

Trumpet Weekly

AUGUST 14, 2015



President Obama's Clean-Energy Dream—or National Nightmare?

Robert Morley | August 13

WE TALKED ABOUT THIS



ROBERT MORLEY

THE IDEA OF POWERING A SOCIETY WITH pollution-free, inexpensive, renewable energy is a goal worthy of high praise. Clean energy is a hope that should fill all mankind's dreams. And one day we will get there.

But let's not pretend that there will be no cost or disruption to our lives during the transition—especially when that transition is via executive command, as opposed to naturally occurring via the market.

And the cost will be large—at least at first—unless technology advances.

When United States President Barack Obama announced the new Environmental Protection Agency (EPA) rules he said: "Now, let's be clear. There will be critics of what we're trying to do. ... They will claim that this plan will cost you money—even though this plan, the analysis shows, will ultimately save the average American nearly \$85 a year on their energy bills."

Telling people they will ultimately save \$85 per year is *absolutely meaningless*. For this claim to have any value, you need to know what the total cost to consumers before they "ultimately" get to the point where they will save that \$85 per year. The White House says that consumers will be saving that much by 2030.

Additionally, the president is talking about averages.

Consumers in sunny Arizona or windy Oklahoma might at some point ultimately save \$85 per year or more—but what about consumers in far less sunny, cooler northern states not known for their wind resources? What about those in states that get almost 100 percent of their electricity from coal? They certainly won't be saving money. The law of averages says their costs are going up.

Many people love to argue the economic benefits of solar and wind power—but the government wouldn't be forcing the utilities to adopt wind and solar power if it made economic sense for them to do so. Profit-focused businesses naturally try to make as much money as they can. If green power made economic sense for them, they would have done it.

So there will be a cost. And it will be big. And it will get passed down to consumers.

The question is how big, and is it worth it?

In 2008, when President Obama was asked about the costs of his plan to force America to use green energy, he told the *San Francisco Chronicle*, "Under my plan ... electricity rates would necessarily skyrocket."

"Because I am capping greenhouse gasses, coal plants ... whatever the industry is, they would have to retrofit their operations. *That will cost money; they will pass that ... on to consumers*," he said (emphasis added).

So which President Obama is telling the truth? Will forcing utilities to shut plants and build new higher-cost ones put more money in consumers' pockets, or empty them?

2015 President Obama says that any costs to implementing the EPA's new rules will be outweighed by the benefits. EPA scientists note how much money America will save by stopping climate change. And if you assume there will be fewer hurricanes and reduced droughts, if you assume that coastal cities will not be submerged by rising ocean levels, if you assume that fewer people will suffer asthma, etc., models will show that the cost of implementing the new Clean Power Plan is a net benefit to the

tune of \$25 to 40 billion by 2030, according to the White House.

But according to analyst Paul Driessen, consumers should believe 2008 President Obama.

The final Clean Power Plan mandates that carbon dioxide emissions be reduced from 2005 levels by 32 percent by 2030. Around 30 states will have to slash their power-plant carbon dioxide emissions by more than 32 percent and at least 12 will have to implement 40-48 percent reductions.

Driessen says that these are actual quantifiable costs. And to meet these goals, electricity rates in some states will not merely double to levels found in green California, but quadruple to levels paid in some countries like Denmark and Germany.

"That will hammer everything we make, grow, ship, eat and do. It will impair our livelihoods, living standards, liberties and life spans. And these destructive rules are being imposed by ... unelected, unaccountable federal bureaucrats who are circumventing our laws and Constitution; disregarding the clear will of Congress, which has rejected nearly 700 climate bills; and colluding regularly with radical Big Green pressure groups on sue-and-settle lawsuits and new regulatory edicts."

Last October the National Economic Research Associates consulting group found that the costs to comply with EPA's plan could total \$366 billion. The conservative Heritage Foundation says there will be an additional \$2.5 trillion loss to gross domestic product due to higher energy costs, increased job losses and lower economic activity.

Cleaner air is a worthy goal. Having a prosperous economy built on clean, abundant renewable energy is a worthy goal too. And we will [attain it someday](#). But when you have to deceive millions of Americans and risk the economy to get there—it makes you wonder if the current clean-energy dream is more of a nightmare.

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Obama Recognized Iran's Right to Nuclear Program in 2011

Israel Hayom | August 11

THE U.S. GOVERNMENT BEGAN SECRET NUCLEAR TALKS WITH THE Iranian regime in 2011, when Holocaust-denying firebrand Mahmoud Ahmadinejad was still president, rather than after supposed

"moderate" Hassan Rouhani was elected in 2013, as the Obama administration has claimed. This revelation was made public by Iranian Ayatollah Ali Khamenei in a speech delivered on June 23.

According to a translation of the speech published by the Middle East Media Research Institute (MEMRI), Khamenei said, “The issue of negotiating with the Americans is related to the term of the previous [Ahmadinejad] government, and to the dispatching of a mediator to Tehran to request talks. At the time, a respected regional figure came to me as a mediator [referring to Omani Sultan Qaboos bin Said al Said] and explicitly said that U.S. President [Barack Obama] had asked him to come to Tehran and present an American request for negotiations. The Americans told this mediator: ‘We want to solve the nuclear issue and lift sanctions within six months, while recognizing Iran as a nuclear power.’ I told that mediator that I did not trust the Americans and their words, but after he insisted, I agreed to reexamine this topic, and negotiations began.”

