

Trumpet Weekly

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America's SWIFT Road to Economic Destruction



ROBERT MORLEY

THIS YEAR MAY GO DOWN AS A TURNING point in United States economic history.

Reuters reports three high-level Chinese officials have confirmed that China will launch its long-awaited international payment system in September or October. The system will allow foreign banks to conduct transactions in yuan instead of dollars and transfer funds

across international borders without using America's SWIFT payment system.

This latest move by China is an effort to make the yuan a reserve currency. If successful, the newly created China International Payment System (CIPS) will remove the biggest hurdles to internationalizing the yuan. It will cut costs, cut processing times, and simplify the transactions associated with obtaining

and using yuan. Apparently 13 Chinese banks and seven foreign banks are currently engaged in testing the system.

Purchasing goods in yuan will soon be as simple and inexpensive as using the dollar. Reuters compared the creation of CIPS to a "worldwide payments superhighway" for the yuan.

Geopolitical repercussions are inevitable. The dollar's role as global reserve currency is being challenged.

Loss of reserve currency status would leave America without the freedom to create money out of thin air to finance government spending. All things being equal, interest rates would be higher, borrowing rates would fall, banking profitability would shrink, consumer spending would constrict, corporations would become less profitable, jobs would be cut, and stock prices would fall. Additionally, America's large debt and retirement obligations would become even less likely to be paid.

In short, America's standard of living would trend toward the typical Chinese person's, while China's would trend toward America's.

Already, China's yuan is one of the world's top five payment currencies. In November, it surpassed the Canadian and Australian dollars in global usage, according to SWIFT.

It's true that global yuan usage is still a fraction of the dollar's, but China's move to create its own competitive version of America's SWIFT system is just one piece of infrastructure going into place to allow the yuan to grab global market share from the dollar.

Another even more significant piece of China's attempt to dollarize the yuan is its new Asia Infrastructure Investment Bank.

Former U.S. Treasury Secretary Larry Summers said the launch of this bank should be a "wake-up call" for America.

The U.S. has protested strongly against the creation of this bank—which China marketed as an alternative to the U.S.-controlled World Bank. Yet every single U.S. ally except Canada and

Japan have defied America's wishes to join China.

"I can think of no event since Bretton Woods comparable to the combination of China's effort to establish a major new institution and the failure of the U.S. to persuade dozens of its traditional allies, starting with Britain, to stay out of it," wrote Summers.

It says a lot about your standing when even your closest allies join your enemies.

The world is craving alternatives to the U.S. dollar—and China aims to provide one.

China's much anticipated international payment system is set to launch this year. And members of China's new investment bank are bound to use it. *Has the world reached peak dollar usage?*

The dollar's road to oblivion could be short and SWIFT.

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MIDDLE EAST



Iran Now Open for Business

Stephen Flurry,
Trumpet Daily | April 22

WITH SANCTIONS RELIEF COMING, THE AYATOLLAH NOW HAS money to burn.

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Iran Flexes Its Power by Transporting Turkey to the Stone Age

Micah Halpern, New York Observer | April 22

HALF OF TURKEY—44 OF 81 PROVINCES, 40 MILLION PEOPLE ... suffered a massive power outage that lasted a solid 12 hours. It happened on Tuesday, March 31.

It happened because Iran wanted it to happen. The blackout in Turkey was caused by a cyberhack that originated in Iran. ...

Everything went down. Computers, airports, air traffic, traffic lights, hospitals, lights, elevators, refrigeration, water and sewage—everything simply stopped. In an instant, Turkey was transported back to the stone ages. ...

There is a reluctance to announce a cyberhack. *Bloomberg Business*, on April 1, cautiously wrote about the attack on Turkey, [saying that] "the source of the problem is still unknown ..." [But] those who know, know.

Iran's cyberarmy has propelled itself into one of the world's best. They have become very good at their craft and have probably inserted malware into the electric grids of many, many, other countries—probably even the United States. Over the past 12 months we know that Iran has successfully and repeatedly broken into the defensive systems networks of several Western nations. ...

USA Today, on Dec. 2, 2014, described a highly sophisticated coordinated hack that had just taken place and explained that Iran attacked 50 targets in 16 countries. ...

There is a timeline that can help us understand why Iran decided to hack Turkey and why it happened when it did. It all began with Yemen and Saudi Arabia's coalition and bombing in Yemen. The Saudis were out there confronting the Iranian-supported Houthi.

On March 26, Turkish President Erdoğan defended the Saudi bombings. "Can this be allowed?" asked Erdoğan. "This is intolerable and Iran must see this." ...

Little did the Turkish leader realize how great a sin he committed by challenging Iran publicly. Four days later, on Monday, March 30, the Turkish charge d'affaires to Teheran was summoned. The Iranian Foreign Ministry spoke forcefully and forthrightly. They said: "We demand a clear and convincing response." Iran wanted an apology for what they termed Erdoğan's "inappropriate and unusual response."

Turkey did not apologize.

So Iran turned out the lights in Turkey. It was an almost perfect timeline. ...

This attack on Turkey is the first time that Iran shut down a country through a cyberattack. This kind of an attack can bring the enemy to its knees very quickly. It was the first attack of its kind; I doubt it will be the only attack.

How Iran Outfoxes U.S.

CNN | April 22

IF I HAD TO DESCRIBE THE U.S.-IRANIAN RELATIONSHIP IN ONE word it would be “overmatched.”

We’re playing checkers on the Middle East game board and Tehran’s playing three-dimensional chess. Iran has no problem reconciling its bad and contradictory behavior while we twist ourselves into knots over our tough choices, all the while convincing ourselves that America’s policy on the nuclear issue is on the right track.

Iran isn’t 10 feet tall in this region, but by making the nuclear issue the be-all and end-all that is supposed to reduce Iran’s power, the United States is only making Tehran taller. Consider the following:

The U.S.-Iranian relationship is not symmetrical. It’s not as if we both are doing terrible things and are looking for a fair and equitable compromise to stop our respective bad behaviors.

