

The Truth About

The

Knights Templar

The Government's Relentless

Desire

to

Confiscate

Wealth



Torture of the Templars

Martin A. Armstrong
former Chairman of Princeton Economics International, Ltd.

A C K N O W L E D G E M E N T S

I would like to thank the many people who have been writing from around the world. It is encouraging to know that there are so many people who are interested in uncovering the truth. I have also special thanks for so many providing valuable insight into trends around the world from China, Soviet Republics, South Africa, Brazil, Australian, and India. I believe we can survive the folly of governments even if they refuse to listen. The key is understanding the nature of events, and that allows us to correctly make the decision to be on the opposite side.

I would like to also thank all my old friend and former clients for their support and to know that they have continued to gather information that serves us all in times of crisis.

We are standing on the precipice of a new era in global-social-economics. How we enter this new age is of critical importance. Government is incapable to doing anything for any reform of its own abuse of power is not up for negotiation. We must weather the storm, and to do so we need to understand its nature. Just as the 1930s Great Depression set in motion profound changes that were even manifest in geopolitical confrontations, we have now reached such a crossroads. A debt crisis has its tentacles deeply embedded into every sector right into government. This is the distinction from a mere stock market crash that never alters the economy long-term. We are seriously still over-leveraged and some banks are still trying to be hedge funds and have to speculate to make a profit. That is a key warning sign that the worse is yet to come.

Comments, Suggestions & Questions

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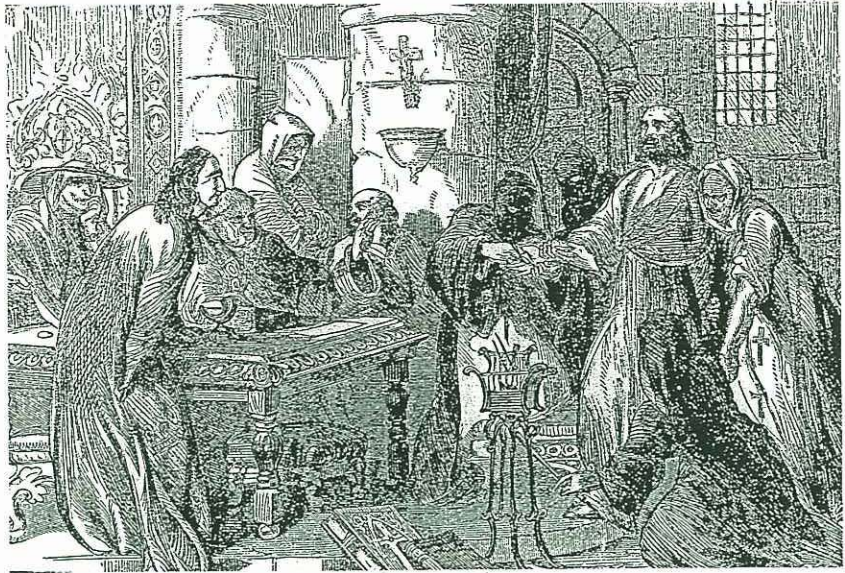
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This Report may be forwarded as you like without charge to individuals or governments around the world. It is provided as a Public Service at this time without cost because of the critical facts that we now faced economically. The contents and designs of the systems are in fact copyrighted. At a future date, a new edition of the 1986 The Greatest Bull Market In History will be released and a new book will soon be published on the model itself - The Geometry of Time. It is vital that we do not forget this is a world economy and the arrogance that any nation can dictate to the world is just insanity. Every nation effects all others no different than if one nation were to pour all its toxic waste into the ocean. Everything is interlinked and solutions are never isolated events.

The Truth About

The Knights Templar

The Government's
Relentless Desire
to Confiscate Wealth



by Martin A. Armstrong

Trial of the Last Grand Master

Former Chairman of Princeton Economics International, Ltd
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A

t the core of every government action, lies the self-interest of greed that underscores everything. This is not a unique trait of modern vintage. As Adam Smith commented in his *Wealth of Nations* back in 1776, governments are the biggest spendtriffts in society. If their own conduct does not destroy the state, that of their subjects never will. When I had to come up with a name for the model, I decided on the Economic Confidence Model because the economic conditions are dependent upon a game of confidence.