In a July 7 interview translated by MEMRI, Hossein Sheikh al-Islam, an adviser to Iranian Parliament Speaker Ali Larijani, said that U.S. Secretary of State John Kerry had relayed a letter to the Iranian regime recognizing Iran’s enrichment rights.

“We came to the [secret] negotiations [with the U.S.] after Kerry wrote a letter and sent it to us via Oman, stating that America officially recognizes Iran’s rights regarding the [nuclear fuel] enrichment cycle,” he said. “Then there were two meetings in Oman between the [Iranian and U.S.] deputy foreign ministers, and after those, Sultan Qaboos was dispatched by Obama to Khamenei with Kerry’s letter. Khamenei told him: ‘I don’t trust them.’ Sultan Qaboos said: ‘Trust them one more time.’ On this basis the negotiations began, and not on the basis of sanctions, as they [the Americans] claim in their propaganda.”

Meanwhile, a new poll published on Monday showed increasing skepticism among Americans about the nuclear deal with Iran. According to the Monmouth University poll, 41 percent of Americans believe Iran got the better end of the deal, while only 14 percent think the U.S. did.

Overall, only 27 percent of Americans believe Congress should approve the deal, the poll found. ...

Taliban Retakes Key Part of Helmand Province that U.S. Marines Fought and Died to Secure

Washington Free Beacon | August 12

WE TALKED ABOUT THIS



AFGHAN OFFICIALS CONFIRMED THAT THE TALIBAN HAS GAINED control of Now Zad in Helmand province, a district that U.S. and British troops battled to secure between 2007 and 2010.

Heavy fighting in the district occurred between the Taliban and Afghan security forces at the end of July, which the Taliban has documented in a video titled “Liberation of Now Zad” posted to its official website.

The Long War Journal reported: “In the video, the Taliban are shown attacking and overrunning a hilltop base and occupying several military and police outposts, including a large base, in Now Zad. The video matches initial reports from both the Taliban and Afghan officials that Afghan soldiers and police abandoned the district center and police and military bases after heavy fighting. ...”

The Taliban has also seized Humvees—one of which was used

in the attack on the hilltop base—given to Afghan security forces, in addition to trucks and other supplies. ...

[W]hen American forces withdrew from the area in June 2014, the Taliban began a campaign to retake territory that it lost to the more than 30,000 U.S. troops deployed to Afghanistan to retake Taliban-controlled areas between 2009 and 2012.

The Taliban has since gained control of districts in Kunduz, Sar-i-Pul and Badakhshan during recent months, and now adds Now Zad to that list.

U.S. and Afghan officials say that approximately 330 Afghan troops and police are either killed or injured in Taliban attacks every week.

RELATED: “BURIED IN AFGHANISTAN”

What Iran’s Hostile Reaction to the Parchin Issue Means for the Nuclear Deal

David Albright, Washington Post | August 10

IRAN’S FOREIGN MINISTER MOHAMMAD JAVAD ZARIF SAID OVER the weekend that my organization, the Institute for Science and International Security, was spreading lies when we published satellite imagery that showed renewed, concerning activity at the Parchin military site near Tehran. This site is linked by Western intelligence and the International Atomic Energy Agency (IAEA) to past work on nuclear weapons. ... [I]nstead of acknowledging the concern, the Iranians chose to deny the visible evidence in commercial satellite imagery. ...

Zarif is also calling U.S. intelligence officials and members of Congress liars. They are the original source of the information both about renewed activity at Parchin and concerns about that activity. ...

Moreover, this information about renewed activity at Parchin does not come from opponents of the [deal] negotiated between the United States, five other world powers and Iran, as Zarif suggested. We are neutral on whether the agreement should be implemented and have made that position clear for weeks. The

U.S. intelligence community is hardly opposed to the deal. ...

Concern about Parchin has become more urgent now that there is a debate raging over whether the IAEA will have adequate access to this site under the terms of its deal with Iran. It would be irresponsible not to worry about reports that suggest that Iran could be again sanitizing the site to thwart environmental sampling that could reveal past nuclear weapons activities there. This concern is further heightened because Iran has demanded to do this sampling itself instead of letting the IAEA do it. Such an arrangement is unprecedented and risky, and will be even more so if Iran continues to sanitize the site. In the cases of the Iranian Kalaye Electric site and the North Korean plutonium separation plant at Yongbyon, the success of sampling that showed undeclared activities depended on samples being taken at non-obvious locations identified during previous IAEA visits inside buildings. The IAEA will not be able to visit Parchin until after the samples are taken, and it remains doubtful that the inspectors will be able to take additional samples. ...

Iranian Military Official: 'We Laugh' When U.S. Threatens to Attack **Jerusalem Post | August 12**

WE TALKED ABOUT THIS



THE WEST'S FREQUENT USE OF MILITARY THREATS AND CITING OF their ability to attack Iran at will has become a joke among Iranian commanders in the military, according to a high-ranking military official in the Islamic Republic's Revolutionary Guard Corps, Iran's semi-official Fars news agency reported on Wednesday.

Brig. Gen. Mohammad Ali Asoudi alluded to the West's hesitancy to use military force and mocked its resolve while speaking to troops in the North. "We should thank Obama for refreshing us by referring to his 'options on the table,' including the military one; we just relax and laugh at such ridiculous words," Asoudi said. ...

In May, the Iranian Revolutionary Guard's top commander, Maj. Gen. Mohammad Ali Jafari, dismissed U.S. officials' frequent

[O]n Parchin, [Zarif's] words appear to reflect Iranian government intransigence on its past nuclear weapons program. Its action is an assault on the integrity and prospects of the nuclear deal.