Iran is about to try a U.S. citizen and *Washington Post* reporter, and we have made a judgment that even while we protest, we will keep the nuclear issue separated not just from this case but from Iran’s serial abuse of human rights, including the behavior of its Shia militias in Iraq. I can only hope there is a carefully orchestrated behind-the-scenes plan to have Iran release Jason Rezaian.

If not, we’re legitimizing a bad regime and compromising U.S. values and interests in the process by not ensuring that all Americans being held by Iran come out as part of the nuclear deal.

America is alienating some of our closest allies because of the Iran deal, and Iran is picking up new ones and bolstering relations with old ones who are growing more dependent because

they see Iran’s power rising. ...

Sadly, the administration is sending signals that cutting a deal on the nuclear issue takes precedence over their priorities. In the meantime, Iran’s allies, Bashar Assad’s Syria, Hezbollah and now the Houthis—not proxies, but instruments of convenience—see what’s happening and are willing to play and cooperate even more in the Iranian game.

The Russians, too, realize that the nuclear issue gives them cover to sell sophisticated missile defense systems and soon to export even more to gain influence and hard currency. We’re losing friends; Iran is gaining them.

And in one of the cruelest ironies, Iran’s way back into the global economy is as a result of the very issue that made it such a pariah: the nuclear issue.

As the Arab world melts down and lacks a traditional epicenter of strength and power, (Egypt, Iraq, Syria), Iran is rising. The argument here is not that Iran is taking over the Middle East. But in its zone of influence, a zone critical to the United States—Syria, Iraq, the Gulf, Yemen, Lebanon—it is expanding its influence, not contracting.

Washington doesn’t play this kind of game well. It is tripping all over itself trying to figure out how to combat [the Islamic State] in Syria and yet not empower Assad (no answer), how to combat [the Islamic State] in Iraq without favoring the Shia-dominated government and alienating Iraqi Sunnis (no answer), and how to backstop the Saudis in Yemen without enabling them to make matters worse through their airstrikes (no answer). ...

The Middle East Is in Flames—and Obama’s Making It Worse

CNN | April 20

U.S. PRESIDENT BARACK OBAMA’S RECENT EXPLANATION OF HOW his administration will engage with the Middle East is far from reassuring to the region.

In his interview with Tom Friedman from the *New York Times* on April 4, Obama explained U.S. foreign policy moves on Iran and Cuba, which Friedman described as the “Obama doctrine.” He stated, “We will engage, but we preserve all our capabilities.” By capabilities, the president must mean the tools, whether diplomatic, economic or military, to protect and defend U.S. interests.

The doctrine is significant because it provides greater clarity about the U.S. policy under the rest of Obama’s presidency. Instead of the “new beginning” that the president outlined in his much discussed Cairo speech in 2009, U.S. policy in the Middle East remains mired in a contradiction between principles and action on the ground.

For example, the president asserted in the interview that “the U.S.’s core interests in the region are not oil, are not territorial Our core interests are that everybody is living in peace, that it is orderly, that our allies are not being attacked, that children are not having barrel bombs dropped on them, that massive displacements aren’t taking place.”

Yet at the very moment that the president was offering this assessment, U.S. allies, such as the Arab Gulf states, Jordan,

Lebanon and the legitimate government in Yemen, found themselves under serious threat and attack; the Syrian regime was continuing to relentlessly bomb its own citizens; and the Middle East was faced with the biggest refugee crisis in its history.

Implementing the core U.S. interests outlined by Obama in the interview is clearly not working.

There exist grave doubts about whether the current U.S. administration is indeed ready to deploy the above-mentioned “capabilities.” It seems that the U.S. will only use them when its national security is at stake. ...

In the same vein, the majority of the Arab world and the entire Gulf region look at the recently announced Iran nuclear deal with a sense of suspicion and trepidation.

Having directly experienced the problematic interventionist Iranian policies for decades, the Arab world is simply not ready to give Tehran the benefit of the doubt on any regional issue.

But neither is it ready to trust U.S. assurances that outside a nuclear agreement, the U.S. will indeed put forward a concerted strategy to contain Iranian influence throughout the region or to defend the Gulf Cooperation Council (GCC) states against any Iranian threat.

Instead, the fear is that as long as Iran abides by any agreement that might come into force later this year, the U.S. will

negate, downplay or simply ignore those Iranian actions that the Arab world considers as direct threats. Here, actions speak louder than words and unfortunately one sees only the latter coming from Washington.

At a time when the region is faced with unprecedented turmoil and transition, the president even shifted the blame and directed his criticism toward the Arab world. When he referred to “our Sunni Arab allies,” the president gave an exaggerated picture by saying “populations that, in some cases, are alienated, youth that are underemployed, an ideology that is destructive and nihilistic, and in some cases, just a belief that there are no legitimate political outlets for grievances.”

What Obama failed to do is to highlight that this statement is in fact also applicable to Iran. In his interview, he never questioned Iran’s appalling record on human rights, treatment of the political

opposition, and minorities’ rights, among other disturbing issues. ...

Equally, the assertion that “the biggest threats that they (the Arab states) face may not be coming from Iran invading. It’s going to be from dissatisfaction inside their own countries ...” is another example of the detachment from reality. Based on a Gulf Research Center study, when there are 48 militia groups supported by Iran operating in Iraq and tearing apart the very social fabric of that country, it is simply naive to suggest there is no Iranian threat.

The bottom line here is that U.S. and Arab national security interests are no longer on the same page. ...

[T]he Arab world is tired of false promises. The ongoing operation of 10 mostly Arab coalition countries to protect the legitimate government of Yemen is simply the latest move that underlines the determination of Arab countries to take matters in their own hands. ...

Yemen Crisis Could Lead to Iranian Influence Over Key Oil Passageway **Daily Caller | April 22**

IF IRAN-BACKED REBELS IN YEMEN CONTINUE THEIR INSURGENCY after the Saudi-led airstrike campaign, a second key oil passageway could fall under Iranian sway.

