, it's not going to happen.**

It can't happen as long as the EPA continues to arbitrarily change the rules of the game.

In West Virginia, a mine was shut down by the EPA with an unprecedented retroactive permit veto after years of review and approval from the EPA itself. Meanwhile, out in Alaska, a new mining project is being stymied by EPA tactics that threaten a preemptive veto based on hypothetical scenarios created by the EPA before a mining plan or a mining permit has been submitted.

East, west or in between, the EPA won't stop - these retroactive and preemptive permit actions are only going to spread, disrupt the economy and destroy jobs across multiple sectors of the economy. Any economic activity where the EPA can aggressively utilize Section 404 of the Clean Water Act - mining, agriculture, construction, manufacturing, homebuilding, power generation - is at risk.

### **Will you help stop the runaway EPA?**

Louisiana Senator David Vitter and West Virginia Senator Joe Manchin recently introduced the "Regulatory Fairness Act of 2014," (S. 2156) which would limit the role of the EPA in reviewing 404 permits, preventing EPA from preemptively or retroactively vetoing permits.

We need supporters like you to urge your lawmakers to cosponsor the "Regulatory Fairness Act of 2014" and rein in an EPA that is moving the nation away from a stable rule of law, eliminating jobs and creating crippling uncertainty for business investment in the U.S.

**TAKE ACTION: Urge you lawmakers to cosponsor the "Regulatory Fairness Act of 2014" (S. 2156)**



## **One Wyomingite KO's The EPA, Another Enters The Ring**

William Perry Pendley, [Mountain States Legal Foundation](http://MountainStatesLegalFoundation.com), May 1, 2014  
<https://us-mg6.mail.yahoo.com/neo/launch?.rand=eg09lmj667j71#3697606654>

In mid-March, Fox News headlined a story out of Wyoming that the Environmental Protection Agency (EPA) had targeted a Fort Bridger (population 345) welder for violating the Clean Water Act and threatened to fine him \$75,000-a-day unless he restored a wetland he altered without a permit and therefore contrary to federal law. Andy Johnson—who owns eight acres in Uinta County in southwestern Wyoming on which he runs horses and watches his three daughters play—says the stock pond he built, filled with crystal-clear water, and used to create brook and brown trout and duck and geese habitat, was permitted by the Wyoming State Engineer's Office.

The timing could not have been worse. Wyoming was still fuming over the EPA's December 2013 decision to place a million acres, including the town of Riverton (population 10,000), inside the Wind River Indian Reservation. In doing so, the EPA ignored 110 years of history and State, federal, and U.S. Supreme Court rulings. Moreover, the EPA was a month away from issuing new regulations to give it even more authority over private land like that owned by Johnson by broadening the definition of "waters of the United States."

Wyoming's Republican senators demanded the EPA withdraw the Compliance Order, which they labeled, "a draconian edict of a heavy-handed bureaucracy" that puts "each and every landowner throughout the country" in fear. Johnson for his part did not back down. "I have not paid them a dime nor will I.... If you need to stand up and fight, you do it." He can draw solace from another Wyomingite who stood up, fought the EPA, and won.

In 2005, David Hamilton of Worland (population 5,500), in north-central Wyoming, cleaned out an irrigation ditch on his 400 acre farm. Johnson and his wife may have put their "blood, sweat and tears into [their] dream" of a stock pond, but Hamilton spent \$30,000 hauling away discarded cars, broken appliances, and assorted debris that lined the ditch to foil erosion and making other agricultural improvements. The project was a success, but the EPA disagreed. In 2007, it showed up on the farm and in 2010 sued Hamilton in federal court.

The EPA claimed Hamilton destroyed 8.8 acres of wetlands, which is an impossibility given that Worland has the least rainfall in Wyoming—less than 8

inches a year. Facts did not matter to the EPA; instead, it relied on the National Wetlands Inventory—prepared by the U.S. Fish and Wildlife Service using Google Earth satellite images—to target Hamilton and to tally wetlands damaged. Unfortunately, when Hamilton’s attorney, Harriet M. Hageman, challenged the EPA, the district court ruled that “Slick Creek,” which does not exist having been replaced by Hamilton’s irrigation ditch, is “navigable waters of the United States,” as “a matter of law.”

Worse rulings were to come. Hageman’s proffers of evidence that Hamilton’s work had improved the environment, that the EPA was seeking to extort nearly a million dollars from her client, and that the EPA’s investigation was shoddy and the basis for its lawsuit flawed and insupportable all were rejected as “unduly prejudicial.” The jury never learned that Hamilton had reduced sediment into the Big Horn River, decreased water use on the property, and reduced the release of chemicals off the land, and in the process created a beautiful and well-managed farm that produces a variety of crops and sustains stock grazing.

It did not matter. After a two week trial, the jury returned after only 140 minutes, which included a meal and a walk, to rule for Hamilton. His were “dredge or fill activities,” it held, exempt from federal permitting as “normal farming and ranching activities,” including upland soil and water conservation. Moreover, the jury found that “Slick Creek” is a man-made irrigation ditch and exempt from federal law. Hamilton won!

In Washington, the EPA is a juggernaut, but in Wyoming it got stopped by a jury.



## Democrats awash in 'green' energy deals on public land

### Harry Reid, big donors cash in on dozens of Nevada projects

Jerome R. Corsi, WMD Exclusive, 04/18/2014

<http://www.wnd.com/2014/04/democrats-awash-in-green-energy-deals-on-public-land/#Lr44GxqUcq2vX8pa.99>



**Majority Leader Sen. Harry Reid at ground-breaking ceremony for First Solar's Moapa Southern Paiute Solar Project, March 21 (Nevada Business)**

NEW YORK – In the wake of the Bundy Ranch standoff, Nevada's public energy utility confirmed it has so many renewable-energy projects in the works that it has no need for the \$5 billion solar-power project with the Chinese government and ENN Group that was withdrawn last year.

Fay Andersen, spokeswoman for NV Energy, told WND the state currently has 39 producing renewable energy projects, with an additional project under construction and another in the development phase.

"Nevada has one of the highest Renewable Portfolio Standards in the country, determined as a percent of retail energy sales, and requiring the company to achieve 25 percent of its power from renewable sources by 2025," she explained to WND.

She said NV Energy has exceeded its renewable energy requirement of 18 percent for 2013-14, with 20.3 percent in southern Nevada in 2013 and 34.7 percent in northern Nevada.

The public utility was on track to issue a Request for Proposal, or RFP, for 100 megawatts of renewable energy for each of the years 2014, 2015, and 2016, in accordance with the requirements of Nevada state law, Anderson said.

