Nikolay Starikov

# Rouble Nationalization

The Way to Russia's Freedom



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Unrestrained issuing of money backed by nothing has been the dream of bankers and moneylenders for centuries. This is the shortest way to world domination. Today this dream has become reality. All the world's money stocks are tied to the dollar, which can be issued without restrictions. As a result of defeat in the Cold War Russia was deprived of a significant part of its sovereignty. The Russian rouble does not belong to the people anymore. The only way out of the dead end is to change the current form of the system of money-issuing.

By reading this book you will find out the answers to the following questions: What are the gold and currency reserves of Russia and why do they not belong to the Russian Government? Who was Stalin's 'Chubais' and how did the leader of the USSR treat him? How are the deaths of American presidents connected to various types of identical American dollars? How did Benito Mussolini cooperate with the British intelligence service and what did it lead to? Why did the USSR refuse to enter the IMF and sign the Bretton Woods agreement? Who was knighted upon Stalin's death and why? What constitution did Sakharov offer to his country?

The story of the Bank of England, the reasons for Joseph Stalin's death, unknown snipers on the rooftops of Moscow in October 1993, the Central Bank of Russia independent from Russia — these are parts of one thing; the roots of one tree.

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## The author's preface. What is State sovereignty?

A single scoundrel is enough to ruin the nation.

Napoléon Bonaparte

One great personality is enough to save the country.

Voltaire

Many extraordinary events have taken place lately in different parts of the world. The Arab Spring, the collapse of multiculturalism in Europe, youth riots in major European countries and the 'Occupy Wall Street' movement are just a few examples to mention. The world is changing rapidly. What is more, these changes are clearly not for the better. All those things that were clear, secure and solid yesterday are now becoming unstable. The international financial system is falling apart at the seams, and that can be seen with the naked eye. Just ten years ago those who would speak of the dollar crash or of the Euro-zone decay, would perhaps have been regarded as insane and would have been recommended to see a doctor. Now these matters are discussed night and day on all TV-channels. This news is on the front pages of newspapers.

Let us look at ordinary people. What should they think of these events? Should they applaud the victory of the opposition in the Arabic countries and the establishment of democracy there? Or rather worry about the defeat of government forces and growing instability? Should they sympathise with the youth riots in the developed countries or rather regard these young people as just having too much of a good thing? Or, maybe, they had better simply forget about all that and go to see a football game? But even there they will come across football fans, nationalists, tolerance issues and many other unpleasant things? And finally — consider the conspiracy theories about the end of the world and the aliens. So, what should they do? Let us look at it more closely.

And we should start with state sovereignty. Without this concept we will never grasp the essence of what is happening...

There are currently over two hundred states on Earth. These states are very different, just like human beings are. There are large and small ones, rich and poor ones, famous ones and completely unknown to the majority of the world's population. Among these nations there are those with advanced economies and those with decaying ones, those growing and those wasting away. Some die out, some grow older, and others are propagating vigorously and growing younger year by year. So, what is this factor that determines whether a nation is developing or stagnating?

Let us compare it with the factors, influencing the life of a human. Those are plenty: parents and upbringing, attitude of a person towards the things they are busy with, their love of learning. Health is important and even one's birthplace has certain significance. One cannot ignore friends, bad habits, luck. Happy or unhappy marriage plays its role, too. All in all, it is a mosaic of accidents that determines the life of a human being. And so, people live, get older and work following the waves of destiny. They pursue their goals. Or — which also happens — they sink to the very bottom.

But there is one *sine qua non* condition of the phenomenon called human happiness. It is not by chance, that I address happiness in this context, since it is happiness, which has to be the criterion of human existence; happiness, and not success, interpreted differently in different cultures. *Human happiness presupposes autonomy*. One has to make decisions by oneself; one has to carry responsibility for the consequences of those decisions. *In the same way the 'happy' life of the state requires this state to be autonomous*. This self-determination of the state is called State Sovereignty.

State sovereignty means supremacy of the state within its borders as well as its autonomy in the international affairs. State sovereignty is incompatible with any interference from the outside. A sovereign state is the one to decide for itself and to reap the fruits of these decisions. The country itself has to determine its path of development; the head of the country has to do things that are good for the country and that make the country prosperous. The power is sovereign only if this criterion is chosen as the basic one for defining of state policy — exactly as an adult is independent only if they are free to decide themselves about their family. It may happen that the benefits of certain decisions will not be immediate, and will not always be obvious; yet the criterion 'make it better' will always guide a normal person in actions concerning their family.

Is this not the case of modern states as well? Is this not the case that the statesmen of different countries are striving hammer and tongs for the sake of their countries? Is this not the case that while looking at the political map one sees a lot of independent countries that bravely move across the rough sea of politics and economics?

Alas, it is not; the reality is completely different. It is exactly the opposite. Nearly all countries of the modern world are forced to conduct policies that are very far from their national interests. The examples are not hard to find, you will find them in today's newspapers. What do Poland, the Czech Republic and Bulgaria need the deployment of the American antiballistic missile elements on their territories for? Do they need it to defend themselves from the missiles? I would like to highlight two points in this context. Firstly, these countries are NATO members, and this alliance, where the USA and Britain rule the roost, has, in compliance with its regulations, to protect them from any military attacks. Secondly, it is not very clear whose missiles these countries are going to defend themselves from. Some say that this refers to Iranian missiles. Yet for some obscure reason the ABM is being deployed closer to the Russian borders than to the Iranian ones. Whereby would it not be more logical to deploy the system in the proximity of the hazard and not in another part of the planet. Furthermore, the Iran of today simply does not have missiles which would be capable of reaching Poland or the Czech Republic, and it is not clear when Iran will get such missiles. Maybe the ABM is being deployed in Europe 'just in case'? In case Iranians

 $<sup>^1 \ \</sup> http://www.glossary.ru/cgi-bin/gl\_sch2.cgi?R0pDuxzkgwxyiltt:p!xywup.$ 

invent, assemble and launch a missile of the newest generation?! Well, let us suppose, they have indeed invented one. And even have assembled a couple of dozens. The questions remain the same — why should Iran immediately attack somebody? Why should Iran aim at Poland — or the Czech Republic? What harm did these or other Europeans — such as Romanians or Bulgarians inflict on Iranians? The questions hang in the air, and the things, mentioned in this context by American politicians resemble a smokescreen.

As for today, the probability of Iranian missiles attacking the West is the same as that of aliens landing in California.

The benefit to Eastern-European countries from these actions is questionable, to say the least. Their security will not develop whereas they will inherit a lot of problems. As a matter of fact, the positions of the American missiles will be immediately exposed to attacks of Russian nuclear warhead missiles. On the other hand, it will be impossible to track what kind of rockets Americans shelter in the launching silos. Who can guarantee that these missiles are just an air defence weapon? What if they are equipped with nuclear warheads, too? Indeed, the proximity of the missiles to our borders drastically reduces their flying time to Russian towns and strategic objects. It was exactly the argument that made American diplomats so eloquent during the Caribbean crisis — yes, it would have taken just a few minutes for a missile to attack the USA from Cuba. So, today's Russia cannot help reacting either. As a result, people living in Poland and the Czech Republic who gained nothing from deployment of the American ABM in terms of security, now risk coming under the crossfire of Russian nuclear missiles. So what is that big reward for these countries, can anybody explain to me? Well, the leaders of these countries will be tapped on the shoulder during the next summit meeting and will be titled 'democrats' by human rights activists. It does not sound like a very generous reimbursement for the constant fear of being attacked by nuclear missiles, does it? Would you settle for putting a barrel of petrol in your own apartment to get a discount for your rent and a tablet on your door with the inscription 'An excellent household apartment'? No? Then that is not the point.

The questions arise one by one. Are the leaders of these countries, who jeopardise their citizens without gaining anything worthy instead really freestanding? Are they really freestanding, those masking their misconduct with talks about some hypothetical threats corresponding to nothing in reality? The answer is evident — no, they are not. And that means that the

country behaving in such a strange way has no sovereignty. In the modern world only a very small number of countries can proudly claim Absolute State Sovereignty. It has always been the case — there have always been those who drive and those who are driven, mother countries and satellites, seniors and vassals, slave-owners and slaves. Nothing changes but the style and the pattern of the curtain which hides this uncomfortable truth from the majority of the population. *The states enjoying the sovereignty in its full range can be counted on the fingers of one hand.* Normally the situation looks as follows: the state has its flag and its president. And that is it! These are the alpha and omega of the sovereignty of some 'proud and independent' country. Deeds, words and acts of this state are imposed by its 'partners'.