Shiite Houthi rebels overran a military base overlooking the Bab al-Mandeb Strait in March, where 3.8 million barrels of crude oil and petroleum products pass through every day

The strait links the Gulf of Aden to the Red Sea, allowing ships access to cross through the Suez Canal and into the Mediterranean Sea, highlighting its importance. ...

The U.S. Navy sent a warship into Yemeni waters earlier this week, described by a Pentagon spokesperson as an effort “to ensure that shipping lanes remain open to ensure there is freedom of navigation through those critical waterways and to help ensure maritime security.”

[The warship] also serves as a deterrent against potential Iranian weapons deliveries to rebels in Yemen. ...

It’s not uncommon for Iranian and U.S. naval ships to enter the

area, considering their cooperation in counter-piracy operations, but the latest move appears to indicate Iran seeks to emphasize its presence. ...

The Strait of Hormuz, connecting the Persian Gulf to the Arabian Sea, facilitates the passage of 17 million barrels of crude oil every day. Iran isn’t technically capable of closing the strait, but it has been demonstrating “increasing capability to control the strait,” says [Matthew McInnis, an expert at the American Enterprise Institute].

Iran uses mines, submarines, antiship cruise missiles, and surveillance drones—overwhelming the maritime region with volume and creating a possibility for small vessel attacks. This would disrupt traffic passing through the chokepoint, causing a spike in oil prices.

“Traffic would still be getting through, but it would only be if Iran lets you,” said McInnis. ...

Experts: Obama Helping Iran Become Nuclear Threshold State **Washington Free Beacon | April 23**

REPEATED CONCESSIONS BY THE OBAMA ADMINISTRATION DURING ongoing nuclear talks with Iran have all but guaranteed that the Islamic Republic will emerge as a nuclear threshold state that could build a weapon with little effort, according to arms control experts who testified before the House Foreign Affairs Committee on Wednesday.

Stephen Rademaker, national security adviser for the Bipartisan Policy Center ... said during the hearing that the recent preliminary deal “fundamentally signifies acceptance by the international community of Iran as a nuclear weapons threshold state.” ...

“What we’re agreeing to here is a pathway, a process, but at the end of that pathway, 10 to 15 years, the football will be on the one-inch line,” Rademaker said. “That close to having a nuclear weapon. That fundamentally is what is being agreed to here.”

He added that the framework deal is a “huge retreat” from previous U.S. negotiating positions and a “big victory for Iran.”

“After year 15, we’re not going to be worried about one nuclear weapon,” he said. “They’ll be on the one-inch line for dozens of nuclear weapons, an arsenal.” ...

While Obama has said Iran will face the “most robust and intrusive inspections and transparency regime ever negotiated for any nuclear program in history,” Iranian leaders have maintained that its military sites—key locations for potential nuclear weapons development—will not be open to inspection.

Additionally, the leader of the International Atomic Energy Agency (IAEA) ... has said that Iran has failed to answer the majority of its questions about the “possible military dimensions” of Tehran’s nuclear activities.

Charles Duelfer, former chairman of the UN special commission that investigated Iraq’s weapons programs under Saddam Hussein, said the commission had more access to the Iraqi dictator’s facilities and documents than anything that has been

proposed so far regarding Iran

“Yet we struggled after six or seven years and couldn’t accomplish the task that was given us,” he said. “Even with all that access we couldn’t do that job.” ...

Questions have already been raised about the willingness of U.S. negotiating partners to maintain restrictions on Iran throughout the duration of the deal. The Obama administration criticized Russia last week after it lifted a ban on selling the advanced S-300 air defense missile system to Iran, which could

complicate future U.S. strikes on Tehran’s nuclear facilities.

Negotiations between Iran and the six major powers known as the P5+1 will resume this week in Vienna

The State Department has not denied reports that Iran could receive up to \$50 billion in unfrozen assets after agreeing to a deal, a measure critics describe as a “signing bonus.” Tehran has already received \$11 billion in sanctions relief during the negotiating period.

RELATED: “IRAN WANTS NUCLEAR WAR”

EUROPE

Ex-President: Germans Right to Fear Islam

The Local | April 22

GERMANY’S FORMER PRESIDENT CHRISTIAN WULFF SAID ON Tuesday that Germans were “right to be afraid of a series of developments among Muslims”—but his comments were immediately shot down by Muslim scholars.

Wulff, who once famously stated that Islam is now also a part of German life, said that the Islamic world was gravely destabilized, with fundamentalism stretching from north Africa across the Middle East, the Frankfurter Rundschau reported on Wednesday.

He claimed that Muslims feared living through a “global military confrontation” between Sunnis and Shiites that could parallel the 30 Years’ War between Protestants and Catholics that devastated Europe.

“Everyone should do more to make this conflict smaller rather

than bigger,” he said. ...

Wulff went on to suggest that moderate Muslims should break off contact with hate preachers and radicalized people in their communities. ...

At the same time, Wulff called for a nuanced view of Islam, noting that democracy was more popular among Muslims than among people in former East Germany. ...

Anyone criticizing Islam should look at their own religion first, Wulff—himself a Catholic—said, adding that the church had “a few questions still to answer.”

“Since my first years in the Catholic Church, I’ve always found that all social tasks are done by women and all decision-making tasks are done by men”—in defiance of the German Constitution’s provision for equal rights for men and women. ...



Cyprus in Prophecy

Gerald Flurry,

The Key of David | April 24

AN IMPORTANT EVENT JUST HAPPENED IN CYPRUS—AND Germany is very much involved.



EU to ‘Capture and Destroy’ Migrant Traffickers’ Boats

Honor Mahony and Nikolaj Nielsen, EU Observer | April 22

EU LEADERS AT A SUMMIT ON THURSDAY (APRIL 23) ARE TO ASK foreign policy chief Federica Mogherini to look into setting up a defense mission that would “identify, capture and destroy vessels” before they are used by human traffickers to bring migrants across the Mediterranean Sea.