[As WND reported](#), bloggers made a connection between the Bureau of Land Management's raid of rancher Cliven Bundy's land and a solar energy project in southern Nevada financed by the communist Chinese energy firm ENN. It was to be the largest solar farm in the U.S.

Senate Majority Leader Harry Reid of Nevada had lobbied heavily for the company's business, even traveling to China. Reid's son, Rory Reid, formerly a Clark County commissioner, became a lobbyist for ENN while Sen. Reid's former senior adviser, Neil Kornze, now leads the BLM.

The project died last year, but the BLM's library of renewable energy projects revealed it was only one of more than 50 solar, wind and geothermal projects planned for Nevada, California, Arizona and other Western states.

### **Big payout**

The plan to convert an increasingly large share of Nevada's public land to renewable-energy projects appears to have been a key motivation for Reid to run a war against coal-burning electric power in Nevada that began during the second term of President George W. Bush.

On March 21, [Nevada Business published a photograph](#) showing Reid breaking ground on a project with representatives of the Moapa Band of Paiutes, executives with First Solar Inc. and representatives of the Los Angeles Department of Water and Power. The 250 megawatt Moapa Southern Paiute Solar Project is planned to deliver renewable energy to the city of Los Angeles for the next 24 years.

[The leaseholder on the Moapa Southern Paiute Solar Project is K Road Power, LLC, a New York City-based energy company](#) that employs as business manager Jonathan Magaziner, formerly an associate at the Clinton Climate Initiative of the William J. Clinton Foundation.

[Jonathan Magaziner is the son of Ira Magaziner](#), who served President Bill Clinton in the White House as senior policy adviser for policy development from 1993 through 1998, and is now the chief executive officer and vice chairman of the Clinton Health Access Initiative and chairman of the Clinton Climate Initiative. He also is a board member of the Clinton Hunter Development Initiative.

[According to research conducted by investigator reporter Christine Lakatos](#), First Solar Inc. was an early green investment funded by Goldman Sachs, the Wall Street investment banking firm that ranked as a top \$1 million contributor to Obama's 2008 presidential campaign. Lakatos also documented that First Solar investors include bundlers Bruce Heyman and David Heller, two Goldman Sachs executives who sat on Obama's 2008 Finance Committee.

Peter Schweizer, on pages 91-92 of his 2011 book "Throw Them All Out," also lists Michael Ahearn, First Solar's chief executive officer, as having given generously and exclusively to Democrats. He also pointed out that billionaire investor Paul Tudor Jones, another Obama bundler, owns a major stake in First Solar.

In March 2012, [the Washington Examiner reported First Solar](#), an Arizona-based manufacturer of solar panels, received in 2010 a \$16.3 million subsidy to expand its factory in Ohio. The grant came after a \$455.7 million taxpayer-funded loan guarantee awarded by the Export-Import Bank to subsidize the sale of solar panels to two solar firms in Canada.

One of the Canadian firms, St. Clair Solar, was a wholly owned subsidiary of First Solar, so when First Solar was shipping its solar panels from Ohio to a solar farm it owned in Canada, the U.S. taxpayers were subsidizing the "export," the Examiner said.

In 2012, NV Energy rebuffed pressure by Reid to get behind the \$5 billion solar project that ENN Group wanted to build near Laughlin, Nev. [Steve Tetreault noted in the Las Vegas Journal-Review in July 2012](#) that Reid said the envisioned ambitious complex "would start tomorrow if NV Energy would purchase the power," but the company "has not been willing to work on this and that's a shame."

Tetreault said the Senate majority leader's remarks were the linkage between the Nevada utility and the clean energy project.

Previously, he wrote, the project was aimed at serving utilities in California, but state officials there said they had no interest in importing power from other sources.

"NV Energy is a regulated monopoly," Reid said, according to Tetreault's report. "They control 95 percent of all the electricity that is produced in Nevada and they should go along with this."

The Las Vegas Review-Journal further reported that in response to Reid, an NV Energy spokeswoman said the utility was not in the market for more renewable

energy, having exceeded the state's requirement that 15 percent of its portfolio originate from clean sources.

Tetreault noted Reid has a personal stake in pushing NV Energy to use more solar power. Reid had teamed up with the Chinese firm to invest \$8 billion in the U.S. on renewable energy projects in the coming decade. Also, Reid had invited ENN Group's chairman, Wang Yusuo, to speak at the senator's clean energy summit in Las Vegas during the summer 2011.

### **Chinese pull the plug**

In April 2012, [Bloomberg reported](#) the Reid-sponsored deal to have ENN Group invest \$5 billion in a solar plant and energy-generating farm in Laughlin, Nev., was on the ropes because Reid and ENN were unable to find a utility company willing to buy the solar energy.

According to Bloomberg, Reid never stopped pressuring California, evidently concerned he would need an alternative if NV Energy could not be convinced.

The energy plant "will generate the electricity California must have in just a few years," Reid said in March, referring to a state mandate requiring 33 percent of a utility's electricity to come from renewable sources by 2020. "This project is close to California. It's within walking distance."

Reid's spokeswoman, Kristen Orthman, said the senator was working on introducing ENN to utilities.

Laughlin officials were getting calls every week from investors, job seekers and local business owners wanting to know the status.

"It's extremely frustrating," [Clark County Commissioner] Steve Sisolak said at the time. "Everybody is so anxious and wants this project to move forward."

Then, on June 17, 2013, [the Associated Press reported](#) ENN Group dropped its plans to build the \$5 billion solar project. ENN officials informed Clark County officials the company was terminating its agreement to purchase 9,000 acres because it was unable to sign up public utilities in either Nevada or California to agree to purchase the solar energy generated.

On June 14, 2013, [Clark County Commissioner explained to the Las Vegas Sun](#): "Alternative energies are still more expensive than fossil fuels and they [ENN] couldn't get (the costs) down to a point where they could sell any of the power. Even if we had given them an extension for a year or two, it wouldn't have made a difference."



## **Bundy's 'trespass cattle'**

On April 9, [the U.S. Senate in a 71-28 vote confirmed Neil Kornze, a former senior adviser to Reid](#), to head the Bureau of Labor Management.

At BLM, an agency Kornze originally joined in 2011, [Kornze distinguished himself by spearheading BLM's "Western Solar Energy" plan](#) that produced the following year a "Final Pragmatic Environmental Impact Statement (PEIS) for Solar Energy Development in Six Southwestern States."