Iran's reaction shows that it may be drawing a line at Parchin. Resolving the Parchin issue is central to the IAEA's effort to resolve concerns about Iran's past work on nuclear weapons by the end of the year, but Parchin is not the only site and activity involved in this crucial issue.

The IAEA needs to visit other sites and interview a range of scientists and officials. Instead of allowing this needed access, Iran appears to be continuing its policy of total denial, stating that the concerns are merely Western falsifications and fantasies. ...

U.S. officials have stated that the Joint Comprehensive Plan of Action requires Iran to address concerns about its past work on nuclear weapons prior to the lifting of sanctions. However, Iran may argue otherwise, and one could easily conclude that its recent actions are the start of such a reinterpretation of the agreement. ...

military threats against Iran as ridiculous remarks, according to Fars.

"Today, the Islamic Republic of Iran's pride and might has made the world's biggest materialistic and military powers kneel down before the Islamic Republic's might," Jafari said.

"The military option that the Westerners speak of constantly is ridiculous and they know that if the military option could have produced any result, they would have already used it many times, and today they have shifted their focus to other types of threats," he added.

"And I will break the pride of your power; and I will make your heaven as iron, and your earth as brass."

[Leviticus 26:19](#)

Possible EU Sanctions Alarm Israeli Banks **Al-Monitor | August 12**

A FEW WEEKS AGO, THE EUROPEAN COUNCIL ON FOREIGN RELATIONS, a prominent international think tank, released a paper recommending that European banks and the European banking system at large boycott the Israeli banks that operate in what it called the "occupied territories." The release of that document set off a wave of angry protests in Israel. The EU tends to adopt the council's recommendations, so Jerusalem saw it as a significant escalation in the campaign of boycotts and embargoes against Israel.

In response, the EU invested considerable effort into assuaging Israel's fear. ... Sources in the EU's offices in Israel reportedly said that they have it on authority from Brussels that the EU does

not plan to take action against Israeli banks operating across the Green Line.

This statement did manage to calm things down, at least temporarily, especially in the Israeli media. On the other hand, Israeli banks are far from calm. Behind closed doors, they are planning for a possible "diplomatic and economic tsunami" that would turn them all into pariahs.

In internal discussions within the banks, the possibility of a "credit marking" by the EU, meaning that each Israeli bank commercially active in the West Bank could be blacklisted by Europe, is considered an "economic mega-assault" that could lead to a complete shutdown of the Israeli economy. ...

The EU's efforts to calm things down have, in fact, managed to slightly turn down the warning sirens, but they haven't turned them off entirely. "It is true that they have announced that they will not adopt that particular recommendation," one senior Israeli banking official told *Al-Monitor* on condition of anonymity, "but we must not forget that the situation is fluid. A gun that appears on the table in the first act will usually be fired in the

third act. The diplomatic situation could continue to deteriorate. Things happen. The Europeans could reconsider their decision in six months due to 'changing circumstances on the ground.' We've seen that before. We cannot ignore these warning bells." ...

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Realism Enters EU Security and Foreign Policy Debate

Courcy's Intelligence | August 13

WE TALKED ABOUT THIS



BACK IN MAY 2013 WE GAVE A LOT OF ATTENTION TO A REPORT from the European Institute for Security Studies (EUISS) on Enabling the Future—European Military Capabilities 2013-2025. ... [T]he EUISS is an *official* EU agency dealing with the analysis of foreign, security and defense policy issues [W]hat it says can be taken as a reflection of the thinking of high policy-making officials within the EU. The second reason for our close attention to this report was the size of the ambition it revealed. Two years on, however, there is little sign of progress on the EUISS's agenda; and a recent paper from the European Council on Foreign Relations (which is *not* an official EU body, but is influential nonetheless) suggests that some at least within the EU establishment are pressing for the adoption of achievable goals rather than unachievable ambitions. ...

At the time of publication, this all seemed to be too ambitious a project to be taken up seriously by the member states; but there is nevertheless a feeling that *something* needs doing. The EU member states are conscious that the world is changing, that their place towards the top of the hierarchy is no longer assured, and that they can no longer rely upon the United States for all their security needs.

A much less ambitious attempt at defining what the EU should be doing to preserve its security has been essayed by the European Council on Foreign Relations (ECFR) in a paper published in July called *The Road Back to European Power*. ...

Most importantly, and in striking contrast to the earlier blueprint proposed by the EUISS, the ECFR argues that the EU's task is "to define a foreign policy that accepts the limits of our power." ...

"Europe's first priority must be to limit the damage caused by the crises on its eastern and southern borders" [the paper states]—that is the crisis with Russia over Ukraine and Crimea,

and the migration crisis caused by instability in North Africa and the Middle East.

As to the details, even on the Russian question the ECFR once again seems to be advocating a more realistic approach than many. It still advocates a policy of "bolstering the independence of Russia's neighbors," but it does also argue that the EU "should articulate that at the end of the day we want to have a functioning relationship with Russia—if not based on shared values then at least organized in ways that allow Europe not to undermine its own values." That sounds like the beginnings of an understanding that Russia could live with.

A similar caution is on display with regard to North Africa and the Middle East, with the ECFR arguing that "EU states should encourage the trend of regional actors squaring up to take responsibility for their own neighborhood." ...