In 1985 these sovereign countries were the USSR, the USA, Great Britain and China. All the rest had to more or less coordinate their steps with the 'big brothers', whose struggle against one another formed the main subject of the world politics. In just a few years' time, the reality looks far less promising for us. Today the Absolute State Sovereignty is maintained by Great Britain and the USA, two world powers forming the skeleton of the policy-makers, and China, which stepped in the shoes of the USSR, and which is now the country with the world's highest rates of economy growth. Did we miss anybody in our list? I am afraid not. *Today's Russia is not among the countries with the Absolute State Sovereignty.* Our country enjoys only a restricted, partial sovereignty, the acquisition of the Complete State Sovereignty is the object of the unseen struggle carried out at the moment. Sometimes this struggle spills over onto TV-screens and the pages of newspapers in the form of news of the next terrorist attack or the 'earthshattering' international meeting.

The internal problems of today's (as well as of yesterday's, though) Russia derive directly from the loss of the Complete State Sovereignty. Before we find out when we lost it, we have to clarify the terms. So, what is the Complete State Sovereignty?

It consists of five different sovereignties:

As examples of a country with partial sovereignty; Germany, France and India can be mentioned. Do you trust to find your country in this list, dear reader? Can you with hand on heart, quite honestly say that the government of your country acts in the interests of your country, and does not act under the pressure of Washington or London?

- 1. The recognition of the territory of the country by the international community, the flag, the national emblem and the national anthem.
- 2. The diplomatic sovereignty, implying the ability to pursue an independent international policy, which means that the state should be free to choose its own friends and its own enemies. If you are on good terms with Iran, you will never care that the power in this country is held by the Ayatollahs who are not popular in the USA. You can punch the aggressor in the face and you need not worry that this aggressor is the democratically elected president of Georgia.

Once the diplomatic sovereignty is achieved, objective processes start immediately and dictate the necessity of obtaining two further sovereignties. It is a well-known fact that military power and a strong economy are the only factors the diplomats have real respect for.

So, the third and the fourth sovereignties will be:

- 3. The military sovereignty the ability to rebuff an aggressor and to provide security for yourself and your allies;
- 4. The economical sovereignty the economical and industrial development, providing for further advancement of the country out of its internal reserves.

Is that all? No. There is also a fifth sovereignty, and as our history instructs it is the most important one. The lack of this is the first step that leads into the abyss.

#### 5. Cultural sovereignty.

Let us refocus. Solely in the case of all five sovereignties being present is it possible to speak about the Complete State Sovereignty. If we consider all the modern countries from this point (or reconsider the history), we will immediately notice that practically every country lacks one or several of the abovementioned points. For instance, today's Germany doesn't have military sovereignty. German armed forces amount to ca. 250 thousand people. Here it can be recalled that by the time Hitler came to power in 1933, the effective strength of the Weimar Republic's army had reached 100 thousand people, with which Germany was considered completely disarmed, as good as having no army at all! Yet at the time when the country

<sup>&</sup>lt;sup>1</sup> http://www.rodon.org/polit-100903111615.

of beer and sausages was full of strength and was actively developing, the corresponding figures were radically different. Just before the First World War in 1914, the peace-time strength of Germany was 801 thousand people. Is this an argument indicative of the German aggressive character? No. In the same year, France had the disposal of a regular establishment numbering 766 thousand. Today, the population of Germany amounts to 83 million, i. e. it has grown by 20%, and its army in comparison with 1914 has shrunk to a quarter of its size. What does it mean? Nothing but the lack of military sovereignty in Germany.

Yet if anybody stated that a large army in today's world is an anachronism, I would refer to the article concerning the US Secretary of Defence, Donald Rumsfeld, just to give them a general idea of manpower of the American Army: 'Currently the armed forces of the USA amount to ca. 2.6 million men and women, from which 1.4 are on the active service, 876,000 of guardians and reservists are in the military bases, and 287,000 form the special trained reserve.' Why then is the US so reluctant to reduce its huge army, even given the enormous yearly budget deficiency?

It is because a strong army is the *sine qua non* condition for having Complete State Sovereignty. And equally importantly, it is a possibility for one country to deprive other countries of their sovereignty at its behest, exactly as the USA has done with Iraq, and as it has done with Yugoslavia.

The rules in politics would never change, just as the desire of street boys to be strong and muscular so that nobody could offend them. Germany has a small army because it has delegated a part of its sovereignty to NATO and 'personally' to the USA. Germans have no military sovereignty, and therefore no diplomatic sovereignty, whereas their economical sovereignty is evident. The German economy is the biggest in Europe, and Germany is the top GDP country of the euro-zone. So, why does Berlin send its soldiers to Afghanistan? Because Berlin is not allowed to act otherwise.

<sup>&</sup>lt;sup>1</sup> The population of Germany numbered 67 million, and the population of France 39 million. That's why the 'militarization' of Germany was less than that of France percentage-wise — 1.2% against 2%. (*Isaev A. V.* Antisuvorov. Moscow: Exmo, Yauza, 2004; http://militera.lib.ru/research/isaev\_av1/04.html).

 $<sup>^2\ \</sup> http://germany-germaniya.de/naselenie-germanii.html.$ 

<sup>&</sup>lt;sup>3</sup> http://grani.ru/Politics/World/US/Us\_politics/m.74496.html.

<sup>&</sup>lt;sup>4</sup> In 2010 it will amount to 1.4 trillion US dollar.

What do German soldiers have to look for in Afghanistan? Do the Taliban endanger the security of Germany? No, the reason is different. The USA and Great Britain invaded a country of major strategic significance under the following contrived pretext; Afghanistan borders on Pakistan, Middle Asia (i.e. Russia), Iran, China and — over the little stripe of the Pakistan territory — with India. While there, the Americans get the opportunity to trouble quite a number of their political contestants. That is exactly why after Americans and the British came to Afghanistan, the drug production that had nearly been eradicated by the Taliban, was resumed, and what is more, on a massively industrial scale.<sup>1</sup>

This is not purely coincidence. Drugs mean a possibility to kill the young of Russia, Iran and China. Drugs provide an excellent excuse to place these countries under one's control. Drugs mean corruption, which is one step away from the betrayal of one's own country. Drugs mean networking with the dregs of society, with its feculence, with people who are willing not only to import and sell the deadly potion, but also to organise the terrorist act and assassination as well — just for being paid.

The interests of the USA are clear to us. But what about the Germans? Why on earth are they in Afghanistan? And Italians? And Estonians, and Latvians? I will not even ask about Estonian and Latvian soldiers — the matter is abundantly clear. Our Baltic friends had never had the real sovereignty — and will never obtain it. But Italy and Germany? From the first glance these countries are self-sufficient and sovereign. But, alas, they are not free to stop sending their soldiers to this senseless war! While studying history and politics, please, keep in mind a simple truth: the ownership of a flag and an emblem per se counts for nothing. Never be surprised if a country acts against its own interests. The simple fact is that this country does not have a real autonomy.

So, let us check, what the situation with all compounds of the Complete State Sovereignty looked like in different years in our country.

What did we have in 1952? In this year all five sovereignties were present:  $\Box$  recognition, flag, emblem and anthem were present;

☐ the diplomatic sovereignty — the ability to conduct an independent international policy was disputed in arms during the Great Patriotic War;

<sup>&</sup>lt;sup>1</sup> 'Quite by chance' it has grown by 40 times (http://www.narkotiki.ru/ocomments\_6728.html).

the military sovereignty was present — the USSR did not stand behind its contestants; every effort was exerted for production of nuclear weapons;
the economical sovereignty was present — the food-coupons were abolished, the country was recovering;
the cultural sovereignty was present: songs, values, cult-figures — all of them were of Russian provenance.
<i>In 1980</i> only four sovereignties were left: recognition, flag, emblem and anthem were present;
the diplomatic sover eignty — the ability to conduct an independent international policy was present;
the military sovereignty was present — the USSR still did not stand behind its contestants, having joined the armament race, adhering to the law of the talion, rather than to the principle of sufficient cause <sup>1</sup> ;
the economical sovereignty was present — food shortages occurred, but nobody went hungry.