The document currently serves as a blueprint for the federal government to "mitigate" the potential environmental impact of the planned Solar Energy Zones, or SEZs.

The government seeks to transform thousands of acres throughout six Southwestern states into alternative habitats to relocate endangered species from private land sold to accommodate renewable energy projects.

[A BLM study titled "Regional Mitigation Strategy for the Dry Lake Solar Energy Zone, Technical Note 444,"](#) dated March 2014, identifies Bunkerville, Nev., the site of the Bundy Ranch approximately 80 miles northwest of Las Vegas, as a mitigation area for the Dry Lake SEZ.

The Dry Lake SEZ, about 15 miles northeast of Las Vegas, encompasses approximately 5,717 acres under management of the Clark County BLM office.

A BLM map identifying the "Bundy Cattle Trespass Overview," the area designated by black diagonal lines, also shows cattle from the Bundy Ranch ranging on public land adjoining the Moapa Indian Reservation, site of the previously referenced First Solar project.

## **Obama Issues Executive Order Allowing Him To Grab Your Land**

[The Patriot](#), April 29, 2014

<http://theuspatriot.com/2014/04/29/breaking-obama-issues-executive-order-allowing-him-to-grab-your-land/>

In a press release from U.S. Congressman Rob Bishop, he announced that he uncovered 14 missing pages from an internal Department of Interior (DOI) memo. According to the release, the pages reveal that the Bureau of Land Management (BLM) may just be as land-hungry as we have all suspected—if not more so.

If the allegations in the report were proven to be true, it would reveal an enormous amount of what the BLM is truly about.

### **The release reads as follows:**

Congressman Rob Bishop (UT-01), Chairman of the Congressional Western Caucus, today announced that he recently obtained the preceding 14 pages previously missing from an internal Department of Interior (DOI) memo leaked last February. The original document obtained in February by Bishop detailed planning within the DOI to use the Antiquities Act to potentially designate up to 13 million acres throughout the West as new national monuments. **The newly obtained 14 pages further detail plans within the Bureau of Land Management (BLM) to completely overhaul the way federal lands are managed in the U.S., including the creation of new ecosystem areas that require the acquisition of new federal lands.** The plans would vastly expand the power, reach and control of federal land managers.

“These 14 pages are further evidence of this Administration's efforts, under the guidance of Secretary Salazar, to **control western lands by unilaterally locking them up without input from local residents and stakeholders nor the approval of Congress.** Their plotting behind closed doors is disingenuous at best and flies in the face of this Administration's so-called ‘transparency’,” said Congressman Bishop. “Thousands of westerners whose livelihoods depend upon access to our public lands stand to be affected by these decisions and yet this document blatantly goes out of its way to exclude their input or participation. If there was any question about whether or not this Administration has declared a war on the West, these new documents are evidence enough.”

The BLM is only one of the divisions of the DOI that have compiled similar memos. On February 26, 2010, Congressman Bishop, House Natural Resources Committee Ranking Member Doc Hastings (WA-04) and other Western Caucus Members sent a letter to DOI Secretary Ken Salazar requesting all relative information pertaining to the DOI's **plans to designate new national monuments throughout the West.** It has been more than five months since the request was made and the DOI continues to refuse to fully comply with the official document request.

“The reality is that this is NOT the complete set of documents pertaining to the



Administration's plans to overhaul the way public lands are managed in this country. We know that other documents like this are out there. We've requested them, but the folks at Interior continue to stonewall," Bishop added. "My biggest concern is that if they're willing to let documents this damning out from their safekeeping, they are surely protecting others that are far worse and even more revealing."

**Page 3, paragraph 6:** The sentence, "In order to expand this network of treasured lands to include the diversity of landscapes currently managed by the BLM..." shows that the Administration is working to broaden the jurisdictional scope of lands currently managed by the BLM.

**Page 5, paragraph 5:** The sentence, "Should the legislative process not prove fruitful, or if a nationally significant natural or cultural land resource were to come under threat of imminent harm, the BLM would recommend that the Administration consider using the Antiquities Act..." shows that **the Administration is constructing a new management structure without the approval of Congress.**

**Page 6 (b), page 7 (4.), page 8 (3.):** Details planning for further land acquisition and funding mechanisms.

**Page 7, paragraph 1; Page 6, paragraph 7:** By their own numbers, the Administration will target the "acute" problem of private landholdings in BLM administered areas to the sum of 412,675 acres, or more than 370,000 football fields.

**Page 9, paragraph 5:** The sentence, "The BLM recommends that any major funding increases be phased in over a five-year period to allow the BLM time to build capacity in order to accomplish the increased work-load," shows that the BLM will require an increase in funding to accommodate the proposed expanded management of lands throughout the West.

"I remain committed to forcing Secretary Salazar and all others involved in this matter into the light of full transparency, which as these documents prove, is not a place they seem to be comfortable," Bishop concluded. "**But this potential**

*land and power grab needs to be exposed, it needs to be laid out before the public, and it needs to be stopped.*

## **State senators hold hearing exposing DOE's abuse of citizenry and local government**

**DOE member calls property owners 'rable'**

Glen Morgan, WatchdogWire.com, April 22, 2014

<http://watchdogwire.com/northwest/2014/04/22/state-senators-hold-hearing-exposing-does-abuse-of-citizenry-and-local-government/>



Last Thursday, members of the [Washington State Senate](#) convened in [Sumner](#) to discuss the damaging effects of the [Shoreline Management Act](#) (SMA) on property rights. We referenced [this hearing here](#). Of particular interest in this discussion was the role the [Department of Ecology](#) plays in the SMP (Shoreline Management Planning) update process.

Legislators in attendance were [Sen. Pam Roach](#) (R-31st), [Sen. Bruce Dammeir](#) (R-25th), [Sen. Jan Angel](#) (R-26th), [Sen. Doug Ericksen](#) (R-42nd), [Sen. Bob Hasegawa](#) (D-11th), and [Rep. Graham Hunt](#) (R-2nd).

[Pierce County Councilmembers Dan Roach, Jim McCune and Joyce McDonald](#) also came to ask questions and listen to public comment.

Fortunately, for all those unable to attend, you can see the complete [TVW](#) coverage of this hearing [here](#), and I would strongly recommend anyone who cares about property rights, or who wants to see citizens point out the many problems with the [Department of Ecology](#), to watch and share this video.

Approximately 150 residents attended the hearing. Many of them also testified.

The meeting was initiated due to the concerns raised by many residents of Pierce County about the Department of Ecology imposing significant changes to the current Pierce County Shoreline Master Plan that are not supported by the public.