With regard to practical policy, the group says: "We might seek to add value in this complex region by focusing our support on the countries—including Jordan, Lebanon, and Tunisia—that are not yet engulfed by crisis but are under severe pressure from it."

Africa, it is argued, should be another priority. At the moment, although France is recognized to be deeply engaged in Mali and the Sahel, Europe's efforts are too piecemeal "and have only a limited impact." There are seen to be strategic opportunities for Europe in Africa, and (interestingly) the ECFR emphasizes the point that "Europeans still have greater security assets in Africa than China." It says that the EU needs to set up a stronger Euro-African framework, and that European aid should be targeted to support crisis prevention, governance, and the rule of law "in the continent's most fragile states, including Liberia, Sierra Leone and Guinea." ...

Undoubtedly the ECFR is putting forward a plan of limited ambition, but its realism is its principal asset and it would appear to have much more chance of implementation and success than the EUISS's earlier far more ambitious blueprint.

Note on EU-U.S. relations: The ECFR paper contained some distinctly waspish comments about the U.S. At one point, for instance, it says: "America has not only turned inwards and towards Asia, it is also dealing with the effects of a Congress so tethered to a small clique of donors that it has become more divorced than ever from global realities"

Elsewhere, it says: "The current picture is one of continental drift, as Americans and Europeans become decreasingly capable of or interested in working together effectively in an ever more contested world."

On EU-U.S. relations it concludes: "Too often in recent decades, Europeans have been content to tag along behind the U.S. in international affairs. A new, more realistic, transatlantic bargain will require a stronger European sense of Europe's own interests and identity. In a world of many problems, America needs partners not followers."

Europe in Crisis: Everyone From Putin to Ordinary Savers is Stockpiling Gold

Szu Ping Chan, Daily Telegraph | August 13

EUROPEAN INVESTORS SNAPPED UP GOLD BARS AND COINS AT A rapid pace in the second quarter as turmoil in Greece threatened to push the country out of the eurozone.

The World Gold Council (WGC) said demand in Europe for the precious metal rose sharply in the three months to June compared with the same quarter last year amid rapid buying of bullion, even as global demand fell by 12 percent to a six-year low of 915 tons.

The increase in Europe was led by Germany, where sales of bars and coins rose 24 percent to 24.1 tons in the second quarter. Demand in Austria and Switzerland also rose sharply, according to the WGC's quarterly trends report. ...

Alistair Hewitt, head of market intelligence at the WGC, said the European bullion market had gone from being "nonexistent" to becoming the "world's leading bar and coin market," pulling ahead of India in the first half of this year. ...

Mr. Hewitt said a greater number of retail investors were

buying smaller quantities of bullion rather than *Italian Job*-style gold bars, which became popular at the height of the European debt crisis in 2012. ...

"People are looking to protect their wealth," said Mr. Hewitt. "Wealth is eroded in many ways, it could be through high inflation, currency weakness; it could be that people want to hedge their risk. Gold plays a really strong role in this. ..."

... The report showed that demand for gold remained high among central banks, which were net purchasers for an 18th straight month in June.

Russia's central bank continued to lead the way—feeding its "voracious appetite" with net purchases of 36.8 tons during the quarter. ...

The government has tripled its gold stocks in the last decade, which could provide Vladimir Putin, Russia's president, with ammunition to offset the sharp declines in the ruble. ...

U.S. Envoy Claims 'Very Warm' Relations Between Pope and President Obama

Catholic Culture | August 12

THE U.S. AMBASSADOR TO THE [VATICAN] SAID THAT POPE FRANCIS has "a very positive view of President Obama," and voiced his doubts that the pontiff would speak with the American leader about topics such as abortion and same-sex marriage during his September visit to the U.S.

Kenneth Hackett said that President Obama and the pontiff

"hit it off on a number of issues," listing immigration, poverty, welfare and the environment. ...

Asked whether Pope Francis might "tone down" his criticism of capitalism during his trip to the U.S., the ambassador replied: "No! Tone down? No!"

Army to Spend €6 Billion on Fixing Shoddy Kit

The Local | August 7

THE GERMAN DEFENSE MINISTRY SAID ON FRIDAY THAT IT PLANS to invest up to €6 billion (US\$666.8 billion) over the coming years to improve deficient army equipment after a series of embarrassing incidents last year revealed the parlous state of the armed forces' weapons and vehicles.

In a statement to magazine *Der Spiegel*, the ministry said that in the next few years it wants to invest up to €6 billion in repairing deficient airplanes, helicopters and tanks.

The department said that it wanted to have more spare parts and personnel in stock, but to reduce the number of different

types of devices that the Bundeswehr (German Armed Forces) has.

The defense department has fielded mockery and criticism for reports since last year that the armed forces are embarrassingly

unprepared for their operations. ...

Many of the incidents have been blamed on years of under-funding.

New Polish President to Pursue 'Realistic' Foreign Policy and Maintain Friendly Relations With Germany

Open Europe | August 10

IN AN INTERVIEW WITH SUPER EXPRESS, KRZYSZTOF SZCZERSKI, the foreign policy adviser to the newly elected Polish President Andrzej Duda argues that “the president will pursue a realistic [foreign] policy We want to maintain friendly relations with

Germany because this is a vital national interest for us. It is precisely for this reason that we can honestly discuss issues in which our views, opinions and interests are divergent.” ...