Yet the cultural sovereignty had vanished: everyone was chasing after the foreign rags and chewing gum. The West — is the 'regent of dreams'. The West was considered something advanced, whereas our own country was disrespected as a backward 'sovok' (from 'soviets').

It is the loss of cultural sovereignty that became the starting point of the tragedy of Russia — the USSR. We started with losing our cultural sovereignty under Khrushchev — Brezhnev, then the military sovereignty under Gorbatchev. Unilateral reductions of the newest missiles, withdrawal of troops everywhere and the termination of the Warsaw pact<sup>2</sup> are the hallmarks of this process. As a result, the economical sovereignty shrunk

<sup>&</sup>lt;sup>1</sup> For no apparent reason, merely out of considerations for prestige, the USSR strived to maintain the military balance up to the last decimal place. I.e. if the USA had 4000 nuclear warheads, we had also to have 4000, even though 2500 nuclear devices were enough to destroy all flesh on the Earth several times.

It was dissolved on 1st July 1991. As Gorbatchev was told that there were no guarantees of NATO dissolution, and it was necessary to get such first, he replied: 'What will the West need NATO for, once we have dissolved the Warsaw pact?' The West played up to him readily. On the 19-21 November, on the plenary meeting of the heads of OSCE countries in Paris, the Charter for a New Europe was adopted: 'The era of confrontation and division of Europe has ended... New partnership will be built... Security is indivisible' (Utkin, A. General Secretary's Betrayal. M.:

immediately, instantaneously. Ration books and coupons emerged; the life became dependent on the credits from the West. The gold reserve of the USSR disappeared without a trace. The 'gold of the communist party' was hunted for by the democrats, whereas they never cared for the 'Gold of USSR'. Because the only place where this gold could have gone was the West. There were no other possible destinations.

And finally, the last thing we lost was the diplomatic sovereignty, as the destiny of the country was decided not within but without the country's participation. Yet the process of demolition did not rest there. The subsequent shameful dissolution of the USSR with violation of all thinkable laws, the notorious agreement in Belavezhskaya Pushcha (Bialowieza forest) was the bottom-line of a complete loss of the diplomatic sovereignty. The freezing point had been reached. Immediately after the session, as three politicians who had violated the results of the referendum on retaining of the USSR decided to dissolute it, Boris Yeltsin dialled Washington and reported what had happened!¹ Just like in the TV-game 'Who wants to be a millionaire?' — the first call is to the friend!

And after you have lost everything — what do you need your life for? And so the USSR vanished literally a few days after it had lost the remnants of its sovereignty...

*By 1992* all we had was the international recognition:

- □ a beautiful flag, emblem and the recognition by the West of the new strongly curtailed borders of our country;
- □ no diplomatic sovereignty left Russia gives up all its friends just like that for patronizing compliments on its steady move towards democracy;

Algoritm, 2010. P. 96.). Where is this declaration now? Who executes it? Who observes it?

Since we have touched upon the Eastern Europe — please, note that none of the former USSR allies became neutral, i.e. independent. All of them entered NATO. That confirms once again the old truth: if you do not control something, this 'something' will be controlled by somebody else. And this 'somebody' will never be neutral. If you renounce your control over something, this control will be just taken over by your rival. That is all.

Gorbatchev learned about the dissolution of the country which he had been ruling, from mass-media. He was very offended by the fact that Yeltsin did not call him but George Bush.

- no military sovereignty left we started disarming unilaterally;
   there was no trace of the economical sovereignty the country could supply itself with nothing, the whole industry was being sold out at no price;
- ☐ no cultural sovereignty left we were actively taking over foreign values.

Yet Carthage shall be destroyed, shall it not? Wiped off the map. So the process of our sovereignty should have been brought to the final point, and this final point should be the complete decay of the country. By the end of the nineties that proved to be a terrible reality: the Ural republic under Eduard Rossel — the republic with the completely autonomic state structure, as well as numerous presidents of the autonomy republics and districts were already present. *By 1999* Russia's sovereignty was reduced to a flag, emblem and the internationally recognized territory. It is this fifth sovereignty that we were sentenced to be deprived of. It would have meant a break-up of Russia into minor states; it would have meant a war and chaos. The signal for this scenario was given by Basayev's invasion of Dagestan. The country was completely ready to be surrendered. Yet it was not...

The turn of 2000 marked the beginning of the gradual restoration of the Complete State Sovereignty. The previous process had been reversed. What was lost last was regained first. The whole thing began with restoration of diplomatic sovereignty, i.e. with the second Chechen operation. I am speaking about the right of the country to have control over its own territory, whatever the opinion of the international community may be. I am speaking about maintaining friendship with those countries, whose friendship is profitable for Russia. I am speaking about repelling an aggressor in the South Ossetia. Let us face it — it was not the Georgian president but the USA standing behind, who was chinned by the Russian troops. With my own eyes I saw reports from the South Ossetian capital... a corpse of a black soldier in the NATO uniform. It was shown a couple of times — then these shots disappeared from the broadcast. A military advisor, killed in the battle. It is not by chance, that in the Soviet tanks, that had been in arsenal of the Georgian army and were captured in Tskhinvali, the labels inside the machine were written in English...

By 2011 we had:
□ recognition, flag, emblem and anthem;
□ partial diplomatic sovereignty — we have to bargain with the USA and act with caution on it;

the military sovereignty is being restored, this process may be slow, but
it is taking place;

☐ we are still missing economic sovereignty.

The cultural sovereignty still stays out, yet it is on the rebound. Like after the cruel disease we come to ourselves, recover from amnesia and finally realize how meanly we were deceived by the 'perestroika foremen'. Once again our youth starts to be proud of our country. Patriotism has apparently grown in the last ten-fifteen years; the times when our tourists felt ashamed to confess that they are from Russia, are over. This does not sound like a huge progress, does it? No, it does not, the progress is indeed very little. Annoyingly little. Yet the direction is right, however slow the tempo may be.

The objective of the management and the government of Russia shall be acquisition of Complete State Sovereignty of Russia.

How can we get rid of the deficiency of State Sovereignty? How then to restore the Complete State Sovereignty? The road out of trouble is the same as that into trouble, yet travelled in the opposite direction. We see that the restoration of Complete Sovereignty involves all five components of sovereignty. Now we have got the first, the second (nearly), the third and the fifth ones. The matter depends on the fourth sovereignty — the economic one. In order to achieve something, one has to have a clear understanding of what one wants to achieve. The structure of today's world is a financial one par excellence. Today's chains consist not of iron and shackles, but of figures, currencies and debts. That's why the road to freedom for Russia, as strange as it may seem, lies in the financial sphere. Today we are being held back from the progress at our most painful point — our rouble. Exactly in the same manner as the lack of sovereignty had formerly been symbolised by the enemy soldiers in the streets of our towns, now the defeat of those towns is testified by the enemy's currency, which is entirely soft. As our sovereignty was threatened by the enemy's soldiers, we had our army to oppose this threat. Today the enemy's soft currency shall be opposed by our, Russian currency.

Here I anticipate a reasonable question: is this currency not ours anyway? Does the rouble not belong to us? Well, our rouble, the Russian currency unit, is — just to put it delicately — in a way, not quite ours. And this situation is the most serious obstacle to our country's development.

Let us examine this situation.

### 1

### About the Federal Reserve System and the non-Russian Central Bank

There is no conspiracy, but if we speak the language of practical results, the consequences are as if there has been a conspiracy.

David Korten

When the **heroes** go off the stage, the clowns come on.

Heinrich Heine

What do we know about the world around us? Only what we see, hear and read. Knowledge comes together with information and knowledge is followed by understanding. Everyone deals quite well with everyday problems. Everyone knows that if the sky is overcast with clouds, it is going to rain. And that means that one should take an umbrella or not even leave home in the first place. Any adult knows that if food is left on the table, and it is warm in the room, it will go off. Everyone knows not to put fingers into a socket or jump off high buildings onto driving cars, like Hollywood film characters. But there are fields of human activity where practically no one understands the way things work. And I do not mean nuclear physics or the structure of Universe. I mean the sphere that nearly everyone uses, knows of it existence and yet will not be able to answer even the simplest questions regarding the way it functions.