According to draft conclusions of the summit—called in response to the hundreds of migrants who died last weekend trying to reach the EU—member states want to try to “disrupt trafficking networks, bring the perpetrators to justice and seize their assets.” ...

Mogherini, for her part, is to be tasked to “immediately begin preparations for a possible CSDP (common security and defense operation)” to destroy boats that could be used by traffickers.

This will not be a fully-fledged military operation, said the EU official, but one based on “targeted actions, which have very clear and limited objectives.”

While there are several open legal questions about a CSDP mission and the disruption of the trafficking networks remains an undefined policy, one concrete issue likely to come out of Thursday meeting is more money being put towards the problem.

Member states will “at least” double the financial resources of the current operations in the area for 2015 and 2016, according to the draft.

This would allow an increase in the “search and rescue” possibilities of Frontex, the EU’s border agency.

However the text does not mention changing Frontex’s mandate, with human rights organizations regularly criticizing the EU for focusing on protecting its borders rather than dealing with the humanitarian aspect. ...

The statement suggests increasing support to countries such as Tunisia, Egypt, Sudan, Mali and Niger to monitor and control the land borders and routes “in order to prevent potential migrants from gaining access to Mediterranean shores.” ...

Under the “reinforcing internal solidarity” headline, there is a suggestion for a “voluntary project on resettlement,” which would see “at least 5,000” places for persons “qualifying for protection.”

The careful language reflects the sensitivity of the issue for several governments, many of who are fearful of anti-immigrant sentiment at home. ...

Greek Markets Hit by Jitters as Athens Fights Emergency Cash Raid **Mehreen Khan, Telegraph | April 22**

GREEK MARKETS HAVE TANKED TO THEIR LOWEST LEVEL SINCE the country underwent a private sector debt restructuring in 2012, on fears the government will run out of cash to pay its public sector wage bill and service international debts.

Athens stocks dipped towards 700 in early morning trading, after the country’s deputy finance minister said his government faced at least a €400 million (US\$434 million) shortfall to make wage and pensions payments in April.

The government has resorted to increasingly desperate measures to fill their coffers in the absence of fresh bailout cash from its international creditors.

On Monday, an emergency presidential decree forced up to 1,500 local government bodies to transfer their excess cash reserves to the Bank of Greece.

The measure, which was pushed for by Brussels, has met

fierce resistance in the country. Giorgis Kaminis, the mayor of Athens, said he would fight the confiscation law, attacking it as “unconstitutional.” ...

In a further sign of domestic troubles for the leftist government, approval ratings for Syriza’s negotiating strategy have fallen to just 45 percent in April, down from 72 percent in February. ...

Pressure on the government’s coffers has grown ahead of a meeting of Europe’s finance ministers on Friday. The European Central Bank is reported to have demanded Greek lenders take a 50 percent haircut on the collateral they use to access the emergency life support from the ECB.

However, ECB governor Benoît Coeuré denied allegations that the institution was “blackmailing” the country, insisting the ECB would continue funding lenders as long as they remained solvent. ...

A Leaderless Europe **Conrad Black, National Review | April 22**

LITTLE NOTICED IN THE GENERAL MEDIOCRITY AND INEPTITUDE of recent Western national leadership is the trend in Western Europe to the irresponsible left. Certainly, the victory of the eco-socialist Greek Syriza Party (a catchment for all the discarded loopy left) has been noticed, because of the anticipated implications if it leads Greece out of the eurozone and back to the drachma, which has never been a hard currency in its very long history.

Though it has backtracked a little, it still promises to pay unaffordably generous social benefits by steadily inflating and devaluing the local currency, promoting Greece’s only generators of foreign currency: tourism, cement and vegetables.

A chicken game is in progress between Syriza and a Europe now much better prepared than during the Greek-generated financial crisis of several years ago to deal with a Greek fall-out. ...

Europe appears to be ready to inflict the national equivalent of the Lehman Brothers abandonment, to make a point that not all

insolvencies will be underwritten, and to show the rest of Europe that the succeeding anticipated collapse of the resumed Greek national currency is not the route for the other vulnerable economies in the eurozone to follow.

This entire scenario, which to some extent represents the lot of Portugal, Spain and Italy, as well as Greece, came to pass because of a double confidence trick at the establishment of the euro: German Chancellor Helmut Kohl strongly believed that Germany needed to be in a cocoon of economic and military allies and was sincere in saying, “A European Germany and not a German Europe.” Not only did he mistrust Germany’s capacity to act responsibly as an autonomous great power, with some historical reason in post-Bismarck times; he was also prepared to have Germany’s pocket lightly picked in order to make the Mediterranean eurozone members beholden to Germany, and to ensure that the euro had some elements retardant to high comparative value to facilitate the export of Germany’s world-leading engineered products at prices below where they would be if denominated in deutschmarks.

Successive German leaders have had to balance domestically between a German desire for a currency that is more competitive for exports than the country's own currency would be, and the German voters' irritation at financing the conspicuous refusal of most of their Mediterranean euro-colleagues to be martyrs to the industrial work ethic.

Whatever perturbations the fall of Greece out of the euro might generate, the German government apparently thinks it is worthwhile not only in foreign-exchange terms, but to keep a rod on the backs of the rest of Europe to follow the German lead It is a gamble, but probably a sensible one. ...

Obviously, Europe survives ... despite abrasive posturing from the Kremlin But the political vacuum in Washington, unprecedented since the 1920s, is fully mirrored in a confused and uneasy Europe, afflicted by declining population, economic

inertia, and acute official mediocrity where just a few years ago Thatcher, Kohl and even a cunning scoundrel like François Mitterrand led very effectively.

Europe is waiting for Germany to behave responsibly as the Continent's greatest power, a position it has held, when unified, since Bismarck assembled modern Germany in 1871, and Germany and Europe and the world are waiting for the end of the Obama torpor, without longing for the misplaced simplicities of his predecessor.