The required seven-year update is taking place right now in Pierce County, and **the façade of the SMP update being a “locally driven process” is quickly fading away. Nobody really believes there is much local control over the process.** The public had a big laugh at the Department of Ecology during the hearing when its representatives made this claim.

Instead of these decisions being made by local elected officials, the **Department of Ecology uses its position of authority to bully local jurisdictions and dominate the process** — despite what Gordon White, Shorelands and Environmental Assistance Program Manager for DOE ([current salary \\$102,767](#)) stated at the hearing ([see 14:38](#)).

In my testimony ([at 1:03:00](#)), I highlighted examples (obtained through public records requests) of Ecology's negative attitude towards citizens and the dismissive attitude they have towards those who disagree with them. Here they are, as promised:

1) DOE Water Quality Program Manager Bill Moore ([current salary \\$92,592](#)) referring to property owners who participated in the public process at a public hearing in Asotin County in 2011 with contempt, specifically **calling them “rable”** (the misspelling is his). [Citizens are rable according to DOE Bill Moore](#)

2) DOE Supervisor Erik Stockdale ([current salary \\$69,588](#)) **refusing to recognize scientific studies that disprove long-held Ecology dogma and suggesting other Ecology employees hide e-mail records from the public by deleting them.** See [this youtube](#) video from the San Juans. It is unknown how successful Stockdale and other DOE employees have been at violating state law by deleting other public records. [DOE Erik Stockdale lets delete these public records](#)

3) Creating “messaging-guides” that recommend **government officials avoid talking about the impacts the SMP has on property values, property rights and personal freedom.** Instead, the guide says, **they should appeal to fear.** The guide goes on to recommend local government officials create a “compelling SMP story,” which includes “**villains**” (we can safely assume this means shoreline property owners). “Opponents” are defined as people who support “freedom and prosperity” (page 4) and the Freedom Foundation as an example of an opponent (page 5). Our tax dollars funded this. [SMP Messaging guide for bureaucrats and pro-SMP 2012](#)

4) Ecology Director Ted Sturdevant ([salary was \\$138,523](#) before he went to work in Gov. Jay Inslee's administration as executive director of the Legislative and

Policy Office) **referring to arguments against proposed Ecology rules as “right-wing propaganda b\*\*\*\*\*t,” and calling Republican politicians who disagree with his agency’s position: “f\*\*\*\*\*s.”** [\\_DOE director Sturdevant calls Republicans fks](#) [\\_DOE director Sturdevant calls WPC rwbullsht](#) [\\_DOE director Sturdevant oddly attacks tea party](#)

Of the various attendees from all over Washington State who attended and testified at this hearing, nobody wants to see the health of the shorelines be degraded. However, **there was clearly no confidence that DOE is an honest player in this process.**

This was certainly the case for residents of [Lake Tapps](#), where Ecology is trying to force Pierce County to apply a 50-foot buffer around the shoreline of this manmade lake.

Unfortunately, when it comes to the SMP updates, **it is clear the Department of Ecology is not an honest participant in the process.** Unfortunately, the evidence shows the Department of Ecology doesn’t regulate the environment, but **it clearly does attempt to regulate people, dissenters and the message.**

We are thankful that some of our elected officials are starting to look into this situation, and last Thursday’s hearing was a great start towards exposing the truth about the abuse by state government agencies.

Another sample DOE email shared by various DOE employees - **citizens are at "homer simpson" level of intelligence:** [\\_DOE employee Zink says citizens are like homer simpson level](#)

Still a little confused about how the Dept. of Ecology is organized at the top level? That’s okay, most of these state agencies are set up to be a little confusing. Here is a brief [upper management org chart](#). A more detailed and complete org chart can be obtained directly from the DOE via an information request. The 1500+ employee positions are pretty well connected on that chart, but it will take you some time to sort it out.

## Obama's Storm Troopers' in ANOTHER Armed Raid

<http://www.wnd.com/2014/04/armed-fed-raid-prompted-by-safety-rules/#2MZhxlvhjhBxaWz.99>

First the shutdown of the last lead producing plant in Missouri by the EPA, now the attack on brass producing companies.

If the Obama administration can't take your guns they will just make ammunition go the way of the DODO bird.

Ranchers and farmers too?

All wealth comes from the land therefore they must remove all Americans from it and nationalize it for their special interest groups to contribute campaign money so they can get re-elected!

Retaining political power ring a bell??

Why do you think the EPA wants control over every creek and stream in America. Next to GOD there is water!! (Barry Goldwater).

Look what this administration did to starve out all the farmers in the San Joaquin valley over a two inch smelt fish. Now it's a desert tortise in Nevada.

All of this Eco-terrorist coordinated theft to destroy the freedom of the greatest nation on planet Earth. Obama's promise to fundamentally change America from a free country under the rule of law, to a socialist redistribution of wealth nation using organized governmental theft i.e. executive orders to destroy CONSTITUTIONAL freedom and liberty.

Once a thief always a thief!!

The scariest part of the whole equation is we have **low information voters** that will trade their freedom for free birth control pills or lies about free health care to follow the Pied Piper onto the plantation of liberal socialism.

As the saying goes- YOU CAN'T FIX STUPID !!

**Armed fed raid prompted by safety rules  
Shooting-sports advocate seeks accountability, given  
'heavy-handed' Nevada situation**

Bob Unruh, WND, Apr. 16, 2014

Bob Unruh joined WND in 2006 after nearly three decades with the Associated Press, as well as several Upper Midwest newspapers, where he covered everything from legislative battles and sports to tornadoes and homicidal survivalists. He is also a photographer whose scenic work has been used commercially.



Critics of the way federal agencies in Montana handled a recent raid on a company that recycles brass for ammunition are calling for an investigation.

Government officials have declined to respond to allegations that armed officers with weapons drawn locked up USA Brass employees, confiscated their cell phones and otherwise violated their rights.

The incident in Bozeman, Mont., drew little attention from media.

To protect against lead contamination, USA Brass had installed filters and added training. The company had passed a subsequent inspection before officers from the Environmental Protection Agency and FBI arrived, apparently with guns drawn.

The story has spread on the Internet among bloggers and Second Amendment advocates. A blog called [Defensive Handguns described the raid this way](#): "Obama's storm troopers raided USA Brass in Bozeman."

And at [Firearms Talk was the comment](#): "More excuses to go after the ammunition in one way or another."