Maybe, ordinary people do not even need this understanding? Why burden oneself? We do use TV sets, microwave ovens and digital cameras. But when asked how an image can be transferred with the help of numbers, or what waves rage in that little box and make things warm up, few people will be able to give a coherent answer. It is not that things feel more useful if we do not know how exactly they work, is it?

Yes. Heating up a sandwich without knowing how a microwave oven works, is possible.

Yet establishing a prosperous state while not understanding the principles of the modern world order is impossible. Similarly, all attempts to build one's own prosperity in a world where everything is in accordance with definite, logical but concealed laws, not knowing the basic principles of today's world, would be like sand castles. The rules are set, the game has been on for a while. But no one announces the rules. On the contrary, other players are trying to convince us that we are competing in ballet, while it is actually ultimate fighting. Imagine the following situation: a tennis player has arrived at a competition. He is holding a racket, wearing a baseball cap and he has tennis balls in his pockets. And only when he is already on what should be a tennis court, he realises that it is not a lawn but ice, as at an ice rink. And his opponent looks a bit strange: he is wearing new skates and a helmet and is holding a stick. How long can the tennis player withstand the hockey player if they are actually playing hockey?

The conclusion is easy to make: one must understand what game one is playing, who the opponents are and what the rules are. Otherwise, one is bound to be defeated. Otherwise, at a national level one can easily play Gorbachev's part. He became the best German of all times and ruined his own country at the same time. **He helped Germany reunite and a year later tore his motherland apart!**<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Gorbatchev's achievements in German reunification are enormous and undeniable. It is not for nothing that he was conferred with a title of 'the best German.' The thing is that he was the one who insisted on the scenario that was realised in reality. Germany's allies in NATO — Great Britain and the USA — vehemently opposed to the restoration of Germany's unity. A certain interim period was suggested. The Anglo-Saxons have always been afraid of independent and strong Germany, and this argument will have importance in their policy as long as Germany is powerful. And having done so much good for the Germans, Gorbatchev did as much bad for Russians. As of today, the Russian people is the most numerous

One has to be an idiot to cut down the size of the army and reduce the weapons in exchange for beautiful promises! And all of this served under the pretty sauce of 'world peace', 'disarmament' and 'elimination of the nuclear threat'. Everything was given up. The leaders of the USSR gave up the country's allies, its army, its bases and then the country itself was given up as well as its citizens who all of a sudden found themselves in what was now a foreign country. And what happened in the end? Did the world become more secure? Did the main opponent, the USA together with NATO, disarm? How much blood has been shed in wars since then?

This is what incompetence and lack of judgement in political leaders may cause. Their good intentions to establish peace for everyone lead to wars and catastrophes because rivalry and political struggle were never cancelled. And therefore there is a sphere that everyone needs to understand, even if it seems too difficult and one does not feel like it. Even if one does not want to think about it or it is hard to believe in it. Because common ignorance will eventually concern everyone, and even if it does not concern yourself, it will concern your children. In any form. In the best case scenario, ordinary people will buy dollars as they get more expensive again and will start selling euros when they get cheaper. For their future retirement allowance they will buy shares that by the time they actually retire will cost nothing. In the worst case scenario a tank strike will shatter their house and an explosion in the underground will take their lives or health...

divided people not only in Europe but in the whole world! There are Russians left beyond the borders of Russia and Belorussians and Ukrainians, that are not three 'fraternal' peoples but one people. A unified country was cut into pieces, a unified people was divided. So, why is Gorbatchev so disliked in his motherland?

The Germans were mad with happiness and were ready to sign any conditions of reunification. Including leaving NATO for the unified FRG. Gorbatchev took their word for it. When, a bit later, withdrawal of Russian troops from the former GDR was discussed, Germany was ready to pay any amount as compensation. And this is understandable — how much does it cost to unify a people? No amount of money can be excessive here. Gorbatchev refused to take the money although the USSR had to take loans from the West at the time. As a result the troops were withdrawn into the fields. Why hurry? The troops needed to be withdrawn slowly, to make sure that unified Germany was neutral and kept to its obligation on leaving NATO. Nothing better than a 100,000 strong army has been invented to control politicians over keeping their promises.

Politics and finances. These are the spheres of human life that require knowing at least the basic principles, otherwise it may incur real damage to human life. Finances today have brought politics to heel, have replaced politics with themselves. Not understanding this sphere may destroy peoples and countries. Today's world is based on finances, it lives among finances and is controlled by them. Therefore, dear reader, you will have to examine modern currencies. There is no moving on without it.

The financial world is not a group of geeks in front of computers, it is not polite clerks in banks and not even traders at stock exchanges. The financial world is aircraft carriers, nuclear-powered submarines, tanks, fighters and helicopters. It is infiltrators and assassins, snipers and spies, politicians and public figures. And all of that is only needed to preserve the existing financial order of the planet, to retain their dominance and even assert it. The most interesting thing is that despite clear physical signs of such world order, most people do not even have a slightest idea how everything functions. And those who dominate, those who created this theatre of the absurd, need exactly that.

In order to understand what is happening around you today, you have to realise three things, and they should be understood in combination.

1. The keystone of the modern financial world is the dominant part of the dollar. That means that all prices in world economy are only defined in dollars. Oil, gas, gold, aluminium etc. are only sold for dollars. All natural resources, all metals and all their derivatives. That means that it is in dollars that prices for production are defined. To put it short, everything, nearly everything that is sold at the global market, is only sold for dollars. This is how world economy works. If you want to buy gas or nickel — get your dollars out. It is impossible to buy them for euros or Norwegian Kroner. You have to exchange your currency for dollars. And that means creating extra demand for them.

And that is not all.

2. Not only is the dollar the main means of payment in today's international trade but it is also the main means of savings. And by that it is not private savings of people around the world that are meant but savings of countries themselves. The so-called gold and foreign currency reserves. Whichever country you take — it will have less gold in the reserves than currency. Therefore it would be more sensible to call such reserves foreign

 $<sup>^{\</sup>rm 1}$   $\,$  The share of gold in the Russian gold and foreign currency reserves is less than 10%.

currency and gold ones.  $^1$  But you had better get used to it — in the financial mirror-world all terms are designed to confuse the situation rather than make things clear.

3. It is not the United States of America but a private institution called the Federal Reserve System of the USA that issues the main currency of the world.<sup>2</sup> Private initiative has nothing to do with it. The US dollar just does not belong to the USA. The fact that the dollar is issued by a private institution is even stated on the dollar bill. But who reads that? Meanwhile, it says everything quite clearly. No one hides anything. American money says nowadays: Federal Reserve Note.

You are not holding a US dollar, you are holding a dollar of the Federal Reserve System.<sup>3</sup> But this strange situation has not always existed in the USA. It will soon be 100 years since the American government decided to privatise emission of the dollar. The Fed was established in December 1913, when President Wilson signed the Federal Reserve Act.<sup>4</sup> When money was issued by the Government and not by a private institution, dollar bills said a different thing: United States Note. Can you feel the difference? There used to be state money (bills) and now there is corporate money (bills). But, alas, there is no state money in the USA any more.

Even on the Federal Reserve official website you will find public information about its private nature: The Fed is a mixture of public and private elements.<sup>5</sup> This phrase is rather misleading — a bit like what they say about mixtures of raisins and nuts. Can such a phrase be found on a governmental institution website? Say, at the US Navy website? Or on the US Air Force website? Even the National Guard cannot say that it is a 'mixture of public and private elements'. Because the army, navy and police in the USA, as anywhere in the world, are run by the state. Whereas the organisation that

We mean countries whose currencies are not considered reserve currencies. More information on this system below.

 $<sup>^{\</sup>rm 2}\,$  This organisation has many names — FRB, The Federal Reserve, The Federal Reserve System, The Fed etc.

We will speak of peculiarities of the dollar, its history and its numerous varieties in one of the chapters of this book.

<sup>&</sup>lt;sup>4</sup> Or Act of December 23, 1913 / http://www.federalreserve.gov/pubs/Federies/Federi.htm.