Europe and the world are missing the firm leadership the United States gave, apart from the aberrant Jimmy Carter, from Franklin D. Roosevelt even unto Bill Clinton. And so far, Europe shows no disposition to fill the vacuum, as Margaret Thatcher, Helmut Schmidt, Valéry Giscard d'Estaing and even Pierre Trudeau did for Carter.

ASIA

T Why the *Trumpet* Monitors Japan's March Away From Pacifism Toward Militarism Jeremiah Jacques | April 22

JAPAN'S SHIFT AWAY FROM PACIFISM AND TOWARD BECOMING A full-fledged military power has long been a focus of the *Trumpet*. We've drawn attention to the shift because we believe it will culminate in a violent conflict affecting millions, possibly even billions.

During World War II, the ruthlessness and tenacity of the Japanese was largely driven by their belief that Hirohito was a god destined to rule the world. This was a toxic faith. It made many Japanese virtually incapable of surrendering—even in the face of insurmountable odds.

By the end of World War II, Japan had been fighting for 14 years. Almost 3 million Japanese were dead, with many more injured or gravely ill. Most of the population were starving. The nation lay in ruins. But even then, soldiers and civilians generally would not surrender. Nothing short of two atomic bombs was able to bring a halt to Japan's perverse military fanaticism.

It was then, in the immediate aftermath of that tragic history, that the United States occupied Japan and drafted its Constitution. America wanted to ensure that military fanaticism would not rise again in Japan, so it included Article 9 in the new Constitution. This outlawed war as a means for Japan to settle

international disputes.

The Constitution that U.S. leaders wrote has technically governed Japanese affairs in the decades since. But during the 70 years that have passed since the end of World War II, Japan has made some significant strides away from pacifism.

In light of Japan's wartime history, all of these steps toward nationalism and militarism are worthy of attention and concern.

The *Trumpet* reports on Japanese efforts toward remilitarization because each one could be a small step closer to the 200-million man army prophesied in the book of Revelation. Japan's march toward militarization points to a dark future. But there is good news: God promises to protect any individuals—whether Japanese, American or any other nationality—who repent and turn to Him. And the hope extends beyond just physical protection in the short term. God has a magnificent plan that involves opening up eternal salvation to every human being who has ever lived.

To understand these prophecies in detail, and to understand the urgency and the hope they contain, request a copy of our free booklet [*Russia and China in Prophecy*](#).

 Follow [Jeremiah Jacques](#)

T Russia and Iran: Buying Guns, Making Bombs Daryle Hochstetler | April 19

RUSSIA LIFTED ITS BAN ON SELLING MISSILES TO IRAN ON APRIL 13. This is a result of the impending Iran nuclear agreement, as well as a way for Russia to strike at America.

The recent sale is for a mobile S-300 surface-to-air missile installation designed to detect and destroy ballistic missiles,

cruise missiles and low-flying aircraft. In 2007, Russia negotiated an \$800 million deal to sell the missile system to Iran; however, after the United States and Israel raised concerns that the system could affect nuclear negotiations with Iran, Russia canceled the sale. Now that the Obama administration seems satisfied that

Iran is not seeking nuclear weapons, America's previous objections lack weight.

In an attempt to dispel Israel's concerns, Russian Foreign Minister Sergei Lavrov said, "I note that the S-300 air-defense missile system, which is exclusively of a defensive nature, is not suited for the purposes of attack and doesn't threaten the security of any governments in the region, including, of course, Israel." This is strange logic considering Russia's opposition to the transfer of U.S. missile defense technology to Romania and Poland because Russia believed it would threaten Russia's security. Russia even said giving the technology to Romania and Poland could trigger a new Cold War-style arms race.

Israeli Intelligence Minister Yuval Steinitz said the Russian sale to Iran is "proof that the economic momentum that will come for Iran after lifting sanctions will be exploited for an arms buildup and not for the welfare of the people of Iran."

Since the onset of Western sanctions against Russia for its actions in Ukraine, Russian President Vladimir Putin has been seeking to build economic relationships with U.S. enemies. Expect that trend to continue. Russia's displeasure with and Iran's animosity toward the West make a dangerous combination, especially if the two continue to cultivate a meaningful relationship.

The *Trumpet* has long warned of a growing relationship between Russia and Iran based on anti-Americanism. Ten years ago we wrote, "Driving Moscow's aspirations for relations with Tehran is Russia's (and Iran's) quest to marginalize, if not eradicate, American influence from their respective regions. ... The fact is, anti-Americanism is a defining ideology underlying Russian-Iranian relations."

To learn more about this emerging relationship, read "[Iran: Russia's Trump Card.](#)"

Philippines Supports Japan's Bid to Boost Military by Changing Pacifist Constitution

SCMP | April 20

MANILA SUPPORTS JAPANESE PRIME MINISTER SHINZO ABE'S move to amend his country's post-Second World War Constitution.

President Benigno Aquino told the *South China Morning Post* in a wide-ranging exclusive interview that he backed the change insofar as it would allow Japanese troops to come to the aid of other nations during peacekeeping missions.

"For instance, the Japanese tell us—they use this example—if our ships are part of an allied convoy and one of the ships in that convoy is attacked, normally if you're allies you come to the assistance of the other member of the convoy. Their Constitution prevents them from coming to the aid of the other entity unless they are actually being attacked themselves," Aquino said. ...

"So we echo the call, since they are part of the global peacekeeping force, we would want them to exercise all of the rights of every other participant in this peacekeeping effort, that they are entitled to protect their own interests."

But he added that any amendment should be "specifically for

self-defense."

Due to this constitutional limitation, Manila cannot obtain any military hardware from its strategic ally Japan. But it has used soft loans from Japan to buy 10 coastguard vessels. ...

"Maybe Tokyo would be able to persuade nations like South Korea, Taiwan, the Philippines or India to form an alliance with Japan to counter the China-Russia axis. ... But the strong implication of Bible prophecy is that even if some kind of Japan-led counter-alliance were formed, it would not be long before it joined China and Russia. Back in World War II, Japan was the only industrialized nation in Asia, so it was able to chart its own course. This time around, that advantage is removed."