Popular gun rights writer David Codrea noted at [noted in his Examiner.com blog](#) that he “warned back in 2009 that Obama’s pick to head the [federal job safety] agency, David Michaels, was strongly anti-gun and committed to using regulatory schemes to get his way.”

Gary Marbut, president of the [Montana Shooting Sports Association](#), is asking Montana Attorney General Tim Fox to look into the issue.

“Tim, given the heavy-handed application of federal force by BLM currently unfolding in Nevada, I believe it is imperative that Montana assert some accountability for the application of federal police, or police-like, force in Montana,” he told Fox.

He explained that although USA Brass “had been subject to some civil enforcement action for workplace safety by OSHA, the company had completely remedied any such problems and had been given a clean bill of health by OSHA.”

So the “raid” apparently was unrelated, Marbut said.

“Because a warrant was served on USA Brass, anyone would wonder if there were some particularly egregious activity going on there, and what the federal foreknowledge of that activity might be. Because of the overwhelming armed force used by federal officials to mount this raid, that suggests expected resistance or some sort of ongoing, violent criminal conduct at USA Brass. Your investigation should disclose whether or not these suppositions, spawned by the tactics of the raid, are correct or incorrect. This, in turn, should offer some perspective about whether or not the level of force and intimidation used was warranted,” Marbut wrote.

He explained there were reports of federal employees rounding up and sequestering employees, confiscating their cell phones and more.

“Since these employees of USA Brass were not free to leave, I believe this detention qualifies as an arrest under current case law. It would be helpful for you to examine whether sufficient justification for this mass arrest was present,” Marbut said.

He said the confiscation of cell phones suggested some efforts by federal agents “to prevent any recording of what they did.”

He wondered, why would that be?



And why would “most or all of the raid personnel” be armed?

Marbut noted that some have explained the event as an “audit,” but then the question is why it escalated into “a full-blown, armed raid.”

Fox did not respond to a WND request for comment after the same questions, submitted to the U.S. attorney for Montana, generated no response.

“I hope you will also look at what role the Gallatin County sheriffs office may have played, or not played, in the federal raid at USA Brass, Marbut said. “More specifically, was the GCSO looking out for the welfare of the people of Gallatin County, or was the GCSO simply aiding and facilitating the operation of federal entities and federal personnel?”

His earlier request to Michael W. Cotter, the U.S. attorney for Montana, for answers to the same questions, generated no response, he told WND.

[Cotter's office](#) declined to comment to WND.

In a dispatch to MSSA supporters, Marbut explained: “Upon OSHA's first visit, I'm told, USA Brass managers didn't kneel quickly enough to OSHA inspectors and offended them by not being subserviently cooperative. So, the subsequent raid by EPA, FBI and others was conducted to teach them a lesson about federal power and proper cooperation.”

Marbut compared the raid to the federal government's heavy-handed seizure of Nevada rancher Cliven Bundy's cattle.

“And, I see no reason to put up with it. None! What is known about the Bozeman raid presents more questions than it answers. I put those questions in a polite letter to the U.S. Attorney for Montana and asked him to look into it. He has not responded. I assume my very polite request went into his round file.”

Marbut and the Montana Shooting Sports Association have been in the headlines in recent years over their challenge to the U.S. Supreme Court's interpretation of the Commerce Clause, which allows the federal government to regulate just about anything, whether it has an impact on interstate commerce or not.

The Supreme Court refused to hear their arguments, however, leaving the status quo.





## Are Unlawful Acts of Congress Like This One Binding?

by [Michael Anthony Peroutka](#) May 8, 2014

[http://epaabuse.com/16296/editorials/unlawful-acts-congress-like-one-binding-county/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=unlawful-acts-congress-like-one-binding-county&utm\\_source=EPA+Abuse&utm\\_campaign=30d9e43d4d-RSS\\_EMAIL\\_CAMPAIGN&utm\\_medium=email&utm\\_term=0\\_bdf7c53c9e-30d9e43d4d-305309409](http://epaabuse.com/16296/editorials/unlawful-acts-congress-like-one-binding-county/?utm_source=rss&utm_medium=rss&utm_campaign=unlawful-acts-congress-like-one-binding-county&utm_source=EPA+Abuse&utm_campaign=30d9e43d4d-RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_bdf7c53c9e-30d9e43d4d-305309409)



More than 40 years ago, the Congress of these united States enacted something called the **Federal Water Pollution Control Amendments of 1972**. These amendments to previous enactments and their progeny have come to be known as the federal “Clean Water Act.”

Under this act, and later refinements and fine-tuning, **these enactments have led the various states**, including my state of Maryland, **to enact measures that enforce the standards and requirements of this Act**. The enforcement of these

standards and requirements, of course, require the creation of state level bureaucracies; and, since the bureaucrats need to be paid, the people of Maryland have to be taxed and, in some cases, fined to pay for these enactments.

**This in turn has led counties**—including Anne Arundel County, where I live— **to create their own bureaucracies.** These bureaucracies are staffed by bureaucrats who, of course, need to be paid. So our county taxes (and fines) go up so that our county bureaucrats can submit reports that comply with what our state bureaucrats require so that they can turn around and satisfy the demands of the relentless federal bureaucrats at the EPA, which administers this Act.

Ostensibly, all of this is necessary because the Chesapeake Bay and its tributaries were not meeting some standards invented and amended (and re-amended) by various levels of bureaucrats.

Now, as part of this foolishness, the Anne Arundel County Council has decided to tax the rain.

Mr. Dick Ladd, the District 5 Councilman, says that this new tax is necessary so that the latest requirements that (pardon the pun) “flow” from this 40-year-old federal act can be met by our county.

When Mr. Ladd voted for what is known as the “Rain Tax,” he said he did so “with pleasure.” I take this to mean that Mr. Ladd was “pleased” to add a multi-billion dollar burden on the people of my county by voting for a measure that our Council Chairman called the “greatest single tax increase in county charter government history.”

**Here’s why this is a national story and why you, wherever you live, need to pay attention. The original federal act that started this chain reaction – this “flow” of taxes and fines – is not law. In fact, it is null and void and of no effect. To prove this, please search your copy of the Constitution of the United States. Look under Section Eight of Article One and see if you discover some authority for Congress to enact laws regarding the environment or regarding water or regarding the rain. You won’t discover such authority because it is not there.**

So, what is known as the “Clean Water Act of 1972” has no Constitutional underpinning – no support – and is, therefore, not THE LAW. **There is no reason, therefore, for the State** of Maryland or for the County of Anne Arundel **to comply with any standards or requirements published by the Environmental Protection Agency (EPA) or any other federal agency or department. The EPA and its**

**grand edicts likewise create no obligation on the part of my county or your county or any county in America.**

Way back in 1776, the Founders of America knew this truth and spoke this truth. They called these kinds of actions on the part of Parliament “pretended legislation.”