TW IN BRIEF

Greek bailout update: The Greek government agreed to new bailout terms yesterday despite mounting dissent in the ruling left-wing party. With the country facing the risk of a debt default next week, Prime Minister Alexis Tsipras had sought to speed up the talks and get approval for a deal this week. After Greece and its creditors reached an accord on the main points on Tuesday, Tsipras called for an emergency session of Parliament for a vote late Thursday. Greece needs to start tapping the new bailout—worth \$93 billion—so that it can make a key debt repayment next week and secure its future in the euro. The draft agreement, or Memorandum of Understanding, forces Tsipras to accept what he had vowed to resist only months ago:

the sale of some state property, deep cuts to pensions and military spending, and the end of tax credits to people considered vulnerable.

Ukraine reports heaviest shelling in six months by eastern rebels: The Ukrainian government accused pro-Russian rebels on Monday of carrying out the heaviest artillery strikes on government positions in more than six months. The military said that 400 rebel fighters supported by tanks attacked government forces in a village just north of the port city of Mariupol. Rebel forces denied the attacks. A ceasefire agreement signed in mid-February has failed to put an end to the violence in Ukraine.

ASIA

Is East Ukraine About to Blow?

Washington Post | August 12

WE TALKED ABOUT THIS



IT SEEMS THE MASK OF A CEASEFIRE HAS COME OFF IN EAST Ukraine. ... The violence is flaring as the Minsk peace process stalls with each side looking to exploit the lull in the fighting to reinforce positions and prepare for the next phase of the conflict. ... The more time the [Ukraine] government can buy itself to right its financial ship, the more the people will be drawn into the orbit of the European Union and the higher the chance for success for the government in Kiev.

Moscow knows this and is incentivized to force change upon the Ukrainian constitutional system and allow greater autonomy for the pro-Russian breakaway region to the east. ... [T]he situation in East Ukraine is volatile and appears to be heading back to full-scale war. It is hard to see how Europe could put the genie back in the bottle if the Minsk peace process fails completely. Russia would have

no choice but to openly back the rebels if this happens. If Mariupol falls under rebel control, the entire scope of the conflict could change completely, with Moscow no longer able to deny its involvement. Europe and the United States could be drawn in as well militarily. The pressure on Western leaders to act would be immense.

Perhaps NATO military leaders understand this and that is why they are becoming much more active in exercising forces in the Baltic region to deter further Russian action in Estonia and surrounding areas. The world seems to be at a precipice in Ukraine and Eastern Europe, but Western politicians are focused elsewhere However, the ability of political leaders to ignore what is happening in east Ukraine may not last for long. The first shooting war between two nations in Europe since World War II could be about to get a whole lot hotter.

Forget Greece: China's Economic Slowdown Is the Biggest Story of the Year

Spectator | August 15

WE TALKED ABOUT THIS



THIS WEEK CHINA DEVALUED ITS CURRENCY BY 3.6 PERCENT IN A dramatic bid to encourage exports—a clear sign that Beijing is panicking. Forget Greece. This could be the biggest financial story of the year. ...

Over the past year, every key indicator has begun pointing to bad times ahead. Electricity consumption, usually the most reliable single gauge of economic health in the mainland, expanded at the slowest rate in three decades in the year to June. Because of falling Chinese industrial demand, global commodity prices have slumped, threatening growth in producer countries from Australia to Zambia.

There's a strong and abiding fear of economic slowdown here. The last time growth seriously stuttered was a quarter of a century ago, when China's political leaders made a series of panic-induced and near-fatal missteps. Hasty reforms designed to boost wealth and improve the lot of farmers led to a credit glut and a brief but unruly housing boom, and inflation exceeded 30 percent in late 1988. With living conditions deteriorating the following year, tens of millions of migrant workers

flooded into the cities, while students spilled on to the streets. The party panicked and sent in the tanks. China's global image is still recovering.

China's economic troubles today are nothing for the rest of the world to feel smug about. ... A blowout in one or more of its tires would hurt everyone, from indebted multinationals who have bet heavily on continued Chinese growth to overleveraged nation states whose finances would be devastated by another slump. ...

There is virtually no industry that it does not influence, nor any multinational that does not include Chinese land, labor or capital somewhere in its supply chain. ... The last time China's economy actually shrank was way back in 1976, a year also marked by the death of a dictator and the denouement of one of the most horrific revolutions in human memory. Back then, a recession in the People's Republic would have been of only peripheral concern to the outside world. Now, it could drag the whole world economy down with it. Little wonder that alarm bells are ringing in Beijing and beyond.

Russia-China Alliance Threatens U.S. Dominance

Value Walk | August 11

WESTERN AGGRESSIVE STANCE AGAINST MOSCOW PUSHES Russia to cooperate with China, which poses a serious threat to the global dominance of the West, according to Mattias Westman, the founding partner at Prosperity Capital Management.

Westman noted that although there is a lot of talking in the West about Russia being a threat to the global security, the real threat to the global balance of power is China with its "rapidly rising power."

"And by taking this aggressive stance against Russia, a confrontational stance I should say, you have the effect of Russia and China cooperating further and that only strengthens this more serious threat to the global dominance of the West—of

course, if that is a beneficial thing," Westman said in an interview with RT.

Westmen also noted that it is inevitable that the West is losing China as a key economic partner amid Beijing's record-breaking trillion-dollar deal with Moscow. ...

Therefore, it's clear that any kind of rapprochement between Russia and China would be a blow under the belt to the U.S. Even though combined Chinese and Russian navy fleet cannot compete with U.S. Navy on paper, their combined naval forces in the Sea of Japan, in the East China Sea and the South China Sea or even in the Taiwan Strait would be enough to rattle the nerves of those sitting in Washington in big chairs.