<sup>&</sup>lt;sup>5</sup> http://www.federalreserveeducation.org/fed101/structure.

issues American money is not. We do live in a strange world! Although, what is so strange? Who controls the wallet controls everything.

You can often hear statements that the Fed is controlled by the US government, which, allegedly, makes it a state organisation. Refuting this statement is very easy. All it takes is to look at the founders of this institution. The Fed was established by twelve Federal Reserve banks scattered across the USA. It would seem that the Fed is a federal organisation since it consists of federal banks. But this is just a facade, a mimicry. There is not a single state-run bank in the USA! All the banks that have the word Federal in their names, were actually established by ordinary commercial banks which had been grouped according to their location. And who are the founders of American commercial banks? Via a chain of companies, shares, trusts and funds, it is always INDIVIDUALS. Therefore, the twelve Federal Reserve banks comprising the Fed are owned by unknown individuals, and not the American state. And each of these twelve Federal Reserve banks has the right to issue dollar bills. If you are curious, you can take a note you have and read where it comes from.

For an outsider, all proprieties are observed. An illusion is created that the Federal reserve is controlled by the state, although it is actually independent. It is about the independence of the Federal Reserve that you will read in all reference books. And it will be presented as a great advantage. The Fed is an 'independent financial institution established in order to function as the central bank and perform centralised control over the US commercial bank system.'

So, what is the Federal Reserve System independent from? From the government. This means that the President of the United States has no influ-

You will find more information on establishment, structure and functioning of the Fed in my book called 'Crisi\$: How is It Organized', therefore we will not go into too much detail here.

<sup>&</sup>lt;sup>2</sup> Banknotes and coins of the Federal Reserve System of the USA: Reference Book. Moscow: IPK 'InterKrim' — press'. 2008. P. 10.

Each Federal Reserve bank is assigned its own number and letter. If you look at the front of the banknote, you will see the mark below the serial number on the left side of the note: A1 — Boston, B2 — New York, C3 — Philadelphia, D4 — Cleveland, E5 — Richmond, F6 — Atlanta, G7 — Chicago, H8 — St. Louis, I9 — Minneapolis, J10 — Kansas City, K11 — Dallas, L12 — San Francisco.

<sup>4</sup> http://rosfincom.ru/news/1849.html.

ence on the policy of the Federal Reserve. Otherwise, what independence are they talking about? If the head of a corporation can appoint or dismiss the head of one of the companies within its corporate group, we can hardly talk of any independence. And if the head of the corporation has no right to dismiss him or make him to pursue a policy needed by the group, what kind of head of corporation is that? This is not authority any more but mere illusion. Similarly, speaking of the independence of the Fed on the one hand and of the control exercised by the state, on the other, is creating an illusion. One cannot be slightly pregnant, it is either one thing of the other.

The essence is simple: in the capitalist world everything is decided by shareholders, that is by owners of companies. If they want, they can appoint a CEO, otherwise, they can give him the sack. No American president could make Coca-Cola or Pepsi shareholders dismiss or appoint the CEO of these companies because neither he, nor the American government owns the control stock of these organisations. The situation with the Fed is similar. How many shares of the Federal Reserve System belong to the American Government? None. How can the President appoint or sack the head of the Fed? He cannot.

It does all look decent though. The Federal Reserve banks establish the governing body of the Fed, called the Board of Governors, and delegate one member each. Each member of the Board of Governors is appointed for a term of 14 years. These Governors then elect the Chairman of the Fed. He is appointed for four years and the US President confirms him at the position.

What do we see? This is an imitation of subordination. This is what you will find in the book written by the Fed Chairman, Alan Greenspan: 'Federal Reserve System, formally independent from the White House.' What is informal dependence then? In a world where the whole management structure is strictly vertical, such dependence simply does not exist. No structure has

<sup>&</sup>lt;sup>1</sup> Thus, the issues of the financial universe on the global scale are resolved by thirteen people: a banker from each of the twelve federal reserve banks plus the Chairman of the Fed.

<sup>&</sup>lt;sup>2</sup> www.federalreserve.gov.

<sup>&</sup>lt;sup>3</sup> *Greenspan A.* The age of turbulence: adventures in a new world. New York: Penguin Press, 2007.

one. There are always superiors and subordinates, ordered according to the staffing establishment, law or criminal practices.

We are dealing with an imitation. An imitation of formal subordination. Going back to the Coca-cola example, its shareholders can write in the corporate charter that every CEO has to be confirmed by the President of the United States. The head of the White House does not own any shares and therefore cannot vote. But he is granted the honourable right to sign the confirmation of the head of the company. The situation with the Fed is exactly the same because the appointment of the Fed Chairman is the most important appointment in today's world economy and hierarchy. Far more important than that of the US President.

You will also read that the FRB is accountable to the US Congress. But this is an imitation as well. It is as though the head of the Coca-Cola company made a statement in Congress and members of Congress heavily criticised it for the high concentration of sugar in the drink and for using the plastic packaging. What could they do apart from criticising? Nothing — Coca-Cola would continue to produce the same drink, with the same concentration of sugar and in the same packaging. In a similar manner, the FRB is accountable to Congress for its performance. And members of the Congress can criticise the organisation as much as they please, they can stamp their feet in anger and blame them for causing the recession and bad performance but it would have no legal implications.

As a result, we get a very peculiar image.

The main money for trading and main money for saving on the global scale is issued by an organisation owned by an unknown group of private bankers. But why should we care about the USA and the rest of the world — we should be primarily interested in our own country. It is high time we discussed the rouble. Let us look at it. Let us read what it is written on it. This is something that an ordinary person in everyday life never does. We are, frankly speaking, only interested in the value of the bill and not in what it says. Now, let us have a look. 'A note of the Bank of Russia'. Does it mean that the note was made in Russia? Geographically, yes. And de jure — no. Why? Remember the Federal Reserve System that issues green dollars with portraits of American presidents, an independent Central Bank, independent from the state. Is the Russian system the same?

In order to understand it, let us read the law on the Central Bank of Russia (Bank of Russia).¹ Let us start with the simplest question — who issues roubles? This is easy — the Central Bank of Russia, also known as that Bank of Russia, has the monopoly on issuing the Russian national currency. This is exactly what article 4 of the law says: 'has the exclusive right to issue cash money and organise its circulation.'² Does this sound sensible? Yes, there should be only one issue centre. But what is it controlled by? In order to find out, we carry on reading. The most interesting article in the law on the Russia Central Bank is probably article 2. It contains so much information that one needs to read it at least twice. Let us look at it as a whole and then examine the details.

'Article 2. The registered capital or any other property of the Bank of Russia is considered federal property. In accordance to the goals and in the order specified by this federal act, the Bank of Russia exercises the authority to possess, use and dispose of the property of the Bank of Russia, including the gold and foreign currency reserves of the Bank of Russia. Withdrawal and encumbrance of the aforementioned property without consent of the Bank of Russia shall not be allowed, unless specified otherwise by a federal act. The state shall not be liable for the obligations of the Bank of Russia, and the Bank of Russia shall not be liable for the obligations of the state, unless they have taken such obligations or unless otherwise specified in federal acts. The Bank of Russia undertakes its expenditures by means of its own profits'.

So, what belongs to the state? The property of the Bank of Russia. That is — the real estate. Furniture of all sorts, chairs and suchlike. Wallpapers. Pens and computer mice. Turntables in microwave ovens. Is that it? No, it is not. There is also the *'registered capital'* of the Central Bank in the amount of three billion roubles.<sup>3</sup> Is it much? You can answer this question yourself. First, look at the size of the gold and foreign currency reserve of

<sup>&</sup>lt;sup>1</sup> The principle of the so-called 'independence' of the Central Bank is the basis of the world economy. It is this burden that pulls it downwards, to the bottom. We will study the situation using Russia as an example. But if you, my dear reader, start studying the law on the Central Bank of your own country, you will find the very same things in there.

<sup>&</sup>lt;sup>2</sup> http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=LAW;n=35977.

 $<sup>^{\</sup>scriptscriptstyle 3}$  The size of the registered capital — Chapter II, Article 10.

the Central Bank.¹ These figures are published every day. Today the reserves amount to ca. 465 billion dollars. Now, you tell me whether three billion ROUBLES is a lot compared to 465 billion DOLLARS. This is very little. It is not the registered capital that matters but the assets of the Central Bank, its gold and foreign currency reserves. This is the 'grand prix', so to speak. And it is very peculiar that the gold and foreign currency reserves should be described in the law as 'other property'. Yet the most interesting part is ahead.