Pretended legislation...

**Please remember that Acts of Congress are not necessarily binding on the states.**

Let me say that again. **Acts of Congress are not always binding on the states.**

When are they binding? Simply stated, **they only are binding if they are lawful, that is when they do not conflict with the Constitution and with the Law of Nature and Nature’s God.** When they are not lawful, they are “pretended legislation”; and the States are supposed to declare them as null and void and of no effect in the state. This is **the Doctrine of Nullification.**

**Nullification of invalid federal actions is the duty of state officials, particularly the Governor.** In Maryland, for example, we look to Martin O’Malley to protect us from the tyrannical collusion of all three branches of the federal government. However, **if the governor fails to nullify these lawless enactments, then the local officials, such as the County Council, must stand in the gap and nullify this villainy.**

But, the statements of Mr. Dick Ladd, Councilman of Anne Arundel County, Maryland, indicate that he either doesn’t know his duty—or for some reason, he refuses to do it.

**We believe that local officials need to know the difference between real law and “pretended legislation.” And when they encounter the noxious fraud of “pretended legislation,” they must resist its effect by declaring it to be null. They must not aid and abet the lawlessness of other government officials.**

# 5 Prison Security Techniques the Gov't Uses on You

## Prison Security Reaches Main Street, USA

Independent Living News, May 2014

[http://www.independentlivingnews.com/privacy/intrusion-update/201055-5-prison-security-techniques-the-govt-uses-on-you.shtml?utm\\_source=140502SURVPD&keycode=140502SURVPD#.U2fGX1PLdCQ](http://www.independentlivingnews.com/privacy/intrusion-update/201055-5-prison-security-techniques-the-govt-uses-on-you.shtml?utm_source=140502SURVPD&keycode=140502SURVPD#.U2fGX1PLdCQ)

Americans are treated like prisoners every day. It doesn't even matter if you've committed a crime. Government agencies are bringing prison practices to Main Street America in the name of national security.

Your rights and privacy are being stripped away, "for your own safety."

Their vision of a perfectly secure and safe society has no room for privacy. No room for dissent. And before long, there won't be any room for creativity or innovation either.

It's no wonder our economy is as sluggish as it is. Economic stagnation naturally follows the loss of freedom.

There's more than one reason why free countries prosper and tyrannical countries don't. The freedom to express yourself, to wonder, to invent ... these are the things that enrich the society we're living in. But in order to have these things, a society has to value freedom .

You've probably heard Benjamin Franklin 's famous quote "Those who would give up essential Liberty, to purchase a little temporary Safety, deserve neither Liberty nor Safety."

Our liberties are quickly disappearing in the name of national security. National security is big business, and the government knows just where to go for their next big idea.

We've identified five security tactics that have made their way out of prisons and onto Main Street.

### **1. They Track Your Every Move**

High-tech camera systems are useful inside prisons, because authorities want to be able to quickly identify anyone that starts trouble or commits a crime. It makes sense.

But these days, cameras and surveillance systems are just as prevalent and even more sophisticated outside prison walls.

Think about all of the places you see surveillance cameras every day. Traffic cameras over intersections. Video surveillance cameras on public streets and plazas. Many cities now are even setting up camera systems to track license plates. Plain and simple, your movements are being monitored and tracked on a daily basis

## **2. Random Checkpoints**

When someone commit a crime, is convicted in a court of law, and is then imprisoned, they're stripped of their right to privacy while they serve out their sentence.

Part of that loss of privacy means that prison authorities will randomly check prisoner's living quarters for weapons or drugs and may even top prisoners and pat them down. It makes good sense, if the person has been convicted and sentenced.

But what about the random checkpoints and roadblocks that police regularly use on law-abiding citizens? What about the "stop-and-frisk " policy that became infamous in New York?

If you happen to be stopped at a roadblock or a random check point, a law enforcement officer will ask you questions about your activities and plans. He'll look you over and scan inside your vehicle, too. If he feels anything is out of the ordinary, he might ask you to submit your vehicle to a search.

"After all," he might say, "if you don't have anything to hide, why not?"

How is that any different than how prisoners are treated? Other than of course, in the case of a prisoner, they've been convicted of a crime.

## **3. Telephone Monitoring**

The phone calls that prisoners make while they're confined are monitored for good reason. Authorities want to prevent additional crimes, riots, escape plans, etc.

Now consider the telephone surveillance conducted by the National Security Agency (NSA) on the communications of all Americans. The NSA

knows who you're calling. And who's calling you. They can use your cell phone to track your location and your movements. And then they gather and store all of the information they've collected "in case they need it in the future."

They're watching "just in case."

With the information they gather through cell phone data, federal officials can put together a very complete picture of your life. They can see where you work, where you spend your free time, who your friends are, even what times of day you leave and come home.

Depending on the applications you have on your phone, they may be able to figure out even more, like where you shop and what you like to read.

#### 4. **Informants**

Most prisons rely on an underground network of snitches to provide information about what is happening among their inmates.

Authorities want to know who's smuggling in contraband. Who's planning to attack someone else, or trying to escape. That kind of thing.

But law enforcement officials on the outside have also long relied on snitches— usually small-time criminals— to help them land "bigger fish."

But it's only just recently that law officers have begun calling on average citizens to report suspicious behavior among their friends, colleagues and neighbors.

The Department of Homeland Security's "See Something, Say Something," campaign seeks to build a national network of snitches, tasking everyday American citizens with reporting "suspicious activity" by their fellow citizens to appropriate law enforcement.

#### 5. **Armed Guard Towers**

The right to gather peaceably and protest against the actions of our government is sacred, and guaranteed to us by the First Amendment.

But these days, no protest is complete without a police presence, *just in case the crowd needs controlling*. And the strategies those officers use

against protesters are the exact same ones they use to control crowds behind prison walls.

Guard towers are constructed to secure the perimeter of prison yards. At the top sit armed guards, radios or other communications equipment, and cameras.

New technology from [TerraHawk, LLC](#) allows law enforcement to move this surveillance tactic from out of the prison yard and onto city street corners.

Officers are already using TerraHawk's Mobile Utility Surveillance Tower, or "M.U.S.T." as they like to call it, in parking lots and anywhere large groups of citizens are gathering.

