# Trumpet Weekly MAY 20, 2016



# Gambling With Libya's Future

#### Brent Nagtegaal | May 18

BRUSALEM—MAJOR WORLD POWERS ANNOUNCED ON MONDAY that they are ready to arm and train fighters of the Libyan government in an effort to root out the Islamic State from the fractured North African nation.

The announcement, the result of a 21-nation gathering in Geneva, Switzerland, essentially means lifting the five-year Libyan arms embargo for Libya's United Nations-backed government. According to the text of the joint statement, "the Government of National Accord (GNA) has voiced its intention to submit appropriate arms embargo exemption requests to the UN Libya Sanctions Committee to procure necessary lethal arms and materiel to counter UN-designated terrorist groups and to combat [the Islamic State] throughout the country. We will fully support these efforts while continuing to reinforce the UN arms embargo."

While many consider providing arms to Tripoli a necessary

first step in giving the government the ability to counter the Islamic State's rise in Libya, many commentators view the international community's actions as premature and likely to damage Libya in the long-term.

Here's why: The Libyan arms embargo was originally set up by the United Nations Security Council in 2011 to prevent Muammar Qadhafi from acquiring weapons to use against his own people. But, as is often the case when foreign intervention removes a strongman, Qadhafi's fall led to the various revolutionary forces militias fighting among themselves. To date no viable national government has been set up. The arms embargo has remained in place ever since because the international community has shied away from adding more weapons to the dangerous mix.

Things started to change for the international community when the Islamic State made headway into Libya, taking over the northern city of Sirte. At the same time, migrants by the hundreds of thousands began using Libya's lawless coastline to set sail for Europe.

Europe could no longer ignore Libya; it needed a partner to work with.

Following what could be described as intrusive midwifery by the UN and especially the European Union, the GNA was set up by fiat in late 2015 to be that partner. GNA Prime Minister Faiez Serraj's government arrived in Tripoli earlier this year. It currently controls the western portions of Libya. A rival government still operates out of the eastern city of Tobruk, now officially unrecognized by the UN.

According to Monday's statement, the GNA will be the "sole legitimate recipient of international security assistance." All other groups, including the Libyan National Army (LNA), which serves the Tobruk-based government, are deemed illegitimate and will not receive help in the fight against the Islamic State.

This presents many challenges for Libya going forward because it is the LNA, led by Gen. Khalifa Haftar, which has been the lone successful fighting force against the Islamic State so far. According to astute Libyan observer Jason Pack:

The international community's undeterred championing of the GNA seems increasingly out of step with Libyans' sentiments. The LNA's popularity has grown considerably since the beginning of 2016 with major gains achieved against [the Islamic State] and other extremist militants in Benghazi, Derna and Ajdabiya. These advances have played

a decisive role in shifting a large segment of public opinion in favor of Haftar and the LNA—not only in eastern Libya but in the western region as well. With both the GNA and the LNA racing to liberate Sirte, Libyans could interpret a lifting of the arms embargo as a GNA ploy to achieve an advantage over Haftar.

Essentially, by backing the GNA with arms, the international community is sidelining and perhaps even provoking one of Libya's more popular and effective fighting forces against the Islamic State. A more helpful scenario would be one where the international community brought together the two main rival militias and presented a unified front against the Islamic State.

Given the growth of the Islamic State and the return of the migrants to Libya, however, Europe cannot afford to wait for a Libyan national consensus. It is thus forced to take a gamble that the GNA will be able to not only rout the Islamic State but also prevent its new weaponry from falling into the wrong hands. Remember, it was the capture of United States weaponry originally supplied to the Iraqi Army that bolstered the Islamic State when the Iraqis cut and run.

To read more about why the international community, and especially Europe, is pushing hard to influence events in Libya, as well as where it will lead, read "The Next War in Libya." Also, be sure to read *Trumpet* Editor Gerald Flurry's article on the Battle of the Mediterranean in the print edition of the *Trumpet* next week.

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#### **MIDDLE EAST**



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# EgyptAir Flight MS804 Disappears Over Mediterranean

Brent Nagtegaal and Callum Wood | May 19



OMMUNICATIONS WITH EGYPTAIR FLIGHT MS804 WERE LOST AT just under 37,000 feet, 175 miles off the Egyptian coastline on May 19. Two hours later, an emergency device was activated.

The A320 was en route from Charles de Gaulle Airport in Paris to Cairo when it disappeared off the radar.

EgyptAir vice chairman Ahmed Abdel told CNN that no distress

call was made and that the captain was well experienced, with over 6,000 flying hours. The aircraft was carrying 56 passengers and 10 crew, 15 of whom were French nationals.

French President François Hollande told the press, "We have a duty to know everything about the causes of what happened. No hypothesis should be ruled out. Everything should be put at the disposal of the Greek and Egyptian authorities so that we can liaise with them. We have to send them ships and planes to find where the plane crashed, and to do whatever we can to collect the debris. That will allow us to find the truth."

Egypt's aviation minister, Sherif Fathy, conceded, "If you analyze the situation properly, the possibility of having a terror attack is higher than the possibility of having a technical [problem]."

For Egyptian President Fattah al-Sisi, the crash is a major blow. Still reeling from the Oct. 31, 2015, downing of Russian Metrojet Flight 9268, which claimed the lives of all 224 on board, Sisi must now face more scrutiny of his ability to curtail terrorism. In late March, an Egyptian flight was hijacked and taken to Cyprus, increasing fears that Egypt's important tourism industry will take another hit.