Trumpet, January 2014

Economic and Military Power in Asia

European Council on Foreign Relations | April 20

IN AN INFLUENTIAL ARTICLE PUBLISHED IN 2012, EVAN FEIGENBAUM and Robert Manning argued that there were now two different Asias: an "economic Asia" centered on China and based on a win-win logic of cooperation and integration, and a "security Asia" centered on the United States based on a zero-sum logic of competition and disintegration. They wrote that "economic Asia" could become "an engine of global growth," while "security Asia" could, in the worst-case scenario, lead to a great power war. However, in the three years since the article was written, the two Asias—which Feigenbaum and Manning argued were "increasingly irreconcilable"—seem almost to have merged.

While military spending in Asia continues to increase,

economic tools are now also increasingly being used for strategic purposes. The U.S. is seeking to agree a Trans-Pacific Partnership with 11 other states in the Asia-Pacific region, which some in China see as a kind of "economic containment"; China is developing its own alternative Regional Comprehensive Economic Partnership. China is also seeking to "redraw Asia's geopolitical map," as the Indian analyst Brahma Chellaney recently put it, through the 21st Century Maritime Silk Road and Silk Road Economic Belt projects announced in March. Thus what looked like two Asias with quite different dynamics now looks more like one complex Asia, in which economic as well as military power is being used within a competitive logic between states. ...

S-400 Threatens Taiwan's Control of Its Airspace: Expert Want China Times | April 21

AFTER AN AGREEMENT WAS REACHED FOR CHINA TO PURCHASE the S-400 air defense system from Russia, the People's Liberation Army (PLA) will be better equipped to defeat the Republic of China Air Force within Taiwan's air defense identification zone (ADIZ), American defense expert Wendell Minnick writes in a piece for the Washington-based *Defense News* on April 18.

With an attacking range of 400 kilometers, the S-400 system would allow China to strike any aerial target over Taiwan and could also reach New Delhi, Calcutta, Hanoi and Seoul as well as enforcing China's East China Sea ADIZ. Vasily Kashin, a Russian specialist in China's military development, said the PLA can extend its influence but not dominate the airspace over the disputed Diaoyutai Islands (Senkaku to Japan, Diaoyu to China). Targets within North Korea could also be attacked, Minnick noted.

China's current S-300 air defense system with a range of 300

kilometers can only strike the northwestern coast of Taiwan, according to Alexander Huang, head of Taiwan's Council on Strategic and Wargaming Studies. The purchase of the S-400 from Russia will therefore present a serious challenge for Taiwan's fighter fleet

"How could anyone fail to see that Taiwan is destined to become a part of mainland China? These 21 million people are going to be forced into the Chinese mold; and it is going to happen for one reason: because of a pitifully weak-willed America. Does freedom really mean so little to us? True history is going to judge us very harshly. So is God!"

Gerald Flurry, *Trumpet*, August 1998

Japan's First Defense Trade Show Shows Abe Breaking Arms Taboo Bloomberg | April 19

JAPAN WILL HOST ITS FIRST INTERNATIONAL DEFENSE TRADE show next month, underscoring Prime Minister Shinzo Abe's bid to loosen the shackles of its postwar pacifist Constitution amid territorial tensions with an increasingly assertive China.

The MAST Asia exhibition and conference in the port city of Yokohama May 13-15 will coincide with the government's plan to submit bills to parliament to bolster Japan's security stance. Companies including Mitsubishi Heavy Industries Ltd. and Kawasaki Heavy Industries Ltd., the country's two largest defense contractors, will exhibit at the event.

Last year, Abe lifted a ban on defense exports and reinterpreted the 68-year-old pacifist Constitution to allow Japan to defend other countries. This more robust security policy has divided the electorate and sparked expressions of concern from China and South Korea ahead of August's 70th anniversary of the end of World War II.

"Hosting an arms convention in Yokohama is a sign of the times as Abe shunts aside previous taboos on Japan's military," said Jeff Kingston, professor of Asian Studies at Temple University's Japan

campus. "Most Japanese oppose and relatively few support" such changes, he said. ...

"Japan's shift away from pacifism and toward becoming a full-fledged military power has long been a focus of the Trumpet We have drawn attention to the shift because we believe it will culminate in a violent conflict affecting millions, possibly even billions. ... In light of Japan's wartime history, all of these steps toward nationalism and militarism are worthy of attention and concern. ... The people of Japan embody many exceptionally noble and admirable traits. Their cultural and technological contributions have enriched the human experience for millions around the globe. But as a result of historic revisionism, a dangerous number of modern Japanese view their nation's wartime atrocities with pride."

theTrumpet.com, April 22

AFRICA/LATIN AMERICA

Foreigners Tell of Being 'Hunted Like Dogs' in South Africa Agence France-Presse | April 21

FOREIGNERS FLEEING XENOPHOBIC VIOLENCE IN SOUTH AFRICA told Tuesday of how they escaped marauding death mobs and vowed never to return to the country where they had sought a new life.

Holding her 1-year-old daughter in her arms, Agnes Salanje from Malawi said she "faced death" during the wave of anti-immigrant violence that has claimed at least seven lives.

"We could have been killed as these South Africans hunted for foreigners, going from door to door," Salanje, who was a domestic worker in the Indian Ocean port city of Durban, told AFP.

Nearly 400 Malawians arrived overnight in the city of Blantyre in the south of the country, where they were met by government ministers and officials. ...

"I will not go back. It is better to be poor than be hunted like

dogs because you are a foreigner," she said. "I lost everything. I only managed to grab a few clothes for myself and my baby, Linda."

South African authorities have vowed to crack down on mobs who have been attacking foreigners from Zimbabwe, Malawi, Mozambique and other African countries in both the economic capital Johannesburg and Durban.

Defense Minister Nosiviwe Mapisa-Nqakula said Tuesday the army would be deployed in parts of Johannesburg to prevent any further violence.

Foreigners are often the focus of resentment among poor South Africans who face a chronic jobs shortage.