One of the 10 Commandments was Thou shalt not bear false witness against thy neighbor. For centuries this has been the root of all evil. For to control the people is nothing more than a confidence game. A clever thief is called a "con-man" because what he does is lie to create a sense of false confidence like Madoff. The government is no different. The truth behind every action is the quest to separate the people from their property.

This recent thrust to go after UBS in Switzerland is a prime example of how truly dishonest the government is. First they said they would provide amnesty to those who came forward and admitted to having accounts overseas. They just wanted their taxes. Now we see they want their pound of flesh as well and have announced that 150 criminal indictments are going to be issued.

When this nation was founded, direct taxation was prohibited. The Founders knew all too well the history of government and money. They knew that government cared nothing about justice, law, truth, or even God. They only pursue their own self-interest.

Perhaps there is no other confiscation of wealth in the history of man than what was done to the Knights Templar who gave rise to all sorts of cult theories based upon the intentional lies of the King of France and his intimidation and control of the Pope. Everything from the DaVinci Code to secret religious orders that hid the truth about Christ and anything else that may have got in the way of the King's desperate need of cash, has been attributed to the Knights Templar. Yet if we just follow the money, you will see what we are now doing to the "rich" and to "claw back" bonuses in corporations if any person was guilty of a crime in the company then the innocent must also suffer, is the same motive behind the real Friday the 13th.



King Philip IV (1285-1314 AD)
Of France

The stories that have been spun about the Knights Templar and that must have had some deep dark secret that the Catholic Church paid to keep quiet that Christ had a child with Mary Magdalen is a wonderful tale, but far from the historical truth. It was not even the Pope who decreed that the Knights Templar were to be gathered up and executed. It was the notorious French King Philip IV "The Fair" whose thirst for money and power was relentless. This is the same King who seized the Papacy and moved it to France. He is the same King who taxed the Jews excessively, and when there was nothing left, he expelled them from France. This is the same King who ordered every man must serve in his army. If you did not want to, then you could buy your freedom for a price. This is the same King who only after his campaign to confiscate all the wealth he could justify, finally enacted a monetary reform and issued new coinage because it had become so debased by his cheating the public creating inflation, that again money had declined so dramatically, he needed to confiscate tangible assets to restore his treasury.

I have written previously how every nation has turned against its own people and God himself in their pursuit of wealth. If we just follow the money, you will see a pattern that emerges of lies and deception to justify the actions of the state. Austria, France, and England all turned

against the Catholic Church to grab as much money as possible. Coming out of the dark ages, there was no real economic intercourse to speak of. The Arabs cut off trade in the south and the Vikings plundered the north. International trade ceased to even exist and this drove the economy into a fragmented feudal state. Bands of men had created monestaries and this required land. Since there was no real value to land per se and there were no wages, it was kind-of just squatting. As time passed, numerous monestaries cropped up throughout Europe and occupied a lot of land. As the Arabs fell in power, trade began to surface and with it the sprouts of capitalism re-emerged, of course among nobles, for wages did not reappear until the Black Death of the 13th Century.

As wages began to reappear, this gave birth to what is truly called "capitalism" but in all honesty, that is more of a term employed by Marxists. What it gave birth to was the age of "individualism" meaning the average person suddenly could make choices about where to live, what to do, and this freedom manifested itself into a new dynamic world of innovation.

As this trend was still developing, the clash that developed was also centered in France, where the Physiocrats created the theory of wealth built upon their observation of what created wealth being agriculture. We must understand that as wages were born, so was freedom of movement. This is when land began to have a property value. The kings before Philip IV (1285-1314) raised revenue in the form of taxation based upon this new idea that land was money for it had value as mobility re-emerged and wages is what gave rise to property values.

