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- New set of news feeds give the recent reports on what is happening.
- Amy Goodman of Democracy Now talks at the Fountain Street Church in Grand Rapids
- Added sections to our religion section.
- Installing Steve Westin's Agriculture page for spring planting.

### Inside this issue:

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## Excerpt: The Big Takeover by Matt Taibbi Rolling Stone Magazine

v. Repo Men

There are plenty of people who have noticed, in recent years, that when they lost their homes to foreclosure or were forced into bankruptcy because of crippling credit-card debt, no one in the government was there to rescue them. But when Goldman Sachs—a company whose average employee still made more than \$350,000 last year, even in the midst of a depression—was suddenly faced with the possibility of losing money on the unregulated insurance deals it bought for its insane housing bets, the government was there in an instant to patch the hole. That's the essence of the bailout: rich bankers bailing out rich bankers, using the taxpayers' credit card.

The people who have spent their lives cloistered in this Wall Street community aren't much for sharing information with the great unwashed. Because all of this shit is

complicated, because most of us mortals don't know what the hell LIBOR is or how a REIT works or how to use the word "zero coupon bond" in a sentence without sounding stupid—well, then, the people who do speak this idiotic language cannot under any circumstances be bothered to explain it to us and instead spend a lot of time rolling their eyes and asking us to trust them.

That roll of the eyes is a key part of the psychology of Paulsonism. The state is now being asked not just to call off its regulators or give tax breaks or funnel a few contracts to connected companies; it is intervening directly in the economy, for the sole purpose of preserving the influence of the megafirms. In essence, Paulson used the bailout to transform the government into a giant bureaucracy of entitled asshole-dom, one that would socialize "toxic" risks but keep both the profits and the management of the bailed-out firms in private hands.

Moreover, this whole process would be done in secret, away from the prying eyes of NASCAR dads, broke-ass liberals who read translations of French novels, subprime mortgage holders and other such financial losers.



**Hank Paulson**  
Former Secretary of the Treasury and CEO of Goldman Sachs

Some aspects of the bailout were secretive to the point of absurdity. In fact, if you look closely at just a few lines in the Federal Reserve's weekly public disclosures, you can literally see the moment where a big chunk of your money disappeared for good. The H4 report (called "Factors Affecting Reserve Balances") summarizes the activities of the Fed each week. You can

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## American Banking System by Pat Foster

If paper money is now defined as having its value from the goods and services that an economy can produce, who would you want to control it? A few individuals that control it for their benefit, or the government who controls it for the benefit of the people producing those goods and services. If you said the government, then that is

not the system used in the United States and most western countries. Today, the Rothschild family in Europe along with the Morgan and Rockefeller families in the United States have a firm control on our money system. They use a system called "fractional, reserve banking", which creates money through debt. The major problem with the system

is that there is enough money to pay back the debt, but not enough to pay back the debt with interest. We then play this constant game of musical chairs, and every time the music stops, those with money succeed, and the others go bankrupt. It is a system of highs and lows that has always kept citizens unemployed and these families basking

## The Big Takeover continued

*"congressional audits of the Federal Reserve may not include deliberations, decisions and actions on monetary policy matters." The exemption, as Foss notes, "basically includes everything." According to the law, in other words, the Fed simply cannot be audited by Congress. Or by anyone else, for that matter."*

find it online, and it's pretty much the only thing the Fed ever tells the world about what it does. For the week ending February 18th, the number under the heading "Repurchase Agreements" on the table is zero. It's a significant number.

Why? In the pre-crisis days, the Fed used to manage the money supply by periodically buying and selling securities on the open market through so-called Repurchase Agreements, or Repos. The Fed would typically dump \$25 billion or so in cash onto the market every week, buying up Treasury bills, U.S. securities and even mortgage-backed securities from institutions like Goldman Sachs and J.P. Morgan, who would then "repurchase" them in a short period of time, usually one to seven days. This was the Fed's primary mechanism for controlling interest rates: Buying up securities gives banks more money to lend, which makes interest rates go down. Selling the securities back to the banks reduces the money available for lending, which makes interest rates go up.

If you look at the weekly H4 reports going back to the summer of 2007, you start to notice something alarming. At the start of the credit crunch, around August of that year, you see the Fed buying a few more Repos than usual—\$33 billion or so. By November, as private-bank reserves were dwindling to alarmingly low levels, the Fed started injecting even more cash than usual into the economy: \$48 billion. By late December, the number was up to \$58 billion; by the following March,

around the time of the Bear Stearns rescue, the Repo number had jumped to \$77 billion. In the week of May 1st, 2008, the number was \$115 billion—"out of control now," according to one congressional aide. For the rest of 2008, the numbers remained similarly in the stratosphere, the Fed pumping as much as \$125 billion of these short-term loans into the economy—until suddenly, at the start of this year, the number drops to nothing. Zero.