In a country so heavily reliant on tourism, with an economy that is already on the verge of collapse, these events are unsustainable. Egypt's economy demonstrably suffers with every downed flight or hijacking. Should this latest crash turn out to be a terrorist attack and not merely a case of engine failure, embarrassment could quickly turn to humiliation.

Along with the failing economy, every attack increases support for Sisi's removal. Many see these terrorist attacks as proof

of the president's inability to protect the nation.

Following the bombing of the Russian flight in October, the Kremlin canceled all flights in and out of the Sinai, costing Egypt an estimated \$250 million in revenue per month. Britain also worked quickly to cancel all flights to the popular destination Sharm al-Sheikh, citing the terrorist threat.

In February, the Central Agency for Public Mobilization and Statistics in the United Kingdom reported that only 346,500 tourists visited Egypt—a drop of almost 46 percent over last year. Once-booming resorts like Sharm al-Sheikh are now ghost towns.

"There is a strong sense of inadequacy that is being enhanced regularly with regards to handling the tourism sector, which makes me believe it is unlikely to recover in 2016 and going into 2017," Hany Farahat, a senior economist at CI Capital told the *Wall Street Journal*.

Recent history shows that Egyptian governments do not do well when the economy falters. The last democratically elected president of Egypt, Mohamed Morsi, was not ousted because of his Islamist leanings, but rather because he failed to address Egypt's economic slump. The terrorist attacks and subsequent slump in tourist dollars entering the country will enfeeble Sisi's hold on power as well. To read the *Trumpet*'s long-view forecast of Egypt's future, read "Iran-Egypt Alliance Prophesied."

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# How Iranian Hard-liners Stirred Up Anti-U.S. Sentiment Over the Nuclear Deal Kieren Underwood | May 16

ONSERVATIVES IN THE UNITED STATES AND IRANIAN HARD-LINers seem to have one thing in common: They dislike the Iran nuclear deal.

The Iranians particularly despise what they regard as unrealized economic benefits from the deal. Yet since the removal of sanctions, Iranian oil revenue has increased by 90 percent, and its non-oil trade balance was positive for the first time since the 1979 Islamic Revolution. South Korea has been negotiating a new trade deal with Iran worth billions of dollars, and the Iranian economy is expected to grow 5 percent in 2016-17.

In a previous attack, critics questioned whether Iran had really been readmitted to the Society for Worldwide Interbank Financial Communication (SWIFT) banking system. Iranian Deputy Foreign Minister Abbas Araghchi stepped in, saying, "Anyone who has any doubts can go to the SWIFT room in the Central Bank of Iran and see for themselves that the banking system has already joined SWIFT."

Despite this, hard-liners have found support for their anti-U.S. message. An anonymous Iranian official told Al-Monitor that

"if the U.S. fails to abide by the deal and continues to deprive Iranians of their rights, then things might get out of control." Both in America and Iran, right-leaning politicians believe the other nation will not abide by the deal.

The official continued: "The only thing we can understand from what's happening is that they want us deprived from our strength—not to make peace, but to launch a war while we are defenseless. This isn't going to happen at any price."

Of course, anyone familiar with the current United States administration knows that launching a war against Iran is a political impossibility.

Talk over the P5+1 nuclear deal in the United States has cooled in the four months since its implementation. Yet those discussions have not died down in Iran; many still believe they should scrap the deal altogether. The consequences of what *Trumpet* editor in chief Gerald Flurry called "The Worst Foreign-Policy Blunder in American History" are still being determined, and anti-Western sentiment doesn't seem to be decreasing.



## Israeli Prime Minister Condemns Iran for Preparing Another Holocaust Brent Nagtegaal | May 16

**I** SRAELI PRIME MINISTER BENJAMIN NETANYAHU STRONGLY CONdemned a Holocaust-themed cartoon competition hosted by Iran over the weekend, stating that while Iran ridicules and denies the Holocaust, it is preparing for another.

"We are raising this issue here because it is important to understand our problem with Iran," Netanyahu said at the start of the weekly cabinet meeting in Jerusalem on Sunday. "It is not just their subversive and aggressive regional policy, it is also the values on which it is founded. Iran denies the Holocaust, it ridicules the Holocaust, and it is preparing another Holocaust."

Netanyahu also spoke with United States Secretary of State John Kerry on Saturday night about the competition, probably in an effort to highlight that the nuclear deal has not resulted in Iran moderating its threats toward Israel.

The cartoon competition is the third such exhibition since it was inaugurated in 2006 under the leadership of hard-liner and former Iranian President Mahmoud Ahmadinejad, himself famous for denying that the Holocaust ever took place. Current President Hassan Rouhani has taken a softer approach, indicating that it did take place but that its scope is widely exaggerated.

While Iran's Supreme Leader Ayatollah Ali Khamenei does not deny the Holocaust outright, he questions whether the genocide "is a reality or not."

Many of the cartoons equate Prime Minister Netanyahu to German dictator Adolf Hilter, the man who directed the Holocaust that resulted in the horrific murder of 6 million Jews in the 1930s and 1940s during World War II.

Rather than moderating Iran, the nuclear deal has all but assured that it will be able to proceed toward fulfilling Ahmadine-jad's goal of wiping Israel off the map. That's why the Iran nuclear deal is "the worst foreign-policy blunder in American history."

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# **TW IN BRIEF**

Tran: America should pay for 63 years of 'spiritual and material damage': The Iran's parliament said on Wednesday that the United States should pay Iran reparations for 63 years of "spiritual and material damage." Iranian officials said America's involvement in a 1953 Iranian coup and its support for Iraq during its 1980s wars with Iran means the U.S. owes Iran. The Iranians did not specify how much compensation they are seeking. The statements came after the U.S. Supreme Court said last month that Iran should give \$2 billion in frozen assets to Americans affected by Iran-sponsored attacks. Iran has denied involvement in the attacks.