By the 1700s, the Physiocrats created a theory of wealth that agriculture was the only "real" wealth and that a blacksmith did not create wealth, he lived off of the wealth by selling his wares to the farmer. Adam Smith observed that the innovation was wide spread and he suggested that everyone created wealth for if an English blacksmith and a farmer had both sold their product to France, both returns with gold increasing the national wealth.

Just as Bush created his war in Iraq, it certainly does not come free. Heads of State never realize that what they do with war is

undermine their own power. Eventually, the wealth of the nation is squandered and the effect of war is always the decline in the economic long-term viability of the nation. The only reason why World War I and World II benefited the United States, was because we were really the arms dealers and the growers of food for Europe who were all running around blowing each other up. In 1896, the US was bankrupt and J.P. Morgan had to lend the US Treasury gold to survive. At the end of WW-II, we had 76% of the total world gold supplies. That is what I mean we were the arms dealers and people confuse this that war is good for the economy only under this narrow condition. When it costs money, it exhausts the people and the economy creating much deeper economic depressions that government will admit since they create war.

I have explained previously that not just King Henry VIII of England confiscated the property of the Catholic Church, but so did Austria all in the name a protestant reform, although in England, this prestages even Martin Luther. Under Napoleon, he just confiscated all the wealth of the Church for the monestaries occupied about 10% of the land in France. They create evil in the church to justify their own actions and then pretend it is somehow sanctioned by God.

Even when we look back in ancient times the same confiscations took place. We see the confiscation of temples in Babylon and the forced conversion to Zorasterism. When it came time for Constantine I (The Great) to sieze power, he suddenly became Christain while declining to be Baptized until on his death bed. This had the benefit of wholesale confiscation of the wealth of pegan temples that had been built up over thousands of years. The ancient Greek temple at Delos had served as a bank for kings lending money in times of war. The Knights Templar were also a banking entity moving money internationally creating a midieval bank wiring system so to speak.

In Byzantium, the whole Iconoclastic movement of confiscating icons under the religious notion that man should not worship any image of God, had the benefit of again raiding the temples. The icons were wooden panels painted with images of Christ, and then there was a silver or gold overlay to give a metal glow to halos and even the garments worn, such as a silver robe or a tunic. This was the real source of that

great confiscation to which so many died in defense of their icons to prevent the looting. Whatever religion exists, whenever it accumulates wealth, the state, always and without exception, has figured out a way to confiscate it in the name of God.

States have always attacked religion whenever they run out of cash. The fate of the Knights Templar was no different. They were not some occult blackmailing the papacy as wild plots would have us believe to sell books and movies. It was not even the Pope who attacked the Templars.

King Philip IV (1285-1314) is probably one of the most notorious kings of France. When Philip was born, his grandfather was still King Louis IX (1214-1270). His father was Philip III (the Bold)(1270-1285). His mother was Isabella of Aragon who died when he was only 3 on return from a Crusade in which his grandfather died. His father, it is said, virtually abandoned him throwing himself into the affairs of state being grief stricken over the loss of Isabella. His father remarried in 1274, but this led to intrigue and plots.

His new stepmother brought to court Joan as a refugee who was heiress of the rich Champagne and Navarre when she was but only 2 years old. She was married to Philip IV at the age of 12 when he was but 16. His older brother Louis died suddenly creating a real shock. This fueled rumors that his stepmother had poisoned him. She countered the rumors by creating her own rumors that he was a homosexual and died because of unspecified "unnatural acts" as she put it, that were attributed to his father no less. This scandal of 1276 was never put to rest and created long-term feelings of mistrust in Philip IV himself.

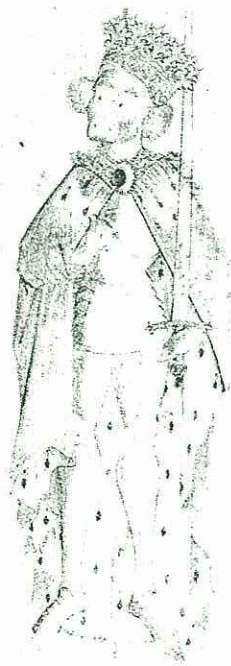
Philip IV turned as a role model to his dead grandfather. This was fueled by members at court attempting to control the young mind of Philip IV. His grandfather was raised in his mind as such an ideal model that in later years, he demanded he be named a saint and thus the title Saint Louis.