John Kerry: Russia and China Likely Read My E-mails

Wall Street Journal | August 11

SECRETARY OF STATE JOHN KERRY SAID TUESDAY HE BELIEVED that Russian and Chinese hackers read his e-mails.

"It's very possible," Mr. Kerry said in an interview with *CBS Evening News*. "I certainly write things with that awareness."

The chief diplomat told CBS that fighting cyberattacks is a top priority for the U.S., and that officials have seen China launch

attacks on American interests in the past few days.

"We are deeply involved in fighting back against this on a daily basis," Mr. Kerry said. "It has huge consequences, and we are trying to create a code of conduct and a system of behavior that hopefully could rein some of it in. But right now it's pretty much the Wild West." ...

Why China Devalues Its Currency

Stratfor | August 12

THE PEOPLE'S BANK OF CHINA JARRED INTERNATIONAL MARKETS on Tuesday when it lowered the yuan's daily fix against the dollar by 1.9 percent, leading to the biggest plunge in the currency's value since the mid-1990s. ... The move is certain to stir up political concerns in Washington, Tokyo and Brussels about China protecting its export competitiveness. However, Beijing is in the midst of the slow process of liberalizing the yuan's exchange rate and loosening its ties to the dollar in hopes of establishing it as a

global reserve currency. Thus, China is trying to spin Tuesday's currency change as a one-off move and place it in the context of exchange rate policy liberalization. ...

Beijing must change its exchange rate policy in order to achieve its broader objective of increasing China's stature in the global financial system. Internationalizing the yuan and establishing it as a global reserve currency requires a more transparent and hands-off exchange rate policy. ...

China Plans 100 Military Exercises This Year Amid Increase in Territorial Disputes With Neighbors

South China Morning Post | August 11

CHINA'S MILITARY IS STAGING LIVE-FIRE EXERCISES IN THE COUNTRY'S west as part of a series of drills involving more than 140,000 troops, state media reported on Tuesday.

The Joint Action-2015D exercises in the Chengdu military region are the first of five such drills involving units from the Army, Navy, Air Force, Missile Corps and other branches of the armed forces, the state-run Xinhua news agency said.

The drills are the latest in about 100 joint exercises planned for this year. ...

The 2.3 million-member People's Liberation Army has stepped up both the rigor and frequency of training as it emphasizes more realistic scenarios for fighting and winning battles around China's periphery. ...

Tension Builds Along Korean Border

Korea Times | August 11

TENSION IS BUILDING ALONG THE INTER-KOREAN BORDER AS THE South is beefing up military readiness in response to last week's mine explosion in the Demilitarized Zone blamed on the North. ...

The South Korean military resumed loudspeaker propaganda broadcasting Monday, after having not done so for 11 years, as the first step in retaliation against the North for the land mines that maimed two South Korean soldiers. ...

"[T]he Bible predicts that [a] fearsome force will unite Identified in Revelation 16:12 as the 'kings of the east,' this Asian force, to include mighty nations like Russia, China, Japan and Korea, will rise up in a mighty nuclear battle against the European beast. Korea, ultimately, will be united in this effort."

Trumpet, February 2003

Georgia Warns Russia Against 'Escalation' Near Breakaway Region

Agence France-Presse | August 11

GEORGIA ON TUESDAY ACCUSED RUSSIA OF CUTTING OFF ITS CITIZENS from their farmland by installing border signposts demarcating the breakaway South Ossetia region, calling on Moscow to refrain from "escalation."

The signposts have been installed near three villages in recent days and land belonging to several local residents ended up beyond the demarcation line with South Ossetia, a Georgian region that declared independence and which Tbilisi considers occupied by Russia. ...

Russian troops have been installing barbed wire around South Ossetia since Tbilisi's defeat in the brief 2008 Russia-Georgia war over control of the Moscow-backed separatist region.

After the war, Moscow recognized South Ossetia—along with the Georgian separatist enclave of Abkhazia—as independent

states and stationed thousands of troops in the regions that make up some 20 percent of Georgian territory.

"Russia was an empire for centuries, and it's working furiously to be one again! ... That goal underpins every move made by Vladimir Putin and the Kremlin. Every major action, every major decision, every major speech, every major agreement, every major treaty and even every concession by the Kremlin is carefully calculated in the context of the broader goal of restoring the Russian empire. ... Through each of these actions, the Russian bear is either defending or reclaiming its influence over the geographic territory of the former Soviet empire."

Trumpet, April 2009

China Allows Usage of Ruble in Sino-Russian Border City **Economic Times | August 9**

CHINA'S CENTRAL BANK HAS ALLOWED USAGE OF RUSSIAN CURRENCY ruble along with the yuan instead of the U.S. dollar in Suifenhe city on the Sino-Russian border in northeast China, the first site in the Communist country where a foreign currency can freely circulate. ...

China and Russia signed a currency swap agreement in 2014 as

a foundation for financial cooperation between the two nations as the two countries are getting closer in the backdrop of U.S. and EU sanctions against Moscow over the Ukraine crisis.