The gold and foreign currency reserves of the Bank Russia do not belong to Russia itself.

How else would you explain the following: 'Withdrawal and encumbrance of the aforementioned property without consent of the Bank of Russia shall not be allowed'. If the states owns the property, then it does not need consent from an organisation that uses the property ON BEHALF OF THE STATE. If the states owns a plot of land, it does not need any consent from the current tenant in order to build something on the land or sell it. In the case of the Central Bank we get a very strange picture — Russian citizens, voters, the people, elected high officials and through these officials granted the Central Bank with authorities in the financial sphere. It was entrusted with the country's gold and foreign currency reserves. And now they cannot use these values without consent of the Central Bank. Imagine that you let someone your own flat and then would not be able to use this flat without the tenant's consent.

'The state shall not be liable for the obligations of the Bank of Russia, and the Bank of Russia shall not be liable for the obligations of the state'.

If the state owns the property of the Central Bank and its gold and foreign currency reserves, why shall it not be liable for its obligations with this property? If the money and the gold belong to the state, then the state can pledge it, that is to be liable for its obligations with its assets. And in our situation, the country seems to have the money but it cannot be spent. It cannot be pledged. Nothing can be done without consent of the Central Bank of Russia. And we have come across another example

<sup>&</sup>lt;sup>1</sup> To calculate the exact share of gold in our gold and foreign currency reserves, you need to go to the website of the Central Bank (http://www.cbr.ru) to the section 'International reserves of the Russian Federation'. Then you just need to divide the amount of reserves in gold by the amount of reserves in dollars and then multiply the result by 100.

of legal nonsense — the user can prohibit the owner to use their own property. Or does that mean that the gold and foreign currency reserves do not belong to the state?

'The Bank of Russia exercises the authority to possess, use and dispose of the property of the Bank of Russia, including the gold and foreign currency reserves of the Bank of Russia'.

Please note: **the authority to dispose**. What is that supposed to mean? When at a state institution, say, at a fire station or a tax office, a fire fighter or a tax inspector is sent to work and they are provided with appropriate instruments. The fire fighter is given a hose, a helmet and a fire engine, and the tax inspector is provided with a computer, a calculator and some paper. But the authorities of these employees are confined to, speaking of the language of the law on the Central bank, '*use and possession*'. There can be no disposition here. The fire fighter does not own the fire engine and the fire hose, and the tax inspector does not become the owner of the computer and the calculator. Similarly, a soldier does not become the owner of the tank or the aircraft that he has been entrusted with to protect the country, and a policeman does not become the owner of the gun and the bulletproof vest needed to capture criminals.

The 'right to dispose' is a legal term that indicates the owner of the gold and foreign currency reserves.

Your family has a wallet which contains a lot of money. You earned it over many years through honest labour. But you are not allowed to spend it. Under no circumstances unless you have the consent of an absolutely independent man who, incidentally, lives in your flat. Technically, he works for you. So to speak. But in reality, he is entirely independent from you. He sets the salary himself, he pays it himself.<sup>2</sup> And you are the one who depends on him, and quite a lot because he is the only person who can authorise you to spend the money YOU have earned. And without his consent you cannot do it. And to avoid all temptation, all your salary and your savings now go to

<sup>&</sup>lt;sup>1</sup> This is legal terminology. The three stated rights: possession, use and disposal — belong to the owner of the property according to article 209 of the Civil Code of the Russian Federation. This means that the owner of the gold and foreign currency reserves is the Bank of Russia!

<sup>&</sup>lt;sup>2</sup> This is exactly how the Central Bank does it. The same article 2 says: 'The Bank of Russia undertakes its expenditures by means of its own profits' And what does the Bank of Russia do? Oh, it issues money. Hard work. Barely makes ends meet.

the man and not to you. He guards the 'gold and foreign currency reserves' of your family. You find it unfair? Inconvenient? Strange? On the contrary! It is fair! Convenient! Progressive! And what is most important, there is no other way — if you are entrusted with the money, you can spend it. This is how this situation is explained to us. But you would quickly sort it out with the man in your family — you would simply kick him out. Right? But the man is cunning! As soon as you want to kick him out, he starts shrieking so that all the neighbourhood can hear him. And at the entrance to your house three more men are standing, 'just in case'. They are called 'Human Rights Organisations, 'Independent press,' 'Civilised countries'. And it is not you who they listen to, but to your unwanted financial assistant. They vigilantly guard order and justice, effectively stopping you from hurting the man and making you politely ask him for approval of your expenditures. Why? Because you signed the Law on the Central Bank of your flat and now you are obliged to abide. Otherwise, all the newspapers of your district, as well as the bulletin of your company will have your portrait with nasty words about you. Your children will be lectured at school about their parent's 'legal nihilism'. And a sign saying WANTED under a picture of you will be attached to the door of your house.

Therefore, the law should be obeyed, and one should meet one's commitments because this is the way the whole civilised world lives. To spend your own money yourself is obsolete. Look around — all the neighbours live like that. They also have an independent man in their flat, and so does everyone in the building. It is hard for everyone. But everyone has something to aspire to. The boss of all these men lives on the top floor. He spends his money the way he wants, and, what is more, he is authorised to control all the men in the building. He drives around in a Mercedes, and everyone else in the building drives old cars. But the reason why he is so prosperous is concealed — they say that his posh car comes from the right electoral system. Because all his family issues are only solved through election...

Lets us imagine that you have had enough of this situation and have decided to stop caring about the three guys at the door who make a scene about right violation and carry on with dragging your man to the exit. You have decided to stop listening to the tales that spending your own money yourself is obsolete and inefficient. You were not convinced that the independent man is the key to your prosperity and wealth. In a word, you have decided to kick the annoying man out of the flat once and for all. And what

do you see? Next to the lift there are three more people. Huge muscular blokes with very grim faces. The armbands on their sleeves say 'The US army,' 'The British army' and 'NATO'. Still determined to kick the man out? Get ready for a fight then...

The law on the Central Bank is full of controversies. It is technically federal property, and nevertheless, the Central Bank has no obligations towards the state. What is more, should we, that is the state, decide to get rid of the annoying man and use the gold and foreign currency reserves of the Central Bank to build new factories and roads, we would be doomed to failure. The three guys next to the lift would not beat us up while we still have the Russian army and the nuclear shield. But very soon a fourth roughneck would come to the flat. 'Independent International Court' is written on his back. You must have already guessed that there is no chance for justice. The Central Bank of Russia, if the Russian state wants to use what allegedly belongs to it… can file a complaint to the international court!

'Article 6. The Bank of Russia is authorised to file suits to courts in accordance with the legislation of the Russian Federation. The Bank of Russia is entitled to appeal to international courts, courts of foreign countries and courts of arbitration for protection of its rights'.

The Bank of Russia and the state cannot decide a controversy themselves. It will be decided by the Stockholm court of arbitration. Or the independent court of the State of New York. This is as ridiculous as if the Central Party Committee and the People's Commissioners for Finances at the times of Stalin did not solve their disputes in the Kremlin or government sessions, but at the court of the Third Reich. It was equally independent from the Central Committee of the All-Union Communist Party and from the USSR government. Right? Right. Therefore it could decide who was right and who was wrong in the USSR, being the court of Nazi Germany. It would have been fair and impartial. And of course, it would have been guided only by the interests of Russia and by the letter of the law. But the funniest thing is that should the Central Bank appeal to the International Court of Justice, it would inevitably win. And Russia, that is us, would inevitably lose. Why? Because the Central Bank is a part of a whole system of similar central banks which, in their turn are a part of a web called the International Monetary Fund (IMF). And what is most important: the gold and foreign currency reserves of the Central Bank of Russia are not stored in Russia. Except for a small percentage of gold stored in Russia, the rest of the reserves of our

Central Bank does not look like wads of cash from various countries bound with rubber bands but digital 'zeros'. Which are stored, incidentally, in computers abroad. Gold and foreign currency reserves of our Central Bank are invested in state bonds of other countries, mostly in US state bonds: 'Russia has spent over 30% of the gold and foreign currency reserves on buying securities issued by the US Treasury... According to the American Ministry of Finance, our country's investments in American state bonds have grown by 3.5 times over the last year — from 32.6 billion up to 116.4 billion dollars. And now Russia takes the 7<sup>th</sup> place in the rating of countries crediting the United States.'