His experience with palace plots led Philip IV to trust no one. He created a band of inquisitors and sent them out to investigate the conduct of all royal officials and report any infringements into his royal prerogatives. This strengthened his goal to enforce central control over the affairs of

government, but it began to create discontent among the nobles. He was intent upon getting his hands on every piece of revenue that he declared was his. This economic reform was so widespread, it began to create resentment also among the people and the ecclesiastics.

If you recall your history, the French invaded England in 1066 under William, and thus England became really a vassal state of France. Perhaps you will recall the epic film starring Mel Gibson, Brave Heart, telling the tale of William Wallace and the struggles of Scotland against the English. That movie portrayed the King Edward I of England known as "Longshanks" and you will recall that his son is wed to a beautiful French Princess.

In 1294, King Philip IV decided to assert his power over his vassal he viewed as his subordinate, King Edward I of England. This sparked a war against the well armed English for 10 years, that in the end produced no gain to France, just vast expense that ravaged the Continent with inflation.



King Edward I (1272 - 1307 AD)
of England

The only thing of any substance that came out of the pissing-match, was a peace treaty in which whatever lands were won by the French were returned. However, Philip gave his daughter Isabella to Edward to marry

his homosexual son, who became the next king known to history as Edward II (1307-1327). This peace treaty was signed in 1303.



King Edward II (1307 - 1327 AD)
of England

In the movie Brave Heart, the child that Isabella gave birth to as the son of William Wallace. While this may never be proven unless they apply DNA analysis, Edward II gave the earldom of Cornwall to his frivolous favourite and lover Piers Gaveston. In 1311, the barons gathered together in a 21 member conclave and drafted the "Ordinances" demanding the complete banishment of Gaveston out of the country and the restriction of any power the king then exercised over finances and appointments. He was as hopeless as portrayed in the movie.

The second front of Philip IV's wars of pride that ruined the state, was another he regarded as his vassal, Guy of Dampierre who was the count of Flanders (1278-1305). Guy allied himself with the English. This was a matter of international trade. The Flemish were great producers of garments and therefore the weavers were the core of the Flemish main economy. They required good relationships in England who was the main wool-producing country of Europe.

Philip IV could care less about the main reason for the links between the Flemish and the English. To him, it was an insult and a question of raw power. Philip IV invaded in 1300 and he took Guy with his sons and the leading nobles to Paris. The Flemish rose in rebellion and stormed the French garrison at Bruges and the French were massacred on May 19th, 1301. The French invaded again, but were soundly defeated near Courtrai. Guy died in jail. But Philip would accept no defeat and invaded again in 1305 defeating the Flemings and forced them to submit to cruel and harsh peace treaty with reparation payments and humiliating array of penalties.

These wars were so costly, they had devastated the economy. The coinage suffered tremendously so much so that even the Pope advised against the unprecedented inflation that was being created by Philip and his relentless wars. He was forced to promise reform and even abandoned the property tax that was the primary means to defend the nation in times of war used by all prior kings. In its place, he invented a new tax. He decreed that all must fight for their king, but they could buy their way out of serving in the army. This established a model that later kings of France would use to raise capital.

The Pope at the time was Boniface VIII (1294-1303). Philip's war was causing great inflation and also interfering with the crusades. Boniface VIII tried persistently to stop the wars trying to mediate as best he could. Finally, in February 1296, he issued an edict known as a "bull" named Clerics Laicos prohibiting kings from any taxation of the clergy. Philip took this as a direct attack upon his power and retaliated and threatened to dismantle the church for all practical purposes. Boniface was forced to recant in July 1297 and thus proclaimed the legitimacy of clerical taxation. Boniface was also forced to then canonize his grandfather and thus he there and then became known as Saint Louis.

Philip IV was a relentless and a very ruthless unforgiving man. This battle over taxing clergy is what mushroomed into the full scale war on the Catholic Church to the point it was siezed in what is known as the "Babylonian Captivity"(1309-1378) where the Papacy was moved from Rome to Avignon, a city near Philip's realm.