Zimbabwe, which has at least 1 million citizens working in South Africa, said 400 arrived by bus at the border late on Monday after leaving camps in Durban, where they had sought shelter. ...

The first Mozambicans returned on Friday, with 109 people

accommodated over the weekend at a transit camp where they were given tents, blankets and hot food. ...

"They say we take their jobs, and that our men take their wives," Victoria N'Gonhamu, 29, who worked in Durban as a maid, told AFP.

Zulu king Goodwill Zwelithini has denied whipping up xenophobic hatred in a speech last month when he blamed immigrants for rising crime and said they must leave South Africa.

The king insisted the media had misrepresented his speech, which was widely seen as inciting the attacks. ...

"According to biblical prophecy, what is happening in South Africa right now is actually a precursor of what is coming on the whole world."
Trumpet, December 2013

ANGLO-AMERICA

T Time for the World to Abolish Cash? Robert Morley | April 23

THE WORLD'S BANKS HAVE A BIG PROBLEM.

You have probably noticed the dismally low interest rate you are paid on your bank deposits. I earn 0.12 percent on my credit union account. I receive zero percent interest on my Bank of America account.

For that, you can thank the Federal Reserve. In an effort to stimulate the economy, America's central bank printed almost \$4.5 trillion since the 2008 economic crash. It calls it quantitative easing. In effect, for many people, it is better understood as *quantitative fleeing*.

All those newly minted greenbacks pushed interest rates to record lows and borrowing volumes up.

But perhaps American savers should be counting their blessings. In Denmark, Portugal and Spain, savers have to contend with *negative interest rates*. In these countries, savers *pay* banks for the privilege of depositing money.

What other incredible tricks do central bankers have waiting for us?

If they follow the advice of Citigroup's top economist Willem Buiter, a doozy is headed your way.

The world should outlaw cash.

According to Buiter, the biggest impediment to economic recovery is getting people and businesses to spend enough. We need to jam more debt into the system.

This could be accomplished by much steeper negative interest rates. For example, he says interest rates could have been manipulated down to -6 percent in America! That would stop those evil savers and get people borrowing and spending.

But wait. There's just one little problem. How do you force people to keep money in banks at negative 6 percent? Who in their right mind would pay a bank 6 percent interest just to keep their money on deposit? After 15 years, your \$50,000 would have shrunk to \$20,000. It would create a run on the banks. People would stuff cash under their mattresses, safes and safety deposit boxes. The system would go insolvent. It would be the end of Wall Street.



Citigroup Chief Economist Willem Buiter speaks during a seminar at World Bank Headquarters in Washington, D.C.

Buiter's solution? Abolish cash. Without cash—or bills larger than a five—people would be *forced* to keep their money in the system. And banks could continue to lend it out at low interest rates.

So much for *free-market* capitalism.

But don't worry, it is all for the greater good, Buiter implies.

In case you don't think governments would ever try such a thing as outlawing cash, in 2012 Spain banned all cash transactions above €2,500 (US\$2,681). As part of an emergency decree to crack down on tax evaders, Italy outlawed all cash transactions over €1,000. France is going down that route too. In September, cash transactions above €1,000 will be banned.

In America, cash is still king, but for how long? The *Economic Policy Journal* reported April 15 that Louisiana became the first state to ban all secondhand shops that sell used goods from accepting cash. All payments must be electronic or check. The law is purportedly to help police track stolen goods.

"Global imbalances are so extreme, interest rate policy so absurd ... that a massive currency crisis is all but inevitable now," writes economic analyst Mike Shedlock.

"Meanwhile ... the bubbles will grow and grow and grow until central banks can no longer stuff any more debt into the system,"

he says. “Good luck when the bubbles pop.”

The fact that interest rates have gone negative in many nations is a flashing neon sign that the economic system is dangerously unstable. And the ever wackier solutions policymakers are

grasping at will only make it worse.

Work hard to get out of debt now—before the looming debt collapse. Here is a [free book](#) to help you get started.

 Follow [Robert Morley](#)

Obama's Executive Action Rollouts Increasing in Pace

USA Today | April 22

PRESIDENT OBAMA NEVER USED THE WORDS “EXECUTIVE ACTION” until nearly three years into his presidency. Now announcements of executive actions have become a routine, almost daily occurrence.

As President Obama stood in an Everglades swamp to speak on climate change Wednesday, the White House rolled out a package of eight executive actions, implemented by seven government agencies, to “protect the people and places that climate change puts at risk.”

[T]he actions include smaller-bore staples of a “pen-and-phone” strategy that shows no sign of letting up: a report on the value of parks to the environment, a proclamation declaring National Parks Week, and conservation efforts in Florida, Hawaii, Puget Sound and the Great Lakes.

White House Press Secretary Josh Earnest said the actions were an effort to deal with the impacts of climate change “even in the face of pretty significant opposition from Republicans in Congress.”

Indeed, the actions have a political component, part of a White

House strategy to work around Congress and force Republicans to respond to the president's agenda.

“Since the election, the president has had a pretty explicit strategy,” said Brian Deese, a senior Obama adviser. “And it has consisted of trying to stay on offense, trying to push where he can to move the agenda through executive action. You’re going to keep seeing the president in that posture going forward.”

“Executive action”—a phrase Obama never uttered publicly in the first 2½ years of his presidency—has now become so routine that new announcements come several times a week. ...

But by one measure, such policy rollouts are actually increasing in pace. The White House often announces executive actions with a fact sheet from the press office, and those spiked last year during what Obama called the “Year of Action.” The White House issued 228 fact sheets in 2014, more than the first three years of his presidency combined.

This year, the White House has already issued three more fact sheets than last year at the same time. ...

Second Scottish Independence Referendum Should Be Held if UK Quits the EU, Says Nicola Sturgeon

Matt Dathan, Independent | April 21

A SECOND REFERENDUM ON SCOTTISH INDEPENDENCE SHOULD be held if the UK votes to quit the European Union, Nicola Sturgeon has said.