According to the company's official website, the M.U.S.T. "uses its own vehicle to deploy an elevated tower and climate controlled capsule to an eye level height of over 25 feet. The vehicle can be fully deployed by one person at any location in less than two minutes without leaving the vehicle."

In the name of safety and security, the federal government and even local and state agencies are turning our nation into one where the citizens are treated like prisoners "for their own good."

If you've committed a crime and been convicted and sent to prison you've given up your right to privacy. That's true.

But the same isn't true for law-abiding citizens. At least, it shouldn't be.

It's time to stand up and say, "Enough is enough," every chance we get.

## **Consumer Data Collection Brings End to Privacy**

Bob Bauman JD, The Sovereign Investor, April 9, 2014

<http://thesovereigninvestor.com/2014/04/09/consumer-data-collection-brings-end-privacy/>

Mike Seay received the office supply company's junk mail for years. But the mailer that the grieving Lindenhurst, Illinois father received in January caught his attention for a bizarre and sinister reason.

The letter was addressed to him as "Mike Seay, Daughter Killed in Car Crash, or Occupant." Indeed, his 17-year-old daughter Ashley had lost her life in a tragic

accident the previous year. His mind raced. Who had addressed this to him in this way, and why? What else did they know about him?

[Many of us think the biggest threat to our privacy comes from government.](#) In fact, I can tell you that [government](#) is only part of the problem ...

I struggle to think of a more horrific way for the sacred and the profane to become intertwined: a man's most intimate and painful life events reduced to the status of a junk-mail keyword. For that is precisely what had happened: somehow the fact of his daughter's untimely passing had become part of his file with a "data merchant," a company that profits by tracking the minute details of our lives and selling them to companies for marketing and other purposes.

To this day, Mr. Seay doesn't know the name of that company, what else it knows about him, whether the information it has is accurate, or what it uses it for. In that, he is like the rest of us. For-profit enterprises assemble and store vast troves of data about each of us without our knowledge or consent.

As my regular readers know, the U.S. government maintains vast databanks on all of us. They know intimate details of our finances, our communications, our legal dealings and so on. But few of us realize that the primary source of that information is precisely the sort of private-sector firm that was tracking Mike Seay.

There are an estimate 4,000 data brokers in the United States. They are unregulated. We don't have the right to ask what they have on us. We can't opt out of their databases or exercise any control over what they do with our information. And they have vastly more information than most of us realize. For example, have you ever taken a blood pressure test at a drugstore kiosk? Chances are someone bought that data. Indeed, the source of most of this data is us — the information we provide to online merchants to get "free" services like webmail or discount coupons.

Why do they do this? These data merchants have learned how to mine information about us in order to create predictive "scores" that they can sell to other companies. Unlike more well-known credit scores, which focus on finance, these scores say different things about us — how often we move, our political leanings, how many prescriptions we take, how often we fill them and so on. This information is then used to micro-target marketing campaigns aimed at us. The data also facilitate price discrimination — the practice of charging different consumers different prices based on subtle variations in our buying behavior.



## **How Will Obama React?**

**You are about to see a controversial new video.**

**It shows details of what will soon become the biggest political scandal of the Obama administration. Once it hits the mainstream media, millions of unprepared Americans will hit rock bottom.**

**How will Obama react? We're not sure. Maybe you can tell us what you think once you see it for yourself.**

You don't have to be a conspiracy theorist to realize that this sort of fine-grained information will be used for more than sales and marketing. Indeed, these hidden scores are already reportedly used to assess job candidates, investigate potential business partners and conduct political campaigns.

And of course, this last usage creates an opportunity that our liberty-hating government will only too gladly embrace — to amass even more detailed information about us, so we can be more efficiently tracked, watched, assessed and controlled. The [European Union](#), by contrast, has [very strict rules](#) on what commercial sources can do with private clients/customers information. They have even censured the U.S. government for not protecting such info on Europeans.

## **Steps to Protect Yourself**

Most mainstream commenters on data merchants miss this last point entirely. They are worried primarily about commercial privacy and how it can affect our ability to borrow, get jobs and so on.

But I've been in this game a long time, and I can tell you that your biggest concern should be what the government does with this information — and how you can stymie its efforts. Indeed, I've written special reports on several occasions that recommend a few simple steps that can throw the entire data-mining process into disarray. They include:

- Placing your personal accounts, car registration and other details under a difficult-to-trace limited liability company (LLC), trust, family foundation or other vehicle. The State of Delaware has especially strong privacy for beneficial owners of legal entities. There are several online Delaware incorporation services.
- Using a remailer or anonymous mail drop service for mail and other deliveries.

- Providing impersonal or even false information wherever possible when signing up for online services. For example, there's no reason you can't provide a pseudonym when registering an online shopping account, make payments via a credit card registered under an LLC, and have your purchases delivered to a mail drop.
- Use a privacy-protecting encrypted browser such as TOR, so nobody can easily learn where you are when you go online.
- Consider avoiding any company — such as Target and Neiman Marcus — that has questionable security practices and has experienced data breaches in the past.

Of course, even if you do all these things — and many more I recommend in my reports — somebody somewhere could still develop a composite picture from your online activities. But it won't be a picture of you. It'll be a blurry image of the alter ego you've created.

Let them try to market to, cheat or spy on that. You'll be the one laughing all the way to the bank.

## **Water stewardship framework unveiled at UN water meeting**

*Impacts on water quality and quantity are among the most controversial aspects of mining projects. ICMM hopes well-designed and executed water stewardship strategies will build trust between miners and communities.*

Dorothy Kosich, MINEWEB, 09 Apr 2014

<http://www.mineweb.com/mineweb/content/en/mineweb-sustainable-mining?oid=236691&sn=Detail>

RENO- The International Council on Mining & Metals launched its new [Water stewardship framework](#) Tuesday as Ross Hamilton, ICMM director for environment and climate change, presented the framework at the United Nations CEO Water Mandate meeting in Lima, Peru.

“Water is one of the most significant issues facing the mining and metals industry,” Hamilton said. “It is a critical resource not only for all of our members’ operations but also for other industries, communities and the natural environment.

ICMM’s Water stewardship framework is built around four key elements including: be transparent and accountable’ engage proactively and inclusively; adopt a catchment-based approach; and effective water resource management.

The Water stewardship framework outlines a standardized approach for the mining and metals industry, “recognizing that water connects an operation to the surrounding landscape and communities,” said the ICMM.