Tran's treatment of U.S. soldiers was shocking: The classified details of Iran's treatment of detained U.S. sailors earlier this year could shock the nation. That's according to House Rep. Randy Forbes, who told the *Washington Free Beacon* that the Obama administration is purposefully withholding information about the incident from the American public. Forbes has received a full classified briefing from military officials. He said the report likely won't be freely available for about a year. Forbes said, "[T]o have Secretary [of State John] Kerry actually thank [the Iranians] for releasing our sailors after the way they captured them, I think was a slap in the sailors' face."

#### **EUROPE**



EUROPE REVIVING THE ROMAN EMPIRE, RUSSIA'S UNFREE PRESS, SADR'S RETURN IN IRAQ, AND MUCH MORE | MAY 20

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# **Europe Is Reviving the Roman Empire**



THE EUROPEAN UNION IS FOLLOWING IN THE FOOTSTEPS OF HITler and Napoleon by trying to resurrect the Roman Empire, former London Mayor Boris Johnson said in an interview published in the *Telegraph* on Sunday:

"The whole thing began with the Roman Empire," he says. "I wrote a book on this subject, and I think it's probably

right. The truth is that the history of the last couple of thousand years has been broadly repeated attempts by various people or institutions—in a Freudian way—to rediscover the lost childhood of Europe, this golden age of peace and prosperity under the Romans, by trying to unify it. Napoleon, Hitler, various people tried this out, and it ends tragically," he says.

"The EU is an attempt to do this by different methods. But fundamentally what it is lacking is the eternal problem, which is that there is no underlying loyalty to the idea of Europe. There is no single authority that anybody respects or understands. That is causing this massive democratic void."

This history has formed the basis of the *Trumpet*'s analysis of Europe right from the start. The Bible prophesied of repeated attempts to revive the Roman Empire—exactly as Johnson describes. For more information on this history and prophecy, read our free book *The Holy Roman Empire in Prophecy*.

#### The Fourth Reich Is Here

The Fourth Reich Is Here—Without a Shot Being Fired." That was the title of an article by Simon Heffer published by the *Telegraph* on Sunday.

"Five years ago I wrote a piece referring to the control Angela Merkel exerted over Europe as 'the Fourth Reich,'" he wrote. "I was accused of a horrible breach of taste. However, when one looks at German power today one realizes that, when I wrote, she had hardly even started." He explained the economic factors behind Germany's success, writing:

"The key to German success is this: It participates in a weak currency (whose value would collapse without it) enabling its exports to sell far more cheaply than had it retained the deutsche mark. Therefore, it continues to grow in economic strength relative to its partners—including us [the United Kingdom]—but especially those in the eurozone, notably France and Italy, who would benefit greatly from restoring the Franc and the Lira.

"Any net exporter in the EU—which we are most certainly not, given our £24 billion (Us\$35 billion) trade gap with our partners in the first three months of 2016—also benefits hugely from the vast and incomprehensible welter of EU regulations on products and employment law, which keep external competitors at arm's length and pile costs on them if they wish access to the single market. Germany is so rich, and getting richer at the expense not least of its partners, that it can afford to pretend globalization isn't happening. We are not so fortunate, and leaving the

EU to avoid all these regulations and take proper advantage of the wider world is not the least reason why we must vote to get out."

This economic victory has given Germany control of the Continent. Heffer concludes by doubling down on his Fourth Reich characterization.

It was not just deeply offensive, but ironic, that [UK Prime Minister David] Cameron should last week have evoked the idea of another world war in his latest intelligence-insulting act of hysteria aimed at making us vote to stay in the EU. It is not just that our fathers and grandfathers fought in two world wars to allow Britain the right to continue to rule itself, rather than to be ruled by Germans: Mr. Cameron plainly won't admit that German domination of the EU means it has conquered without war, and signing up to the EU is signing up to the Fourth Reich.

Ask the Greeks if you think I exaggerate: Germany runs Europe without firing a shot. It forces far weaker partners to stay in a currency zone that is crippling them, and uses its economic muscle to dictate immigration and other key policies. And if you believe the Germans won't take a UK vote to stay in as a signal to continue and intensify their control over the EU, and to make us help pay for its baleful effects, then you aren't paying attention. It's not war we should fear, but what the Germans do in peace.

#### Germany Rules the EU, But Does Not Lead

**G** ERMANY DOMINATES THE EU, BUT DOES NOT KNOW WHAT TO DO with this dominance. That is the theme of "Germany Is Very, Very Tired" a Bloomberg View article published on Wednesday by John Micklethwait, who writes:

"Postwar Britain famously lost an empire but couldn't find a role; now, Germany has acquired an empire of sorts but can't work out how to run it. All of Europe's problems—the flood of Syrian refugees, the euro crisis, Vladimir Putin's belligerence, the eurozone's anemic growth, Eastern Europe's drift toward rampant nationalism, Brexit—keep

landing in Angela Merkel's lap. Germany's chancellor has usually found some way to cope, most obviously by kicking each problem down the autobahn. But she lacks the power (and too often the inclination) to lead Europe, while her partners, even when they don't obstruct her, do very little to help. So the problems drift, and frustration in Berlin mounts."

The Greek crisis, he explains, is still rolling on. Merkel is getting ready to kick the can down the road once again at a meeting of eurozone finance ministers on May 24. Micklethwait writes:

"Worse, from Germany's perspective, the lack of progress in Greece is symptomatic of the whole Continent's uncompetitive economy. Six years into the euro crisis, France has barely started structural reform (German ministers roll their eyes whenever you mention 'François Hollande' and 'reform' in the same sentence), and Italy is still trying to fix its banking system. The single market is worryingly incomplete. Very few of the structural underpinnings of a successful single currency are in place."