Scotland's First Minister insisted this election was not about a second independence referendum but refused to rule out staging one after next year's Scottish Parliament elections.

The Conservatives have pledged to hold a referendum on Britain's membership of the EU in 2017 if they win power and the Liberal Democrats have shown signs they may be willing to accept an

EU vote in exchange for concessions if they enter a second coalition with David Cameron's party.

The SNP manifesto, which Ms. Sturgeon unveiled yesterday, calls for each of the UK nations to be given a veto on leaving the EU and will propose a “double majority” rule.

This would mean that unless England, Scotland, Wales and Northern Ireland each vote to leave the EU, the UK would remain a member state. If this was resisted, it could lead to a second independence referendum, she said...

Obama: People Need Perspective; There's Less Violence Around the World Than 40 Years Ago

Free Beacon | April 21

PRESIDENT OBAMA SAID HE WANTED AMERICANS TO GAIN PERSPECTIVE and be thankful there is less violence now than there was during the Cold War. ...

“I remind people that, you know, there actually is probably less war and less violence around the world today than there might have been 30, 40 years ago. It doesn't make it any less painful but things can get better,” Obama said. ...

Obama did not compare his time in the White House with that of his predecessors. Instead, he portrayed his six years in a more promising point of view by contrasting it with some of the most violent and politically complex times in modern world history.

The 30 to 40 years Obama referred to covers the span of 1975 to 1985, during which, the United States engaged the Soviet Union in a number of proxy wars and the world lived in fear of all-out

nuclear war. ...

President Obama's statement was factually correct: There is not as much war today as there was during some of the world's darkest times.

However, the world, especially the Middle East, is stuck in regional turmoil. Putin's aggression in Crimea highlighted the worst relations have been with Russia since the Soviet Union collapsed. The Russian reset has been deemed a failure. The United

States has witnessed anarchy in regions where Obama has decided to "lead from behind." Libya, Syria, Oman, Egypt, Tunisia and Yemen have all become failed states during Obama's presidency. Our relationships with important allies, such as Israel, have deteriorated.

Obama's comments can be seen as an acknowledgement that conditions around the world are not great. As President Obama noted, however, "things can get better."

Record 51 Million Immigrants in 8 Years

Washington Examiner | April 22

LEGAL AND ILLEGAL IMMIGRANTS WILL HIT A RECORD HIGH OF 51 million in just eight years and eventually account for an astounding 82 percent of all population growth in America, according to new U.S. Census figures.

A report from the Center for Immigration Studies that analyzed the statistics said that by 2023, one in seven U.S. residents will be an immigrant, rising to one in five by 2060 when the immigrant population totals 78 million. ...

The surge in immigrant population, both legal and illegal, threatens to slam into the presidential campaign as GOP candidates move to figure out what their position is and the president tries to use executive powers to exempt some 5 million illegals from deportation.

Wisconsin Gov. Scott Walker disrupted the debate this week when he said that legal immigration also needs to be reformed to make sure Americans don't suffer by losing jobs to new citizens. ...

"These numbers have important implications for workers, schools, infrastructure, congestion and the environment," said Steven Camarota, the center's director of research.

"They also may have implications for our ability to successfully assimilate and integrate immigrants. Yet there has been almost no national debate about bringing in so many people legally each year, which is the primary factor driving these numbers."

Those numbers are likely to shake up Washington's political debate over the 12 million illegals in America, the expected 70,000 expected to pour over the border this year, and the 4.4 million legal immigrants on a State Department waiting list who have relatives or jobs in the U.S. ...

The numbers ... will also raise concerns that Washington is giving the keys to the nation to new immigrants:

- The immigrant population will grow four times faster than the native born population
- Net immigration this year will be 1.24 million; green cards about 1.1 million.
- Immigrants and their descendants "will account for the overwhelming share of population growth," said the Center in projecting growth. They will account for 75.5 percent from 2010-2050 and 82 percent from 2010-2060.
- Census Bureau projects that in 2023 the nation's immigrant population, legal and illegal, will reach 14.8 percent of the total U.S. population, the highest share ever recorded.

"That Old Testament law contains a prophecy of what would happen when we disobeyed it. Deuteronomy 28:43-44 reads, 'The stranger that is within thee shall get up above thee very high; and thou shalt come down very low. He shall lend to thee, and thou shalt not lend to him: he shall be the head, and thou shalt be the tail.' As the president invites illegal immigrants to remain in the United States—and at the same time encourages still more illegals to join them—we can see this prophecy being fulfilled."
theTrumpet.com, Nov. 21, 2014

Special Report: British Voters Heading for a Disunited Kingdom

Richard Woods and Estelle Shirbon, Reuters | April 23

LIKE MILLIONS OF OTHER BRITISH VOTERS, KARL WAKEMAN SUPPORTED Margaret Thatcher's Conservatives in the 1980s and then Tony Blair's New Labor in the late 1990s. But now, as Britain heads toward a general election on May 7, the 49-year-old from Gloucester has no time for either of the two parties that have dominated British politics for decades.

In his eyes, the last Labor government bungled its handling of the European Union, mass immigration and the country's finances. He thinks the present Conservative-led coalition has done little better. ...

Wakeman ... feels neglected and let down. "The main parties aren't interested in people like me," he said.

So on May 7 he's going to vote for the United Kingdom

Independence Party (UKIP), a populist group that deplores the EU and mass immigration. Many other voters look set to follow suit. Though UKIP won just 3.1 percent of the votes in the 2010 election, polls suggest it could win 13 percent in 2015, draining support from the Conservatives and, to a lesser extent, from Labor.

UKIP is not the only deep fissure in Britain's political landscape. The Scottish National Party, which won just 1.7 percent of the vote and six parliamentary seats in 2010, is enjoying a surge in popularity. Polls suggest it could win more than 40 of the 59 seats Scotland has in the national Parliament. That would likely give the SNP a powerful say in who forms the next government. England's 38 million voters may find themselves at the mercy of Scotland's 4 million. ...