Can you imagine the USSR State Bank investing 30% of its reserves in US state bonds? Not in gold, but in bonds?

But let us be just — the Central Bank does not invest the gold and foreign currency reserves only in American securities. The International Monetary Fund also receives some funds: 'In the near future Russia will invest 10 billion dollars of the gold and foreign currency reserves in bonds of the International Monetary Fund (IMF). This was announced at a meeting with Russian president Dmitry Medvedev by the Finance minister of the Russian Federation Alexey Kudrin. According to the minister, it was the Central Bank that was going to invest the money.'<sup>2</sup>

The fact that the IMF is fully controlled by the Anglo-Saxons and other monstrous offspring of Bretton Woods will be discussed later. For now we will only note that the Central Bank always purchases various bonds when Russian economy needs the credits resources. But investing them inside Russia is impossible. Why? It is prohibited by law.

'Article 22. The Bank of Russia is not entitled to credit the Government of the Russian Federation to fund budget shortfall, buy state securities at the initial offer, except for the cases when it is provided for by the federal law on federal budget'.

The Central banks of the so-called developed countries credit the budget through buying state bonds. And our Central Bank is not allowed to buy Russian bonds. But it can buy American state bonds and securities of some other countries. This is an important detail: the Central Bank of Russia is only entitled to buy bonds issued by OTHER countries, which means that it

<sup>&</sup>lt;sup>1</sup> http://kp.ru/daily/24267/463675.

 $<sup>^2\</sup> http://top.rbc.ru/economics/27/05/2009/306406.shtml.$ 

is obliged to credit other countries' economies. Very particular economies actually.

According to the legislation, the rouble can only be issued by the Bank of Russia. And according to the same law, it is not entitled to provide loans to the state. How is emission organised then, how are roubles introduced into circulation? Easily — through purchasing foreign currency at the stock exchange.

The system works as follows:
Russia sells certain goods at the global market;
the country receives 100 dollars;
the Central Bank buys the dollars at the stock exchange;
the dollars go to the gold and foreign currency reserves of the Central
Bank;
Russian economy gets 3000 roubles.

In other words, foreign currency can only get into the country through the stock exchange, where it is sold and the respective amount of roubles is 'injected' into Russian economy. Some sort of an unspoken parity rate for the population is observed. The parity rate between the amount of dollars in the gold and foreign currency reserves and the amount of roubles in the economy. For example, oil prices grow. For the same goods Russia now receives 110 dollars and not 100. The parity is tilted and the Central Bank corrects it. It lowers the dollar exchange rate, buys them for less money and injects in the economy a smaller amount of roubles per dollar. If the oil price drops, the process is reverse: the Central Bank increases the dollar exchange rate. And now, for each incoming dollar, more Russian currency is issued. It is the Central Bank that watches the gross volume of roubles. As according to the law on the Central Bank it is the governing body of the Central bank — the Board of Directors — that makes decisions regarding 'total volume of cash issue.'

In other words, there is a strict relation between the monetary stock inside Russia and the dollar stock that Russia receives from the outside. And that means that we are vulnerable. We are not fully independent. Why does the Central bank keep the parity rate between the amount of dollars in the gold and foreign currency reserves and the gross volume of issued

<sup>&</sup>lt;sup>1</sup> Chapter III, article 16.

roubles? Because the Central bank controls issue of the rouble in the 'currency board' mode.<sup>1</sup>

It is required because any country which is a member of the IMF is obliged to guarantee single-step exchange of the total amount of the national currency into dollars and pounds using its own gold and foreign currency reserves. This rule has to be observed at any given moment. Otherwise, a country cannot be accepted to the IMF. And without being in the IMF one cannot be a part of the 'civilised society'.

As a result, the Russian economy does not have as much money as required for its proper operation but equal to the amount of dollars in the reserves of the Central Bank. The amount of roubles that can be issued depends of the amount of dollars Russia received for its oil and gas. That means that the whole Russian economy is artificially put in direct correlation with the export of natural resources. This is why a drop for oil prices causes a collapse of everything and everywhere. This is not due to insufficient tax collection from oil sales. The reason is that roubles disappear from the economy, which is followed by a collapse of trade, construction, reduction in salaries and curtailment of the whole production process.

It is important to understand that the gold and foreign currency reserves of the country are not state reserves. This money is not to be spent. It has to stay in the storage of the Central Bank just to make it possible to issue roubles. The gold and foreign currency reserves do not do any good to the government or the people. Their role is completely different — this is guarantee, which cannot be spent and which allows to issue roubles. Why they cannot be spent is clear — if we sell dollars to cover the country's external debt, the roubles issued under the guarantee will remain in the country. The balance will be distorted. And this is against the rules. This is not acceptable.

Here is an example: Putin paid Russia's external debt. Well done him, he cut one of the financial ropes that the global puppeteers used to control us. Only one so far — the other one is still in use. And he did everything 'in accordance with the rules'. The external debt was paid from the stabilisation fund which actually belongs to the state. No money from the gold and

Yakunin V. I, Bagdasaryan V. E., Sulakshin S. S. New technologies of fighting the Russian Statesmanship. Moscow: Nauchny expert, 2009. P. 298.

<sup>&</sup>lt;sup>2</sup> Today there is technically no Stabilisation Fund. We do have the National Wealth Fund and the Reserve Fund. They are invested in the same 'instruments'; that is

foreign currency reserves of the Central Bank was paid to cover that debt. Why? Because it is not allowed! Why is not allowed? Because in 1944 in a town called Bretton Woods international agreements feigning further development of mankind were signed. We will talk about the Bretton Woods agreements and everything that has happened in the financial mirror-world since when in another chapter.

And now let us continue being amazed while reading the law on the Central Bank. It contains a lot of much more important information. Again, we are going to deal with the main question: who is in charge of the Central Bank of Russia? Who controls it? It seems that no one. At least, no one in Russia. Article 1 on the law is unambiguous enough:

'The functions and authorities specified in the Constitution of the Russian Federation and this Federal law, are exercised by the Bank of Russia independently from any other federal bodies of state authority, bodies of state authority in subjects of the Russian Federation or local government bodies.' We can try our last chance to find any governmental nature of our Central Bank by looking at the order of forming the governing bodies. Chapter III is called 'Governing bodies of the Bank of Russia'.

'Article 12. The Chairman of the Bank of Russia is appointed by the State Duma for a term of four years by a majority of votes of the total number of members of parliament. The candidate for the post of the Chairman of the Bank of Russia is presented by the President of the Russian Federation. The State Duma is entitled to dismiss the Chairman of the Bank of Russia upon the recommendation of the President of the Russian Federation.'

Is that clear? The Russian President introduces and the State Duma appoints. The Duma as well dismisses the Chairman from the post. But this is just the beginning. The law is written in such a cunning manner that the possibility to dismiss the Chairman of the Bank of Russia from their position for the President and the State Duma is purely theoretical. In order to make sure in this, let us just read article 12 to the end.

'The Chairman of the Bank of Russia can only be dismissed from the position in the following cases: 1) expiry of term in office; 2) disability which makes performance of duty impossible and which is confirmed by a state

in the US government stocks and other abstract entities. You can see that for yourself at: http://www1.minfin.ru/ru/reservefund/; http://www1.minfin.ru/ru/nationalwealthfund.

medical commission; 3) there is a personal resignation letter; 4) the person in question committed a penal offence and was found guilty and sentenced; 5) if federal acts regulating issues related to the activities of the Bank of Russia have been violated.

So, apparently, if the Chairman of the Central Bank: 1) is fit as a fiddle, 2) the term in office has not expired 3) is not willing to leave the job, 4) does not pinch wallets off old ladies, 5) observes the federal legislation (that is, does not credit his own country) — dismissing the man is impossible.