Cross-border yuan-dominated payments between China and Russia reached 8.22 billion yuan (US\$1.32 billion) in the first half of 2015, a 112 percent year-on-year increase

Becoming a Maritime Power?—The First Chinese Base in the Indian Ocean **Center for International Maritime Security | August 8**

IN MAY 2015, IT WAS REPORTED THAT CHINA WAS GOING TO ESTABLISH a naval base in the East African nation of Djibouti. In the past, there has been much talk about Chinese overseas bases, but the Chinese official response to this news suggest the base is likely to be more than a rumor. ... Likewise, the Chinese Defense Ministry also expressed China's willingness to "make even more contributions" to peace and stability of the region. ... Although the official white paper "China's Military Strategy" did not explicitly confirm an out-of-area naval base, it did designate several reasons requiring the People's Liberation Army Navy's (PLAN) presence in the Indian Ocean. A base in the Horn of Africa is consistent with the strategic shift from solely "offshore waters defense" to a combined "offshore waters defense" and "open seas

protection." ...

Chinese naval presence in the Indian Ocean region ... indicates an increasing determination on Beijing's part to provide security for its own overseas interests rather than merely relying on the "public goods" provided by the U.S. Navy. ...

In sum, the strategic move towards an overseas base is part of the continuation of changing Chinese strategic culture that is increasingly outward-looking and maritime-oriented. But if the base in Djibouti is to be materialized, even in its most limited form, it is certainly a transformative moment in the strategic cultural shift. The increasing PLAN overseas presence, particularly in the Indian Ocean region, is almost a foregone conclusion. ...

ANGLO-AMERICA



What Is Wrong With Science?

Gerald Flurry,
The Key of David | August 14

Why has science proven so powerless against the quandaries of selfishness, hatred and violence?



'We're Ready for War'

Joel Hilliker | August 12

IT'S BEEN ONE YEAR SINCE MICHAEL BROWN—A BLACK TEENAGER—was killed by a white police officer in Ferguson, Missouri. People commemorated the anniversary by protesting. The protests began peacefully, but then gunfire started. The scene became violent.

Monday night, officials declared a state of emergency to try to bring the situation under control.

St. Louis Post-Dispatch reporter Paul Hampel captured video of the crowd chanting, "We're ready for war."

Police say they pulled up behind one young man who was shooting a gun—and he turned and began firing at them. They

returned fire and critically wounded him.

Of course, some of the protesters don't believe the police's version of events. They reflect a growing sense in America of mistrust toward police—that the nation's law enforcers are simply looking for excuses to persecute minorities.

Stories of such racially charged conflict in American cities, and of the erosion of trust in and even of the authority of local law enforcement, are not going away.

This is the new normal in America. And that is exactly how some people want it. They want *violence*. They are agitating the public, stirring up anger, and inciting a militant sentiment: *We're*

ready for war. It's time for a race war.

For some time the *Trumpet* has been spotlighting this story as it builds. In cities that have experienced high-profile racial incidents with raucous mobs demanding justice, the troubles are intensifying. The police are pulling back—and criminality is growing.

As of the beginning of July, St. Louis has had 92 homicides—up from 58 during the first six months of 2014 and 49 in the first six months of 2013.

In Baltimore this past April, the death of Freddie Gray in police custody sparked violent protests. Authorities directed law enforcers to allow some of the destruction to occur. They then quickly issued stinging indictments against the six police officers involved in Gray's death in an effort to pacify the mob that was baying for their blood.

Writing about this incident in the cover story of the July edition of the *Trumpet*, "[Your Cities Are Burned With Fire](#)," editor in chief [Gerald Flurry](#) wrote: "It appears that decision was made out of *fear* of the rioters—if it wasn't a racially motivated effort to 'seek justice' at the expense of the law. State and federal authorities tried to show themselves *sympathetic* to the criminals—even more than to the innocent people of Baltimore!

"Whatever their reasons for doing so, the big lesson this sent to protesters and agitators across the country was clear: *Lawlessness gets results. Violent protests are a legitimate, effective means of seeking justice.* ...

"At the same time, decisions like the one to have police 'stand down,' or to make an example of these six policemen, destroy the morale of the nation's law enforcers. Certainly there is no excuse for police brutality. But how many *good* policemen will fear to do their jobs—jobs that are sure to become even more dangerous as disorder intensifies—knowing the state might side with the criminals, or knowing they could be unjustly prosecuted? The institution that protects and preserves the stability of America's cities is being undermined and weakened.

As the violence spreads, the will to stop it shrinks. The Baltimore incident will *inevitably* create more violence throughout America.

We are seeing what happens when you vilify the police and validate the actions of agitators and criminals.

In Baltimore last month there were 45 homicides in the city. That broke a 43-year record set in 1972. Baltimore has had more homicides this year than Detroit. In total, the city has seen 506 shootings compared with 269 in 2014—a rise of 88 percent.

Not all cities are seeing an increase in violent crime. But several other big cities, especially those whose inner city populations have had particularly confrontational relationships with police, are experiencing similar increased violence.

Chicago reported 252 homicides compared with 209 in 2014, an increase of over 20 percent.

Milwaukee, which last year had one of its lowest annual homicide totals in city history, recorded 84 murders so far this year, more than double the tally reached at this point last year.

The number of murders in New Orleans is up more than 33 percent in 2015.

New York homicides increased 10.1 percent through August 2 compared with the same period a year ago.

There are people who want war—and one way or another, they are going to get it.

As Mr. Flurry wrote: "Look now at this lightning-bolt prophecy—explaining the terrible consequences of our grave national sins: 'Your country is desolate, your cities are burned with fire: your land, strangers devour it in your presence, and it is desolate, as overthrown by strangers' (Isaiah 1:7)."