The reason the number has dropped to nothing is that the Fed had simply stopped using relatively transparent devices like repurchase agreements to pump its money into the hands of private companies. By early 2009, a whole series of new government operations had been invented to inject cash into the economy, most all of them completely secretive and with names you've never heard of. There is the Term Auction Facility, the Term Securities Lending Facility, the Primary Dealer Credit Facility, the Commercial Paper Funding Facility and a monster called the Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility (boasting the chat-room horror-show acronym ABCPMMMLF). For good measure, there's also something called a Money Market Investor Funding Facility, plus three facilities called Maiden Lane I, II and III to aid bailout recipients like Bear Stearns and AIG.

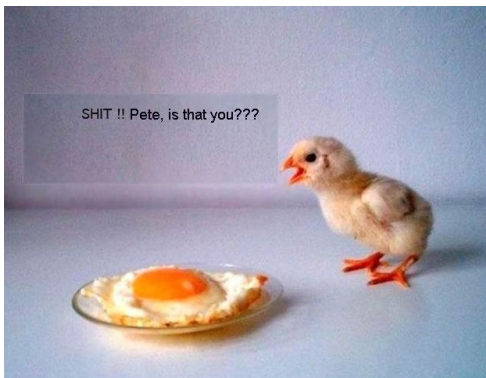
While the rest of America, and most of Congress, have been bugging out about the \$700 billion bailout program called TARP, all of these newly created organisms in the Federal Reserve zoo have quietly been pumping not billions but trillions of dollars into the hands of private companies (at least \$3 trillion so far in loans, with as much as \$5.7 trillion more in guarantees of private investments). Although this technically isn't taxpayer money, it still affects taxpayers directly, because

the activities of the Fed impact the economy as a whole. And this new, secretive activity by the Fed completely eclipses the TARP program in terms of its influence on the economy.

No one knows who's getting that money or exactly how much of it is disappearing through these new holes in the hull of America's credit rating. Moreover, no one can really be sure if these new institutions are even temporary at all—or whether they are being set up as permanent, state-aided crutches to Wall Street, designed to systematically suck bad investments off the ledgers of irresponsible lenders.

"They're supposed to be temporary," says Paul-Martin Foss, an aide to Rep. Ron Paul. "But we keep getting notices every six months or so that they're being renewed. They just sort of quietly announce it."

None other than disgraced senator Ted Stevens was the poor sap who made the unpleasant discovery that if Congress didn't like the Fed handing trillions of dollars to banks without any oversight, Congress could apparently go fuck itself—or so said the law. When Stevens asked the GAO about what authority Congress has to monitor the Fed, he got back a letter citing an obscure statute that nobody had ever heard of before: the Accounting and Auditing Act of 1950. The relevant section, 31 USC 714(b), dictated that congressional audits of the Federal Reserve may not include "deliberations, decisions and actions on monetary policy matters." The exemption, as Foss notes, "basically includes everything." According to the law, in other words, the Fed simply cannot be audited by Congress. Or by anyone else, for that matter.



Contributed by Roberta Kick—Michigan City, IN

## American Banking System continued

in wealth.

If we used the American system of banking where the money system is controlled by the government, we could make the following changes:

1. All the government debt could be called in and dollars issued to replace it. The money supply remains the same, so there is not inflation. We just stop paying interest on the debt.
2. Countries that hold more dollars, than we hold of their currency would want to exchange and get their currency. Since we could not pay it, the value

of the dollar would drop in relationship to their currency.

3. As the dollar devalues, foreign goods will become more expensive to Americans forcing us to produce here at home. Americans would go back to work and they could then afford their homes.
4. The U.S. government would then be able to use both the interest it earns on debt by being the nations banker plus approximately a 5% rate of increase in the money supply to pay its' bills. Most taxes could be eliminated.

Are we going to do this? Right now, the private bankers control our government, so I doubt that the decision to this would be made by our government unless people in mass would force them to do it.

Who successfully used the American banking system? Besides Abraham Lincoln using it successfully during the Civil War, Adolph Hitler inherited the worst inflation in history under the private bankers, instituted the American system and took Germany's economy out of a depression into an economy where everybody benefited.



"I would rather earn 1% of 100 peoples' efforts than 100% of my own efforts."