Perhaps he learned the value of false charges and the defense of misinformation from his stepmother who slandered his own father to cover-up her plot to kill his brother. These same tactics were now used by Philip against Pope Boniface VIII for the sole purpose of seizing wealth.

Philip began false charges against the Pope claiming he questioned the immortality of the soul and that he plotted the death of his predecessor to the papal throne. These charges followed another confrontation not dissimilar to the fate of Thomas Becket in England.

In 1301, Philip arrested Bernard Saisset who was the Bishop of Pamiers, as a suspected traitor. Pope Boniface was determined to force Philip to send Saisset to Rome to be tried. In December 1301, Boniface suspended Philip's right to tax ecclesiastics and summoned all French clergy to Rome. Philip sent Saisset to Rome, but he resisted all other decrees. It resulted in open defiance when Philip took a Papal decree, a bull, and burned in public and then ceremoniously invoked publicly curses on any of his own sons who dared subordinate France to any power.

Philip had in effect declared war on the office of the pope over the right to tax. It was his relentless thirst for money that led to what many considered his uncivilized and strange conduct.

In April 1302, he rallied the people in townhall meetings of unprecedented size to level his charges against the Pope. He was undaunted by his defeat to the Flemings and he rejected Boniface's decree of Papal Supremacy, known as the Unam Sanctum. Again Philip invokes these great assemblies to slander the Pope to have his own way with taxation, for he rejected even the advice of the Pope in matters of inflation. Thus, the Spring of 1303 brought a new round to this war. This now escalated beyond all reason.

Philip was now embarking to criminally charge the Pope for rejecting that the soul was immortal and the claim he plotted against the previous pope. Boniface was now forced to impose a sentence of excommunication. The king's agents went to get the Pope and had actually seized him before he could hold the excommunication service on September 7th, 1303. This led to some Italians taking new advantage with the seizure of the Pope and began their own campaign of plunder and pillage in Italian towns.

The people of the town rose up against the French and freed the Pope. However, the mistreatment he suffered at the hand of the French intent on torturing him to confess like all tyrannical governments that rely on confession rather than proof of independent evidence, Pope Boniface died in less than one month. Pope Benidict XI was elected Oct, 22, 1303. He took no action against the French, but he refused to pardon them either. He died July 7th, 1304 and his cause of death may be yet an open question.



Clement V

Upon the swift death of Pope Benidict XI, King Philip IV manipulated the very Papacy itself and by intrigue, arranged basically by threat and intimidation, the next Pope would be a Frenchman, the dubious Archbishop of Bourdeaux who reigned as a puppet between 1305 & 1314. This is the man who moved the Papacy to France and created

what has also been termed the Anti-Popes for their reigns are viewed by the Church as without the sanction of God.

This Anti-Pope Clement V (1305-14) quickly annulled Boniface's decree of Clericis Laicos exempting the clergy from taxation. Clearly, Philip IV was of a single mind. His power was supreme and nobody, not even God himself, would tell him otherwise. Like most tyrants, their view is that if God didn't like what they were doing, he would not have made them king.

Philip's victory over the Church was now unquestionable. He now turned to the next source of wealth, the very core of medieval banking, the Knights Templar. The Knights had grown to a considerable force. It was estimated that their number reached 20,000. Here too they had long been excluded from taxation by the various kings. This was a source of how their wealth and power grew, and they also emerged into a form of international bank. Through this organization that in modern terms had branch offices in every nation, they could transfer wealth among heads of state and emerged as the FIRST BANK POST DARK AGE.

This knighthood was established during the Crusades. It was founded during the early years of the kingdom of Jerusalem, when the crusaders had controlled only a few strongholds in the Holy Land. They formed to protect the pilgrims against the marauding bands of Muslims. It began with eight or nine French knights led by Hugues de Payens,

who took a vow in 1119 or 1120 to devote themselves to the protection of pilgrims. Baldwin II, the king of Jerusalem, gave them quarters in a wing of the royal palace in the area of the former Jewish Temple from which they derived their name - Templars.