This is a story we all must continue to watch. To better understand just how dangerous it will become according to the prophecies of your Bible, read [Gerald Flurry's](#) July cover story, "[Your Cities Are Burned With Fire](#)," and his August cover story, "[Police Under Attack](#)."

 Follow Joel Hilliker

Obama Admin Moves to Block Restitution for U.S. Terror Victims

Washington Free Beacon | August 13

THE OBAMA ADMINISTRATION HAS INTERVENED IN A LANDMARK legal case brought by the American victims of Palestinian terrorists, urging the court to limit restitution for the victims out of fear that a sizable payout could collapse the Palestinian government, according to a copy of the court filing. ...

The victims are entitled to as much as \$655 million from the Palestinian Authority (PA) following the conclusion of a decade-long lawsuit that exposed the Palestinian government's role in supporting and paying for terror attacks in Israel. ...

While the administration supports the right of terror victims to sue in U.S. courts, it remains particularly concerned about the PA's solvency. ...

Representatives to the PA had been lobbying the Justice and State Departments to get involved in the case for some time. The PA maintains that it does not have enough funds to pay a bond requirement and has petitioned the judge in the case to drop it.

However, a lawyer representing the victims argues that if the Palestinian government can continue paying terrorists currently imprisoned in Israeli jails, it can pay the victims of these terror acts.

"We are gratified that the Department of Justice supports the rights of survivors of international terrorism to enforce their rights and collect the judgment, but disappointed that the State Department failed to take any stand against the PLO and PA's policy of putting convicted terrorists on their payroll as soon as they are jailed," lawyer Kent Yalowitz was quoted as saying in a statement. "If the PA has enough money to pay convicted terrorists, it has enough to pay the judgment in this case." ...

Shayna Gould said the PA had been hinting that the U.S. government would get involved for quite some time. ... "They, with pride, give money and rank of the highest honor to terrorists and people who commit murder," Gould said. "Does that sound like

clipping coupons and saving pennies?”

“I have to deal with [the impact of their violence] in my life on a constant basis,” Gould added, explaining that she deals with physical pain on a daily basis since the attack. “There is no limit to our suffering.”

Jewish human rights group B’nai B’rith was also critical of the

Food Banks Struggle to Meet Surprising Demand

Associated Press | August 13

FOOD BANKS ACROSS THE COUNTRY ARE SEEING A RISING DEMAND for free groceries despite the growing economy, leading some charities to reduce the amount of food they offer each family.

U.S. food banks are expected to give away about 4 billion pounds of food this year, more than double the amount provided a decade ago, according to Feeding America, the nation’s primary food bank network. ...

While reliance on food banks exploded when the economy tanked in 2008, groups said demand continues to rise year after year, leaving them scrambling to find more food.

“We get lines of people every day, starting at 6:30 in the morning,” said Sheila Moore, who oversees food distribution at the Storehouse, the largest pantry in Albuquerque, New Mexico, and one where food distribution has climbed 15 percent in the past

administration’s intervention.

“There needs to be a price paid for committing acts of terror and the means available to prosecute those responsible,” the group said in a release. “While the victims’ families cannot bring their loved ones back, they can go to the courts to achieve redress.”

year. ...

James Ziliak, who founded the Center for Poverty Research at the University of Kentucky, said the increased demand is surprising since the economy is growing and unemployment has dropped from 10 percent during the recession to 5.3 percent last month.

However, many people who have found jobs are working only part-time or for low wages, and others have stopped looking for work. “People who have low-wage jobs, who aren’t receiving regular raises, are finding those earnings stretched thin,” Ziliak said. ...

The council’s executive director [in Iowa], the Rev. Sarai Schnucker Rice, said Iowa’s low unemployment rate, at 3.7 percent, hasn’t made a difference. ...

Record 42.1 Million Immigrants in U.S.

Washington Examiner | August 13

A NEW ANALYSIS OF LEGAL AND ILLEGAL IMMIGRANT COUNTS BY the Census Bureau revealed Thursday that there is a record 42.1 million in the United States, an explosion that is being driven by Mexicans flooding across the border.

In a report provided to *Secrets* by the Center for Immigration Studies, the total immigrant population surged 1.7 million since 2014. The growth was led in the last year by an additional 740,000 Mexican immigrants.

The 42.1 million tabulated by Census in the second quarter represent over 13 percent of the U.S. population, the biggest percentage in 105 years. ...

The stunning growth is sure to pour fuel on the already

white-hot immigration debate in Congress and on the presidential campaign trail.

“Illegal immigration came up in the presidential debates, but there has been little discussion of the level of immigration; this at a time when total immigration is surging according to the latest data,” said Steven Camarota, coauthor of the report and the Center for Immigration’s director of research.

“The rapid growth in the immigrant population was foreseeable given the cutbacks in enforcement, our expansive legal immigration system, and the improvement in the economy. But the question remains, is it in the nation’s interest?” he added. ...

TW IN BRIEF

Music helps reduce pain: British scientists conducted a study that showed listening to music before, during and after surgery reduces pain and anxiety in the patient. The study, published in the *Lancet Journal* and presented today, investigated 7,000 patients. It looked into how music compares to standard care or other non-drug techniques to help with surgery recovery. The results showed that patients who listened to music were significantly less anxious after surgery and

required less pain medication than those who didn’t listen to music. The results were more prominent in patients who chose their own style of music. The research team now plans to introduce music at the Royal London Hospital for women having Cesarean sections—where they will listen to a playlist of their choosing through a pillow with built-in speakers. Researchers will then continue to analyze the effectiveness of this technique.