John D. Rockefeller

## Correction to March's Letter to the Editor

In my March 2009 publication, I had published a "letter to the editor" by Bette Pierman that had been forwarded to me by a supporter of the Rev. Pinkney. I later learned that someone other than Ms. Pierman had placed additional text in the submitted letter without permission. These words are not Ms. Pierman's words, and I highly regret that it was published.

Ms Pierman's letter, originally published in the Herald Palladium, had so captured the feelings of the people I had met in Benton Harbor regarding the destruction of Jean Klock Park on the sand dunes of Lake Michigan, that I inserted the letter at the last minute as I was going to publication. I am sincerely sorry that this mistake was made. I am not sure that the supporter who had inserted

the text did not make a mistake by putting it before her signature, rather than after her signature.

Pat Foster, Editor



## JFK and the Unspeakable: Why He Died & Why It Matters, James W. Douglass, 2008

Reviewed by Richa

A careful scholar teaming with a reputable publisher is enough to convince this "conspiracy theory" skeptic that, yes, there was a plot to Kill John Kennedy. Documents recently unearthed as well as witnesses daring to speak have helped make the case.

More important, Douglass provides the "why" of Kennedy's assassination. : In doing so he sheds needed light on a long-running and *continuing* part of our history.

Kennedy underwent a

profound conversion as President. He came to see the need to end the Cold War and establish peace. But he had to circumvent people in his own government to gain support for the Partial Test Ban Treaty, and to establish dialogue with Khrushchev and others.

To pull off the murder the way it was done required extensive planning and cooperation at many levels of government, including the CIA, FBI, Secret Service, Dallas police, and others. I believe most Ameri-

cans will find it shocking how extensively these powerful agencies cooperated in planning JFK's murder and covering it up afterward.

There is only occasional mention of the connections between government agencies and major business figures that were behind those government agencies. But Douglass effectively challenges all of us – rightly so – to understand this history and how it lives on today.

For those who see Barack Obama as a grass-roots community organ-

izer dedicated to progressive change, it may provide the best explanation for why he has, so far, supported the basic status quo. Yet it provides hope that he, along with the rest of us, can truly change.



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Without light, there is no Democracy

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From John Anthony LaPietra, Esq. - Elections Coordinator Green Party

I have just heard that the Michigan Court of Appeals has scheduled a hearing for Reverend Pinkney on both

\* the matter of all those conditions placed on his bond (and all the implications from that pesky First Amendment); and

\* the actual main case -- Rev P's appeal of his conviction for alleged voter fraud (in which there are some other pesky facts that might finally command some attention).

The hearing is scheduled for Tuesday, June 9, 9am (officially, at least) at the Court of Appeals' Third District in Grand Rapids. And the address there, in case you'd like to show up for all the festivities -- **and I think Rev P would like to see a lot of us there** -- is:

Michigan Court of Appeals  
Third District  
State of Michigan Building  
350 Ottawa NW  
Grand Rapids, MI 49503-2349  
616/456-1167

The paperwork seems to say the judges assigned to hear the case have the initials JH, JPH, and JM. So far, I can only find judges whose names match two of those sets of initials -- Joel P. Hoekstra and Jane [E.] Markey -- so maybe the third is a Circuit Court judge who'll be sitting on the case by assignment.

## Spring Planting by Steve Westin

Getting ready for spring. Buying the right seed is most important. Open pollinated seed is the only choice. They have the most nutrition, and can be replanted if necessary. Hybrids lack mineral and cannot be replanted.

Trees should be grown from seed. Grafted trees will lack the heavier trace minerals. Dwarf trees are small because they lack the ability to take-up minerals to become a regular size tree. If the leaves are removed from under the trees, they will need a form of phosphate to be added as the tree comes into leaf.

Early spring add lime ( $\text{CaCO}_3$ ) to the garden, lawn, and trees to

bring about good, early root growth. Do not use Dolomite ( $\text{CaMgCO}_3$ ) because it is not very available to the plants. Do not use hydrated lime because it is too hot for early growth.

Any manures or organic material can be worked into the soil early. Also add lime to the manures and/or organics that you plow or rototill in spring.

If you use salt fertilizer make sure the chlorine (Cl) is less than 2%, or 0% if possible. Using a salt (NPK) keep the N & K smaller than the P.

A little wood ash can help but can be overdone very easily. Too much wood ash will rise the potassium (K) and cause weeds

and dehydrate the soil.

Work in all the garbage you composted all winter and let it blend with the soil for a while before you get ready to plant.

Add some chicken or turkey manure which has many trace minerals and good bacteria to the soil.



Steve Westin at the Fennville library lecturing on gardening and the food we eat