Meanwhile the migrant crisis is yet unsolved. Germany's migrant deal with Turkey shows early signs of falling apart. "[W]hat, Merkel's lieutenants wonder, will happen if the refugees

start coming again?" Micklethwait notes. He places the blame for Germany's lack of leadership on Merkel. "If she had dared to get ahead of the euro crisis, rather than sticking various Band-Aids on it, she might have staunched it," he writes. "But Germany is reluctant to lead, and the rest of Europe is reluctant to follow."

This could change, however. Micklethwait writes that it would be possible for Germany to "sieze the moment and bully reforms through Brussels to create a more cohesive, modern eurozone with a deeper single market." Britain leaving the EU could be a catalyst for this. Micklethwait concludes: "Hence an irony for Johnson and his fellow Brexiters: The dominant Germany they fear is more likely to come into being if Britain votes to leave the union."

#### Weapons Sales Explode in Bavaria

THE NUMBER OF PEOPLE APPLYING FOR BLANK-FIRING GUNS IN the German state of Bavaria has increased in line with number of immigrants arriving in the state. The guns "are designed to dissuade attackers," writes *The Local* in "Bavarians Rush for Non-Lethal Weapons Licenses." But at least one person has been killed by one of these "non-lethal" weapons. *The Local* writes:

"While in 2014 the number of people who applied for this type of arms license in the Free State stood at 2,379, the number doubled in 2015 to 5,748.

"But that number was easily outstripped again in just the first three months of 2016. In February 7,435 new licenses

were given out and in March 4,677...

"The explosive rise in the number of small weapons licenses being handed out is very worrying," Katharina Schulze, interior affairs spokesperson for the Green Party in Bayaria told *Die Welt.* ...

"In North Rhine-Westphalia the number of small weapons licenses is also know to have risen dramatically.

"In February the *Rheinische Post* reported that the number had risen by 14 percent in a year.

"In January alone 3,089 more applications were made than in December."

#### **Germany Wins New NATO Tank Battle**

N ato is returning to tank training in Europe, out of fear of a revived Russia. The alliance held the Strong Europe Tank Challenge last week, the first contest of this type since 1991. The Washington Post described the contest in an article titled "In NATO Tank Competition, U.S. Comes Up Short Against Germany" published on Monday:

"The challenge, co-hosted by U.S. Army Europe and the German Bundeswehr, is a nod to the Cold War era and a tacit acknowledgment that NATO will need well-trained conventional forces if it ever has to go to war with a newly emboldened Russia.

"You've got to continue to train; you have to invest the time and resources in the training to have the best possible deterrent force," Lt. Gen. Ben Hodges, commander of U.S. Army Europe, told *Stars and Stripes*.

As *Popular Mechanics* noted, America's performance was worrying, writing:

"A recent competition hosted in part by the U.S. Army and designed to test core tank crew skills saw European crews take the top honors, while crews from the U.S. Army failed to place. The results raise the question of whether the Army—after more than a decade of focusing on guerrilla warfare—has devoted adequate training to address 'big war' skills.

"This isn't the first time U.S. Army tankers have found themselves in an embarrassing situation. North Carolina National Guard tankers beat their regular Army counterparts—and crews from the U.S. Marine Corps and Canadian Army—at the U.S. Army's 2016 Sullivan Cup. A tank crew consisting of an insurance adjustor, Pepsi truck driver, college student, and aspiring police officer beat 15 other reserve and active duty tank crews to place first. ...

"For decades, the U.S. Army's Armor Corps was a pillar of land power expected to fight the tank forces of Soviet Union on the European battlefield. After 9/11, with the exception of the invasion of Iraq, fighting so-called 'high intensity conflict' took a back seat to fighting insurgents in Iraq and Afghanistan. While most of the countries involved in the Strong Tank Challenge also sent ground forces to both countries, their commitments largely allowed their tankers to stay oriented on training and operation related to more traditional tank missions—i.e. fighting in big wars against other tanks.

"The results in both competitions echo recent comments made by Army Chief of Staff Mark Milley and published in last Sunday's *New York Times*. Milley stated, 'Today, a major in the Army knows nothing but fighting terrorists and guerrillas, because he came into the Army after 9/11. But as we get into the higher-end threats, our skills have atrophied over 15 years.'

"The primary 'higher-end threat' is Russia. Russian land power is clawing back from two decades of neglect. Moscow is building several new families of armored vehicles, including the T-14 Armata main battle tank, T-15 heavy infantry fighting vehicle, Kurganets-25 infantry fighting vehicle, and Bumerang family of wheeled armored personnel carriers. Russian campaigns in Ukraine and Syria, and

aggressiveness against border states, has shown that President Vladimir Putin can and will use his army to achieve state goals.

"Suddenly, the skills tested in the Strong Tank Challenge are more relevant than they've been in 15 years. Although the loss must sting, it's at least a list of places to start when making much needed improvements. And, hopefully, making them fast."

Germany took first place, using its Leopard 2A6 tank. Denmark and Poland came in second and third. Both of these countries used German Leopard 2 variants.

## TW IN BRIEF

ormer MI6 chief: Europe faces 'populist uprising' due to migrant crisis: Europe will soon undergo a "populist uprising" if the leadership is unable to convince the people that the migrant crisis can be contained. That was the warning issued on Tuesday by Sir Richard Dearlove, the former head of Britain's MI6. Dearlove said the number of asylum seekers and other migrants

entering Europe over the next five years could run into millions. He said these staggering numbers could reshape Europe's geopolitical landscape. Dearlove also cautioned against granting visafree travel to Turkish citizens, saying it was "like storing gasoline near a fire."