The framework urges mining companies to “publicly report material water risks, management activities and performance,” as well as “engage stakeholders in an open and transparent manner to understand their priorities, share plans and collaborate on solutions.”

Mining companies should strive to “understand the social, cultural, economic and environmental value of water at the catchment scale to identify material water stewardship risks and provide context for corporate and operational water management,” said the document.

The two page framework document defines effective water resource management as managing “operational water quality (quantity and quality) inputs, use and outputs to maximize resource sustainability, operational flexibility and economic benefit.”

In 2009, ICMM established a water working group to consider water issues that the sector faces and ways in which the industry can respond.

By May 2012, ICMM published the report, “[Water management in mining: a selection of case studies](#)”, to illustrate examples of good water management which provide a snapshot of the leadership approaches in the mining industry.

“As water plays an essential role in most mining and extractive processes, responsible water use is a critical business issue that affects the ability of individual mines to establish, operate and close,” said the study. ICCM also stressed that the “operating, environmental and social context of each mine site is different.”

“If a mine is regarded by other water users as an excessive water consumer or as detrimentally affecting water quality, there can be conflict of discontent,” ICMM observed. “Over and above managing impacts, mining companies can actually make a significant positive contribution to the provision of safe, clean and adequate supplies of water to neighboring communities.”

The good news is that mining is one of the few industries that is able to use water which is of lower quality than desirable for human consumption, said ICMM. For example, seawater is used for mineral processing in Chile.

Freshwater collection systems at Barrick Gold's former Homestake Mine in Lead, South Dakota, have expanded fisheries and the associated wildlife habitat, sustained high water quality in surrounding streams, and provided a clean water supply system that has helped foster the long-term economic development of the area, according to ICMM.

The management of Glencore-Xstrata's Lomas Bayas mine in Chile has been able to work with local stakeholders to improve water management and agricultural activities in the Calama catchment area. "A wide range of initiatives has been implemented, including legal support to help local farmers formalize their water rights...annual clearing of irrigation canals, installation of potable water systems for local families and the installation of treatment systems to remove naturally occurring heavy metals from water used from irrigation," said the report.

"The role that companies can play in providing water to local communities, whether by working in partnership with non-governmental organization (NGO) providers or by supplying water directly from their own facilities, has the potential to be significant," the report noted. "Yet making sure that such arrangements are sustainable in the long term needs special attention as mines have a finite life."

**"The problems America faces today exist because the people who work for a living are outnumbered by those who vote for a living" !**

# IDAHO ACTIVITIES

## **Chmelik promotes individual freedoms**

Letter: Don Smith Riggins, May 6, 2014



I am writing in support of Jim Chmelik and his efforts to promote individual freedoms and accountability in government. Jim has always promoted a philosophy of multiple use of our natural resources. I asked Jim to testify on behalf of **suction dredge miners in Idaho** at the state legislature. I was pleased by his testimony before the joint-committee and it was printed in this publication. At no time during that hearing or in any other hearing did Jim testify in opposition to clean water, fish, fishermen or anything other than bad federal policy.

It would be a huge mistake for fishermen to imagine that fish are being harmed by suction dredge mining. Fish are being caught and killed in the Pacific Ocean, in the Columbia River, in the Snake River, and in the local rivers. These same fish are being propagated for this purpose to mitigate the losses caused by federally controlled hydroelectric dams on the Snake River. In contrast, the other river user groups that Jim supports are not detrimental to fish and suction dredge mining for gold has no documented incidences of killing fish. All Idahoans are now faced with the consequences of bad federal policy.

The answer to this problem is restoring state control and local control of state and local issues. Jim will continue to work for Idaho and I will vote for him to become our next lieutenant governor in the May 20 primary.

**Don Smith, Riggins**

## **Obama's Rubber Stamp Survey for Governor Otter**

Recently, Governor Otter chose not to fill out his own Party's candidate survey. I understand. After the last 7 years as governor, many of Otter's actions and policies have been in direct conflict with the people of the Republican party of Idaho.

From proposing the gas tax increase and stopping the grocery tax repeal to embracing Obamacare and Common Core, Otter's actions are blatantly against the wishes of the Idaho GOP.

I know the Governor is selective about his surveys, so to help out, I filled out a survey that I thought would be a better fit and better representation of his tenure:

All kidding aside, Idaho can't afford a governor who will continue to act as a "rubber stamp" for the Obama agenda. We need a governor who will stand up against federal overreach into Idaho and in support of our small government values.



**Pay special attention to item 5 in the survey.**

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**President Obama's Rubber Stamp Survey**  
**"One survey the Otter Administration can agree to complete."**

In order to seek President Obama's endorsement in reward for actions taken to "Rubber Stamp" his policies, you must complete the following survey to be included on the Obama team. Please return completed survey to Obama For America for consideration.

1. In order to be successful, Obamacare relies upon the success of the State Exchanges to prop it up. Will you put in place and ensure the continuing operation of the State-run, federal health exchange; relying on federal government grants and spending \$70 million even though not one dime goes for medical care?  
 Agree  
 Disagree
  
2. Obamacare phase 2 is to Expand Medicaid to increase Idaho's dependence on the federal government for healthcare, instead of exploring private healthcare alternatives. In order to do this you must start early with your Health and Welfare Department working towards expansion years before actual expansion. Do not consider any alternatives to government expansion of healthcare.  
 Agree  
 Disagree  
 Agree, after "Gettin' me re-elected", Idaho will expand Medicaid. Until then, my health and welfare director has been working towards expansion for 2 years.
  
3. Implement a third attempt at federal control of education after selling it to legislature as "local control" by installing Common Core.  
 Agree  
 Disagree  
 Agree, despite extensive opposition throughout the state, including worries by parents over 7-hour tests and data collection on their young children.
  
4. Decline to join states like Utah in a lawsuit to responsibly manage Idaho lands. Maintain a "more of the same" approach when it comes to the federal government's control over Idaho's land, denying Idahoans high-paying job opportunities and forcing them to leave the state to find good work.  
 Agree  
 Disagree
  
5. Allow the EPA, BLM, and other federal agencies to have unfettered access throughout Idaho, despite worries from farmers, ranchers, dredgers, and others over control of water and other concerns.  
 Agree  
 Disagree
  
6. Continue having Idaho's Land Board buy up private companies like storage units, so state government can compete unfairly against small businesses.  
 Agree  
 Disagree
  
7. Rebrand "Project 60" to represent the goal of increasing federal dependency from 36% to 60%, have the federal government provide 60 cents out of every dollar of Idaho's budget.  
 Agree  
 Disagree