The Templars performed truly courageous acts and dedicated their lives to the pilgrims visting the Holy Land. Their ranks grew and soon their reputation as noble fighters as well. About 20 years later, Pope Innocent II (1130-1143) placed the Templars directly under the pope's authority. They were given status in modern terms what we would call a nonprofit organization. They were thus granted by decree exemption from all taxation by any king. This allowed them to grow in wealth and both people and kings gave them property and wealth to aid the piligrims. They ended up with vast amounts of land throughout all of Europe and offered lodging to pilgrims on their way to the Holy Land.

The ranks of the Templars grew and their military strength allowed them to then become the medieval armoured car service so to speak. They transported wealth between nations and were considered trustworthy among kings. This emerged as a primitive form of international banking - the first to appear in the real new christain world.

As always, there arose competition from what was known as the "Hospitalers" who were the Knights of Malta & Rhodes formed by Italian merchants and was formally established Feb 15th, 1113. The First Crusade had taken Jerusalem in 1099. This group was the rival of the Templars.

However, the Muslims retook the Holy Land in 1291 with the fall of Acre. This removed much of the very reason for the Templars for there were no more pilgrimages to the Holy Land at this time.

Philip IV had become a master at undermining his opponent with false charges, a successful tactic he learned from his step-mother. This is again the source of things like the DaVinci Code. In 1304 as part of his effort to seize the Papacy, he began the rumors and false charges against the Templars as well. He accused them of irreligious and sinister practices along with blasphemies that they committed during their secret rites of initiation.

Where Philip accused Boniface of rejecting that the soul was immortal, his accusations against the Templars were just equally false. Never was any evidence ever put on about such irreligious activity. Any confession was always extorted no different than the US justice system where 98.5% are forced to plea arrangements or face 2 to 5 times greater punishment.

Some have argued that Philip feared the Knights would rally to protect the Papacy, and this was his motive to go after the Knights Templar. That may be also true, but it was economically beneficial as well.

Only after Philip seized the papacy in 1305 with the reign of Clement V, did he then move against the Templars. After 3 years of turning public opinion against the Templars with rumours, on Friday the 13th of October, 1307, King Philip IV ordered that all Templars were to be then arrested and all their property seized, throughout France, not the Pope.

Philip ruthlessly had knights tortured to force confession. He burned countless at the stake. The puppet Pope Clement V was ordered by Philip to then decree the arrest of all Templars outside of France fearing an invasion. Clement V complied in November 1307. He pressed to seize all their wealth he could find, and on March 22nd, 1312, he ordered Clement V to then suppress the order of the Knights Templar. The last "grand master" was Jacques de Molay, and he was burned at the stake in 1314. Never was there any hard evidence of any such strange practices by the Templars. Those who still spin stories ignore the history of the events and certainly the character of one of the most ruthless and blood thirsty kings France ever knew - King Philip IV.

Some have tried to rewrite the blunt history praising the abolishment of property taxes with no mention of his extortion to get out of serving in his army. Some have claimed that history is biased against him to support a corrupt church. But frankly, we see the same pattern of actions he had employed against the Templars as he did against Boniface. If we just follow the money, it reveals motives that are too familiar.

Every organization that ever existed be it religious or political, always devolves into self-interest and corruption. The Catholic Church was no different. But we cannot ignore the actions of the rulers either and the most unbiased account we can cling to from history is the one that follows the money. They also called Constantine I a saint because he legalized christianity. If we follow the money, it was to his advantage to adopt the brand new religion, for it too justified confiscating all the wealth of the pagan temples. There were many who believed in their religion at that time regardless of what we may think of it today. That did not make them any less of a person than different religious beliefs today. They died as martyrs for their beliefs and Constantine accommodated their wishes.