ASTA

## Last Nail in the Coffin of Russia's Free Media

AST FRIDAY THREE TOP EDITORS WERE FIRED AT RBC, A RUSSIAN media organization. The trigger for the departure of these highly respected journalist was an article about plans for an oyster and mussel farm next to a billion-dollar Black Sea estate popularly known as "Putin's Palace."

Last month, Russian law enforcement officers conducted searches at the home of RBC media owner Mikhail Prokhorov. It is widely believed that Prokhorov sacrificed the careers of these fired journalists to appease the Kremlin, which is cracking down on political dissent.

In a May 19 Daily Beast article titled, "The Death of Free Media in Russia," Anna Nemtsova wrote:

"Prokhorov was the last of the oligarchs supporting the opposition, and the authorities wanted push him away from the media market. Under mounting pressure, it appears he decided to compromise, and the journalistic bloodletting began.

"'Prokhorov is sacrificing his media assets for the sake of saving his—more important—business interests,' George Washington University political analyst Maria Lipman told the Daily Beast. 'This is—by far—not the first time such a choice has been made by a Russian entrepreneur under pressure.' "Once flamboyant and famous for his unbridled interest in beautiful women the 51-year-old Prokhorov's ambitions have hit some rough spots lately.

"During presidential elections in 2012, as the only independent candidate running against Vladimir Putin, he got only 8 percent of the vote.

"Last year Prokhorov lost his good friend, opposition leader Boris Nemtsov, murdered just outside the Kremlin's wall."

President Vladimir Putin began moving Russia toward authoritarianism shortly after coming to power in 2000, increasing governmental control over various Russian administrative departments, consolidating power, ousting governors and dissolving legislatures. He also began cracking down on the free media; his administration has been linked to the murder of journalist Anna Politkovskaya.

If the Kremlin has found a way to bully RBC media into submission, this truly does represent the last nail in the coffin of Russia's free media. Bible prophecy clearly states that Russia's resurgence will actually help ignite and draw together a European superstate—and subsequently contribute to an enormously destructive world war. Our booklet *Russia and China in Prophecy* explains the whole picture; request your free copy.

#### Will China Return to One-Man Rule?

IFTY YEARS AGO LAST MONDAY; COMMUNIST DICTATOR MAO Zedong issued a statement that kicked off one of the bloodiest episodes in Chinese history: the Cultural Revolution. Fearful that his successors would revert China back to capitalism after his death, Mao unleashed an attack on his own Communist Party apparatus. Using a paramilitary comprised of mostly teenagers and young adults, he slaughtered those suspected of having capitalist sympathies. Some 1.5 million people were murdered during this bloody period. Millions of others suffered physical injury, torture, imprisonment and seizure of property.

Despite Mao's horrifying legacy, current Chinese President Xi Jinping won't stand for Mao being denigrated. In a May 13 *New York Times* editorial titled, "Xi Embraces Mao's Radical Legacy," Andrew Browne writes:

"But China's current leader, Mr. Xi, will not stand to see Mao denigrated, even though his own father, Xi Zhongxun, one of Mao's top lieutenants, was purged in the Cultural Revolution and a half-sister killed herself. Mr. Xi himself was one of 18 million urban youths banished to the countryside to learn from the peasants.

"He has declared that it is just as unacceptable to negate Mao's 30 years in power as it is to speak critically of the 30 years that followed under Deng. He has set side-by-side, on equal footing, a period marked by spasms of mass killing and destruction and an overwhelmingly peaceful era that saw the greatest economic progress in human history.

"Outsiders may wonder why Mr. Xi takes such an impartial view of one of the 20th century's worst despots. But in the Chinese context, it makes a certain sense. A key to understanding Mr. Xi's relationship with Mao is the system of

hereditary privilege that still exists in a once-feudal country."

Since Xi became president in 2013, he has consolidated more power in his hands than any paramount leader of China since Deng Xiaoping. He has cut the Politburo Standing Committee that governs China from nine people to seven, and ensured that all its members are loyal to him. He has declared himself commander in chief of the People's Liberation Army and ensured that China's National Security Commission is under his direct supervision.

While Xi still has nowhere near the level of authority Mao wielded, some political analyst are pointing out that China seems to be moving back in the direction of one-man rule. Brown continues:

"Yet, despite these obvious differences, Mr. Xi has spent his first three years in office resurrecting Mao, borrowing his rhetoric and aping his practices. He has concentrated power in his own hands and flirted with a personality cult—the most haunting symbol of the Cultural Revolution, in which blind worship of a supreme leader kindled years of convulsive violence."

Xi's success in cementing power over his nation's military and foreign policy is worth watching closely. It may provide important clues about how China will be steered in a more authoritarian direction as Beijing cements its alliance with another emerging dictator on the world scene: Vladimir Putin of Russia. As China and Russia work together to control the Asian continent and to militarize crucial maritime trade chokepoints, Xi may be poised to emerge as a political figure whose role in history outweighs that of Mao Zedong and Deng Xiaoping combined.

#### **Russia and China: The Great Gold Rush**



A S CONCERNS ABOUT THE U.S. DOLLAR'S VIABILITY AS A GLOBAL reserve currency continue to grow, Russia and China are rushing to buy gold. Together, Russia and China have been responsible for almost 85 percent of all central bank gold buying over the last two years.

A May 3 Business Times article titled, "Russia, China Drive Central Bank Gold Buying as Others Step Away," explains:

"Central bank buying has become a key component in global gold demand, growing from less than 2 percent of overall consumption in 2010 to 12 percent in 2015.

"Over the last two years, China and Russia have driven the bulk of that alone, accounting for 1,084 tons of the around 1,280 tons of net central bank demand.

"By comparison, only Kazakhstan and Iraq have added more than 40 tons of gold to reserves in that time.

"China has made no secret of its desire to diversify its US\$3.21 trillion in foreign exchange reserves—gold currently makes up only 2.2 percent of those holdings, versus 75 percent in the United States."

According to Sputnik News, a media outlet owned and

operated by the Russian government, these recent gold purchases indicate that Russia, China and their allies view gold "as a basis for the Eurasian economy."

Back in 2014, one of Russian President Vladimir Putin's economic advisers proposed the creation of a Russian-led anti-dollar

alliance for "undermining the economic strength" of the United States. Since then, Russia and China have ditched billions of U.S. dollars for gold bullion. The dollar's days as the global reserve currency could soon come to an end.

#### Japanese Protesters Rally Against U.S. Military Base in Okinawa

THIS WEEK MARKED THE 44TH ANNIVERSARY OF THE UNITED States relinquishing control of the island of Okinawa to Japan. About 700 people marked this occasion by protesting the remaining presence of the U.S. military on the island. On May 13, the *Japan Times* reported:

"Protesters in Okinawa marched on Friday, calling for a halt to the controversial construction of a new U.S. military facility. Sunday marks the 44th anniversary of the prefecture's reversion from American control.

"Around 700 people, including representatives of civil groups and labor unions, gathered on Friday morning in front of U.S. Marine Corps Camp Schwab in Nago, Okinawa Prefecture, kicking off a three-day event the organizers dub a peace march.

"The central government is working to build a facility

at Henoko as a mooted new home for Air Station Futenma, which is currently located in Ginowan. Opponents have staged numerous protests near the camp—and the central and local governments remain at odds over the project.

The popularity of the U.S. military in Okinawa has been severely hurt over the last few decades by the actions of a few irresponsible U.S. soldiers, who have been charged with rape. Tragic incidents like these are hastening the day when the U.S. will no longer be able to rely on Japan's unwavering support.

Watch for the Japanese to edge the U.S. out and to focus on strengthening its own militarily and its commitment to its Asian neighbors. Without American military bases in Japan, the U.S. Navy will be unlikely to adequately defend the South China Sea from further Chinese aggression in the near future.

## TW IN BRIEF

hinese intercept U.S. military spy plane: Two Chinese military aircraft buzzed a U.S. military reconnaissance plane over the South China Sea on Wednesday. The two Chinese fighter jets flew approximately 50 feet from the U.S. aircraft. Defense Department spokeswoman Lt. Col. Michelle Baldanza said in a written statement: "Initial reports characterized the incident as unsafe." The incident is under investigation by U.S. Pacific Command. Both China and Russia are growing more provocative against the U.S. as tensions rise over America's presence in both the South China Sea and the Baltic Sea.

3,200 acres claimed by China in South China Sea: A report released by the Pentagon last Friday revealed the extent of territory claimed by China in the South China Sea. The detailed assessment revealed that over 3,200 acres of land have been claimed within the past two years, including man-made islands. The country's focus has shifted to developing and militarizing those man-made islands so it will have greater control over the maritime region. Vietnam, Taiwan, Philippines, Malaysia and Brunei all have claims to parts of the South China Sea which overlap China's current expansion. The U.S. says it takes no side in the territorial disputes, but supports freedom of passage through the area, which is one of the world's busiest sea-lanes.

Philippines president-elect wants to bring back capital punishment: Philippines' president-elect Rodrigo Duterte vowed on Monday that he would try to reintroduce capital punishment and give security forces the power to "shoot-to-kill" organized criminals. Duterte was elected president in a landslide on May 9, with a major campaign promise being to bring national crime under control. He previously served as the mayor of Davao City for 22 years, taking it from the title of "murder capital of the Philippines" to being ranked the fourth safest city in the world in 2015. Capital punishment by hanging, he said, should be imposed for heinous crimes, and criminals convicted of killing along with robbery and rape should be meted "double the hanging."

Russia building army base in Palmyra: The Russian military is constructing a new army base in the central Syrian town of Palmyra. The plan calls for building within a protected zone that is home to an archaeological locale listed by the United Nations Educational Scientific and Cultural Organization (UNESCO) as a World Heritage site. Syrian troops backed by Russian air strikes captured Palmyra in March, and fighting continues just miles away. In recent weeks, Islamic State fighters launched a fresh offensive in which they captured a nearby gas field. A UNESCO official who visited Palmyra last month said if the encampment were in the buffer zone to the archaeological site, it would be in contravention to certain international treaties.

#### **AFRICA/LATIN AMERICA**

The end of Venezuela's Maduro?: Venezuelans have taken to the streets and are demanding a recall referendum for their embattled president, Nicolás Maduro. "Venezuelans are tired, hungry," said one protestor. "They're scared." Opposition leaders say Venezuela is a time bomb ticking away to a huge explosion, as flag-waving protesters chant, "The government will fall." Maduro says the referendum is "not viable," and his government has deployed security forces to block the protests. "Another day, another protest in Caracas," wrote the *Guardian*. "President Nicolás Maduro remains defiant that Venezuela will not be the next left-wing domino to fall in Latin America, but he may not have a choice."

#### **ANGLO-AMERICA**



The book of Daniel prophesies an end-time 'king of fierce countenance,' who will shake the foundations of this world. That king is on the scene now—and we think we may know who he is.