Government is simply rotten to the core. It never truly cares about the people, only in the retention of power. The Republicans are hell bent upon making sure Obama's health care reform fails. They feel they will destroy him and then they will be welcomed back to power with the people throwing rose petals at their feet. They could care less about the fate of our nation and that health care costs are rising to such an extent that it is going to bankrupt corporations because of the legacy costs. Too many lawyers hold seats in Congress and the real reform needed is tort reform, that neither side will ever allow to take place because that is the bread and butter of the legal profession. Self-interest will destroy our economy and there is nobody who will stop it. As Saint Jerome said of Rome, when it fell, they were still laughing enjoying the sports to notice the barbarians won.

The SEC is contributing to this madness by using the Republican securities law that is insane, Sarbanes-Oxley. They have used this law for the first time against Maynard Jenkins, a former chief executive of CSK Auto where another employee committed a fraud in accounting under the new law, and the SEC even admits that Mr. Jenkins had nothing to do with the fraud. Still, the Republicans who I regard are rotten to the core for their unprecedented hypocrisy, included a "claw back" right for the government to retroactively disgorge even innocent people of any money they made that the government claims there was a fraud that they never knew about.

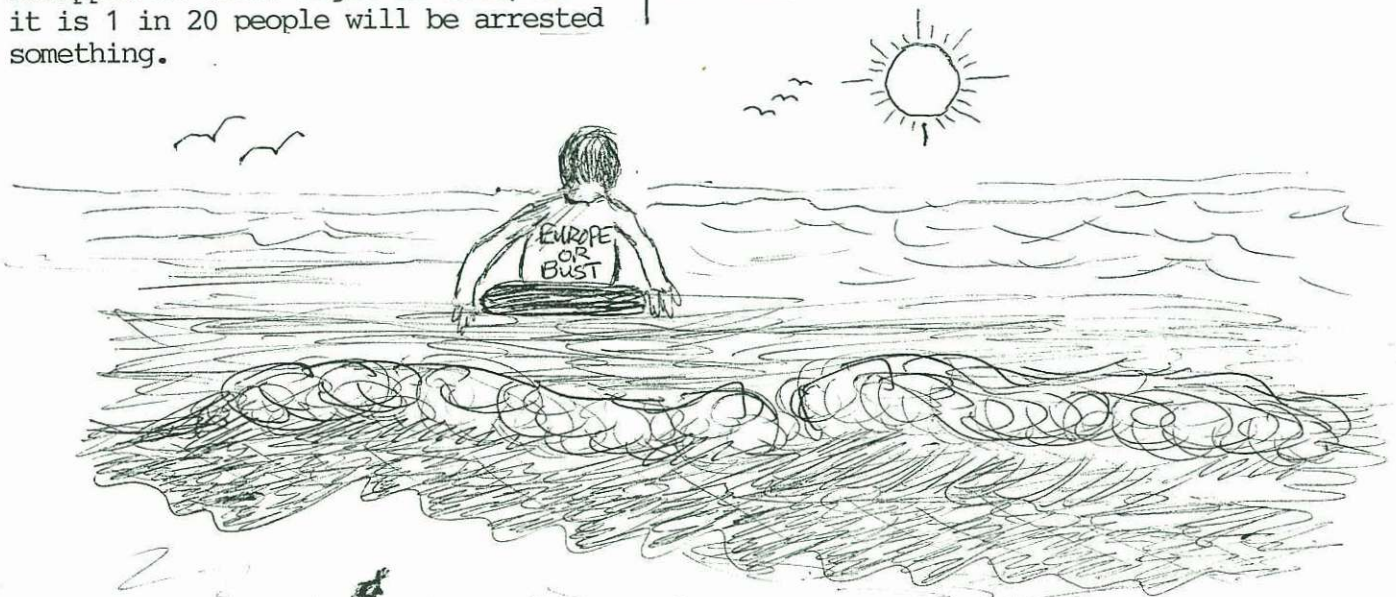
What the SEC is doing, they cannot see past their own nose for they are so salivating over the prospect of reaping untold amounts of money by finding just one person in any company who they can now alleged made some "intentional" mistake in any accounting that in their theory allowed higher wages and bonuses. Goldman Sachs better be bribing every SEC Official under the table for if they get into their books, God help the employees. They will lose their homes for the claw back will be relentless.

Every effort is being waged against the people of the United States to turn them upside down and keep shaking until their gold teeth come out. The Republicans are no better. They had their chance to help the people, and instead they only embarked on the road to allow the religious right control the lives by law of any one who disagreed with them.

The Republicans destroyed the federal constitution with the Patriot Act and the Sarbanes-Oxley legislation. They turned the United States into the largest penal colony that the world has ever seen with the number of prisoners in 1980 being only 24,000 to an arrest record today of over 14 million annually. The prisons are not filled with violent offenders or anything like Will Horton. That was clever bullshit to create a Puritan-Calavistic system when everything they claim is an offense for anything involving prison right down to lying to a federal officer like Martha Stewart. Violent crime declined, yet the prisons grow. The hidden agenda, prisoners are stripped of their right to vote, so now it is 1 in 20 people will be arrested for something.

In my own personal experience, I was told by President Bush's cousin, Chief Judge John M. Walker, Jr, that corporate officers have no rights whatsoever even post-indictment. Never since the demise of the similar tyrannical court of chancery in England known as the Star Chamber in 1651, has any person been accused of a crime and then held he has no right to remain silent. Judge Walker has a reputation of being a cold blooded jurist. He rejected Congress had any right to restrain judges claiming they have the supreme "inherent" power to just throw citizens in jail until you die with no right to appeal, no right to lawyers, no right to remain silent, and no right to a trial by jury all using the label contempt. This was not some "liberal" Democrat who is targeting corporations with a Marxist slant. This was a Republican who was suppose to be concerned with strict constitutional adhearance and "pro business" that has revealed the hypocrisy of the party. It is all about government and its self-interest. They bullshit everyone and stand for nothing. A terrorist has the right to remain silent. But since corporations are not people, they do not have that right and thus, according to Walker, neither do any citizens working for corporations. And you thought the Constitution meant something!

We live in a new world in which the state is so corrupt, our future is being stolen. Congress will do nothing to even try to stop the insanity. Out of the last \$8 trillion rise in the national debt, \$6 trillion was for interest that is being exported overseas. It does not even stimulate our own economy making the theory of Keynes a laughing stock behind closed doors. We are a nation living on a credit card and the rest of the world is starting to worry.



Perhaps when the day comes and we can no longer find a buyer for our debt, we too will be too busy laughing watching the Super Bowl, MTV, BET or ESPN to notice - Houston! We have a problem!

Before Sarbanes-Oxley, New York had 50% of the world IPO market. Just before this economic crisis began, that fell to less than 5%. Foreign companies use to be listed in NY for that was a status symbol. Today, they are leaving and you have to be nuts to be listed in the United States. Now after this latest action by the SEC, you will see capital fleeing for its life. Just get to the beach and start paddling. The politicians have just lost their mind.

The attempt to legislate bonuses in all companies is insane. Leave America is going to become the slogan like Go West use to be. We have destroyed the financial industry. Almost 50% of the volume is now ETFs, not shares. We have become a nation of derivatives and the idea that stocks raise capital to create companies, has passed into the sunset. Wall Street is reduced formally to organized risk taking - a formal casino, with less and less economic impact.

The Dow will no doubt rise to the 30,000 level and may exceed even that going into the next turning point at the top of the 8.6 yr cycle in 2015.75. This is a reflection of the collapse in public confidence and the shift in capital flows to the private sector.

Nothing what we hear or see from government can be trusted. Like Philip IV, they just make-up facts to support actions. No evidence is ever produced any more to support guilty pleas and when Ebers of WorldCom went to trial, Judge Jones would not let him put on a defense denying him the right to call any witnesses to prove he did not know about the accounting issue.

Judge Sonya Sotomayor was classified as a "team player" by a former Prosecutor to the Wall Street Journal. It has nothing to do with the law. It is all about she is a Latino woman, that's it. She was appointed to the Appellate Court by Republicans, so she was no liberal. We lost all substance in this nation and now we pander to the image, not reality.

Taxation is evil when direct. It was wisely outlawed by the Founders who knew their history.