## General: Britain Carries an 'Increasingly Tiny and Impotent stick'



**O** NE OF BRITAIN'S MOST WELL KNOWN GENERALS IS WARNING that military cuts have left Britain unable to fulfill its roll on the world stage. Writing in the *Telegraph*, Sir Richard Shirreff warns that "Britain has become 'semi-pacifist' under Cameron."

"[Prime Minister] David Cameron has made Britain a 'semi-pacifist' nation more interested in protecting 'welfare and benefits' than adequate defenses, one of the country's most senior retired generals has warned.

"Gen. Sir Richard Shirreff, former Deputy Supreme Allied Commander of NATO, said the UK had 'shrunk in to itself' and carries an 'increasingly impotent stick.'

"He said the country now risked losing its post-Falk-lands global reputation for military might."

The general warned that Putin desperately wants Russia to be a great power again, and that Putin will do whatever it took to achieve that. The general expects Putin to invade the Britain's Baltic allies next.

He said that comments made by Cameron in 2014 saying "Britain should avoid sending armies to fight" would only encourage Britain's enemies and weaken the resolve of its allies. Shirreff wrote:

"A country famous for once 'walking softly and carrying a big stick'... now had a leadership that shouted loudly but, thanks to ongoing defense cuts, carried an increasingly tiny and impotent stick."

"In an interview with the *Daily Telegraph*, the general added: 'Any talk that Britain is punching above its weight is illusionary. Shirreff said:

"We are a G8 country, we have international responsibilities, we are a member of the UN Security Council, and our friends and allies have an expectation that Britain will take a lead and have been disappointed by the extent to which Britain appears to have shrunk in to itself, focused introspectively and in a sense not engaged outside in a way that perhaps we once did." ...

He said NATO needed to "sit up" and take notice and provide a suitable deterrence to Russia.

Sir Richard Shirreff's warning about Britain's weak military should be taken seriously. Bible prophecy indicates that it is actually Britain's supposed allies in Europe that it needs to fear even more than Russia. Read *The Holy Roman Empire in Prophecy* for more information.

#### Most Families Don't Have \$1,000 Saved for an Emergency

A NEW POLL BY THE ASSOCIATED PRESS FOUND THAT "Two Thirds of U.S. Would Struggle to Cover \$1,000 Crisis." The findings, released on Thursday, seem to indicate that many Americans finances never recovered after the 2008 Great Recession. Interestingly, it seems as if it doesn't matter how much money you make. Americans wealthy and poor are living without emergency funds. The Associated Press reported:

"Three quarters of people in households making less than \$50,000 a year and two thirds of those making between \$50,000 and \$100,000 would have difficulty coming up with \$1,000 to cover an unexpected bill.

"Even for the country's wealthiest 20 percent—households making more than \$100,000 a year—38 percent say they would have at least some difficulty coming up with \$1,000.

"The more we learn about the balance sheets of Americans, it becomes quite alarming,' said Caroline Ratcliffe, a senior fellow at the Urban Institute focusing on poverty and emergency savings issues."

Having an emergency fund is one of the most important parts of any financial plan. As the Urban Institute found, people with even a tiny emergency fund of \$250 to \$749 are much less likely to be evicted from their homes or need public assistance. Yet most people are oblivious to how close to the financial abyss they are living.

"Despite an absence of savings, two thirds of Americans said they feel positive about their finances .... The challenge for many often comes from economic forces beyond their control such as a dip in the stock market that threatens their job or an unexpected medical bill.

"When faced with an unexpected \$1,000 bill, a majority of Americans said they wouldn't be especially likely to pay with money on hand. ... A third said they would have to borrow from a bank or from friends and family, or put the bill on a credit card. Thirteen percent would skip paying other bills, and 11 percent said they would likely not pay the bill at all" (ibid).

The lack of emergency planning seems to mirror a widespread lack of retirement planning.

"When [the poll] asked if they will have enough savings to retire when they want to, 54 percent of working Americans say they are not very or not at all confident they will have enough. Only 14 percent say they are confident they can retire on time. ...

"The Great Recession and lack of wage growth in recent years have not helped. In the same AP-NORC poll, 46 percent of workers said their wages have remained stagnant in the last five years, and another 16 percent said they've seen salary cuts. Meanwhile, costs for basic needs, such as food, housing and health care, have risen."

One reason for the financial problems not mentioned in the article is debt. Many people live in homes and drive vehicles they cannot really afford. By just driving a reliable used vehicle and investing the car payment would relieve many people's financial problems. If you would like help with your finances read *Solve Your Money Problems*.

#### **Can Bernie Sanders Save Puerto Rico?**

Bernie Sanders took his campaign message to Puerto Rico on Tuesday. He told an audience, "If elected president of the United States, you will have an ally in the Oval Office." What exactly does that mean, and how does Sanders propose to help the debt-beleaguered island territory?

Earlier this month, Puerto Rico defaulted on \$422 million in debt payments. Gov. Alejandro Garca Padilla says it will soon default on more unless Congress agrees to a bailout or some sort of debt restructuring. The island territory owes approximately \$78 billion that it cannot pay.

But the island's debt woes are actually much worse than reported. Puerto Rico has also promised pensioners and retirees \$34 billion in contributions that it has not made. This is money that its citizens are relying on. Add it all up and the tiny island has borrowed and spent—and now owes—an astounding \$100,000 per working person.

Consequently, Puerto Rico wants to declare bankruptcy. That would leave it more money to pay retirees and provide other government services. The problem is that it cannot legally do so. By law, its debts must be paid. So technically, Puerto Rico has no choice but to pay back what it borrowed.

Yet reality is making a mockery of impossible-to-enforce laws. Puerto Rico simply doesn't have the money to pay its debt and provide basic social services. With its economy in economic free fall, the debts simply can't be paid regardless of the law.

For decades, Puerto Rico lived beyond its means, borrowing far in excess of taxes collected. Now that the island has defaulted, it can't borrow any more. Investors have cut it off.

Without the short-term stimulus of additional deficit spending that the island is used to, economic conditions are deteriorating fast. This is a process that will continue until Puerto Rico hits a point where its standard of living matches its income-generating means.

The affluent, debt-fueled years are over—and a future of scrimping, saving and austerity has arrived.

Unless Bernie Sanders has his way.

"I'm not going to lower the standard of living of the people in Puerto Rico so that billionaires can have more profits," he told voters. "It is unacceptable that venture capitalists are buying Puerto Rican bonds at a fraction what they cost and they expect 100 cents on the dollar. Together we will not allow that to happen."

"Austerity will not solve this crisis," said Sanders. "We must vigorously oppose all efforts at austerity."

Instead, he says he will fix the island by implementing a federally funded Medicare-for-all health-care system and free public college tuition. He says he will use federal money to grow the renewable energy sector and cut Puerto Rico's dependence on fossil fuels.

Sanders's plan will just enable Puerto Rico to go back to the very socialist policies that got it into trouble in the first place, only this time they will be funded at the federal level instead of the local level. Puerto Rico will become a ward of the federal government.

Puerto Rico was once one of the most prosperous islands in the Caribbean. And of all islands, it should still be the most prosperous.

Puerto Rico is a beautiful tourist destination with wonderful beaches, rich history and historic architecture. It has lush rain forests and dry forests. The world's largest rum distiller is also located on the island. It has minerals. It *had* mining. Most importantly, Puerto Ricans speak English, are U.S. citizens, and have direct trade access to the most important economy in the world—the United States.

So what went wrong?

Puerto Rico has two main political parties: the New Progressive Party and the Popular Democratic Party. They can be described as socialist and even more socialist.

Consider what socialist policies did to Puerto Rico's agriculture sector. By the 1930s, Puerto Rico was the biggest sugar producer in the United States, producing more than Louisiana. Then as a Federal Reserve Bank of Minneapolis paper notes, "In the middle 1960s, something amazing happened. Production collapsed." Why this collapse? Puerto Rico's socialists outlawed large farms and much of their mechanization. They also instituted high minimum wages for farm workers. This was supposed to

help workers keep jobs. Instead it just made sugar farms unprofitable. The farms went out of business. Instead of workers earning low salaries (which the socialist government opposed), they ended up earning *no* salaries.

Similarly, in 1942 Puerto Rican officials nationalized every sugar refining factory on the island, making them "public utilities." They were eventually milked to death. Today none are left; the last refinery closed in 2000. Once a sugar king that exported sugar around the world, Puerto Rico became reliant on imports for its basic sugar needs—from baking to distilling rum.

Puerto Rican authorities were equally successful in destroying the island's coffee and tobacco industries. Today Puerto Rico produces less than a third of the coffee it did in 1961. It produces no tobacco.

As the economy deteriorated, instead of cutting back government spending, leaders decided to borrow and tax more. Today the total commercial tax rate in Puerto Rico is 50.9 percent, which makes it the second-highest taxed nation in the Caribbean. Most Caribbean nations' tax rates are about half of Puerto Rico's.

According to Sanders, the socialist utopian dream can still become reality—as long as Puerto Rico can stiff its lenders and the federal government pumps in more money.

Bad government destroyed Puerto Rico. And bad government is increasingly taking its toll on America. But there are solutions to Puerto Rico's problems. There are solutions to the problems of Argentina, Brazil, South Africa, Venezuela, Greece, Spain, Portugal, Italy and all the other socialist nations.

There are solutions to their problems. Just as there are solutions to America's problems and the problems of all crony-capitalist nations.

But most people don't want to hear those solutions, because they require obedience to God's laws.

God provides solutions to mankind's problems. If only people would turn to Him.

The July issue of the *Philadelphia Trumpet* magazine tackles problems associated with this world's financial systems and examines God's economic system. The Bible provides answers—if only people will listen.

# TW IN BRIEF

orth Korea finally weighs in on U.S. election: North Korea weighed in on the United States's elections this week. The country's deputy parliament chief says North Korea doesn't care whether Hillary Clinton or Donald Trump is elected as the next U.S. President. The vice president of the Supreme People's Assembly said what matters is that the next U.S. leader does not follow a policy to "suppress" North Korea. North Korea often says that the U.S. has a "hostile policy" against it and calls on Washington to make a peace treaty as a formal conclusion to the Korean War of 1950-1953 that ended with only an armistice.

A homosexual U.S. Army Secretary: Eric Fanning was sworn in as United States Army Secretary yesterday in Washington, making him the first openly homosexual leader of a U.S. military

service. Fanning was sworn in by Defense Secretary Ash Carter during a ceremony in the secretary of defense's dining room. Carter is also responsible for opening combat roles to women, despite strong council against doing so from the Marine Corps.

S. states owe nearly \$1 trillion in unfunded pensions in 2013: U.S. states owed \$968 billion in unfunded pension benefits for retirees in 2013. The states also reported \$587 billion in unfunded retiree health care liabilities and \$518 billion in outstanding debt in 2013. In 2013, the 50 American states owed a total of \$968 billion in unfunded retiree pension benefits. According to reports, the states also owed \$587 billion in unfunded health care liabilities for retirees. The same year, they had another \$518 billion worth of outstanding debt.