He can even pinch wallets off old ladies but until there is a sentence from court, the State Duma cannot dismiss him. The Russian president cannot do anything either. It is interesting, is it not? Cannot the head of an organisation appointing a financial director dismiss him with a decree and appoint a new one? Or does he have to wait for four years? Or a sentence from court? Or summon a medical commission? No, in reality, the head of an organisation is free both to appoint and dismiss his subordinates. The head of state in Russia is the President. All other governmental officials are his subordinates whom he controls, not directly, but through ministers, governors, mayors, generals and admirals. And only the Chairman of the Central Bank is beyond time and space. The President cannot dismiss him or give him the sack. And if he does, the banker can appeal an international court. And the position of the head of the Central Bank is indeed a key position!

'Article 23. The federal budget funds and state non-budget funds are stored in the Bank of Russia unless otherwise specified by federal laws'.

So, apart from the gold and foreign currency reserves... it also stores the whole Russian budget. Accounts of the Central Bank hold what used to be the unified Stabilisation fund. 'The Reserve fund and the National Welfare Fund are stored on accounts of the Central Bank of the Russian Federation to account these funds in foreign currency in Moscow.' You would not be wrong if you said that the Central Bank is our everything, meaning that all funds of our country are concentrated there. And this key department is not controlled by the state?! Do you understand what that means?

If you look closer at it, you will see traces of the compromise achieved by the Russian authorities and almighty bankers in the scheme of control over Russian finances. I would like to remind you that the Stabilisation fund that we have just spoken about was divided in two parts: they were

<sup>&</sup>lt;sup>1</sup> http://www.minfin.ru/ru/official/index.php?pg4=34&id4=5631.

called Reserve Fund and National Welfare Fund. So, the funds in the first one are controlled by the Central Bank, that is not the state, and the funds in the second one — the Ministry of Finance, that is the Government, that is the state...¹

'Article 5. The Bank of Russia is accountable to the State Duma of the Federal Assembly of the Russian Federation. The accountability of the Bank of Russia to the State Duma means that the Chairman of the Bank of Russia is appointed and dismissed from the post by the State Duma on the recommendation from the President of the Russian Federation'.

And this is all the accountability there is? But we have just found out that it is only an illusion because the head of the Central Bank cannot be dismissed without his consent and will. Incidentally, it is practically impossible to dismiss other bankers from the Central Bank.

'Article 13. The members of the Board of Directors are appointed for a term of four years by the State Duma on the recommendation of the Chairman of the Bank of Russia, agreed upon with the President of the Russian Federation. The members of the Board of Directors can be dismissed: at the end of their term specified in this article — by the Chairman of the Bank of Russia; before the end of the term specified in this article — by the State Duma on the recommendation of the Chairman of the Bank of Russia'.

So it is only the Chairman of the Central Bank who can give the sack to stubborn colleague — as to dismiss a banker who is also a member of the Board of Directors of the Central Bank a recommendation of the Chairman is needed. The State Duma itself cannot dismiss bankers unless the Chairman of the Central Bank wants it. How can they say that the Central Bank is accountable to the Parliament then?

What was it like before? In the USSR the financial system was based on the principles of common sense. The Council of ministers of the USSR, that is the Government, was in charge of the financial sphere. The State bank authorised to perform emission operations was the body that followed all instructions from the USSR Government regarding the monetary system. This was an antipode of today's Central Bank. It followed the orders of the Government, no consent from the State Bank was needed, and its head was appointed by the Council of Ministers and was dismissed in the same man-

http://www1.minfin.ru/ru/reservefund/management/ and http://www.dohod-noemesto.ru/news/2009-01-23/45.

ner. The State Bank had no right to appeal to a foreign court. The amount of money required for the country's economy was defined by the Council of ministers and the State Bank only issued it.

The money issued in the USSR was of three types: notes of the State Bank of the USSR, treasury notes and metal coins. The differences between the bank and the treasury notes were purely juridical. Only bank notes were backed with gold, precious metals and other assets of the State Bank, which as stated on the bills from ten roubles. One-rouble, three-rouble and five-rouble notes (treasury notes) had a different inscription on them and were backed with the whole 'property of the state', so they did not have any gold content. In everyday life ordinary citizens had no idea about these details and that there was a difference between the two types of Soviet money. All types of money were issued into circulation by the State Bank of the USSR.

Did Yeltsin understand what he was doing in 1990? I am sure, he did not. Illiteracy of the USSR population in financial issues was amazing. But it was not too bad back then — the Soviet people did not have to deal with anything more complicated than public bonds and deposits in a savings bank. The problem was that the elite were just as illiterate. And that ended with a catastrophe. An idea of a bank independent from the state was brought into the Soviet Union as a Trojan horse — through 'advisors', through those who had practical trainings at Columbia University, those who were recruited or simply betrayed their country. Just as in the Hollywood film 'Alien' — an extra-terrestrial creature was implanted into a living body. I am exaggerating — a private Central bank was indeed like an alien for the USSR.

Now, are the following events surprising at all? I do not think so. If anything, they are logical. I would just like to address Gorbachev with one question: Mikhail Sergeevich, how did you let this happen being the president of the USSR? What were these banks, independent from the people's authorities, which appeared in our still multinational state still governed by the people? He will not reply though. Or he will start his old song about humanity, the new way of thinking and a chance to get everyone disarmed. I put all my hopes on hell and cauldrons with boiling oil...

Do the Russian authorities know about this 'strange' situation with the Central Bank?

What should one do if there is understanding of the importance of the task and yet there is no power to solve the problem? One should start a systematic siege. The task should be broken into several smaller ones. To change the legislation regarding the Central Bank, a vote in the State Duma is needed. The founders of the Bank of Russia saw perfectly well what a key role it would play. And therefore they did their best to create several security levels. The first level is the law on the Central Bank. Among other things, it contains such amusing details as article 7: 'Drafts of federal law and regulatory documents of the federal bodies of executive power concerning duties of the Bank of Russia and it performance shall be submitted to the Bank of Russia for approval.' If you want to dismiss bankers through making amendments to the legislation — kindly submit the draft of the bill to them in advance. Otherwise, they might as well sue you for your legal mayhem in a court of Delaware...

The second security level is the Constitution. As the 'reformers' shoved some words on the Central Bank and its status even into the Constitution. Article 75 (points 1 and 2) says that 'the currency of the Russian Federation is the rouble', and 'issuing of money shall only be done by the Central Bank of the Russian Federation', that 'it performs independently from any other governing bodies'. If you want to be surprised — have a look at Soviet Constitutions. Read the Constitution of the USA. You will find no mention of a bank that issues money independently anywhere, because such articles should not be a part of the main law of the country. What body issues the currency is a technical question, it is not fundamental for the country and its people. For the people it is not very significant, but it is a key issue for enslaving the country. That is why it was hastily dragged into the Constitution. And now this technical detail is there next to the fundamental rights of Russian citizens.

All the following steps of the Russian authorities will make more sense if we use the failed mounted attack against the Central Bank as a reference point.

Laws need to be changed. That means that it is necessary to take the State Duma under control. That means that a parliamentary majority is required. And therefore, a party needs to be created that will win the general elections. A political structure which is currently rather popular starts being created.

<sup>&</sup>lt;sup>1</sup> This is a very peculiar provision. It just says 'submit'. But it is not mentioned that in case of a negative resolution of the bankers regarding the bill, the institution cannot be shut down.

<sup>&</sup>lt;sup>2</sup> http://www.constitution.ru.

Winning the elections is not possible without controlling the mass media. The process of taking the mass media under control begins.

But what is even more important is taking Gazprom under control. In spring 2001 a new team comes to the company headed by Alexey Miller. Gazprom is not just gas flares and pipelines. It is also money required to buy the loyalty of the elite.

The cold truth among politicians in Russia at the time was that if you do not pay for loyalty, you are going to be betrayed as very few people can work for the sake of the idea, putting material welfare at the very end of their priorities. It takes a while to find such people. Where? Among one's friends. This is when people from St. Petersburg start coming into Russian politics and economy. It is required to put one's own people at key positions and secure their loyalty with a high salary provided by Gazprom, with some 'encouragement' in an envelope or turning to blind eye to their 'mischievousness'. One can only have very few close friends whom they know very well. When one runs out of them, one has to switch to friends' friends. These will not betray in conditions when betrayal is normal, as long as they have a secure reasonable income.

One of the most important parts of the preparation are the law enforcement structures. Otherwise, one may just not live long enough to see the victory. It is required to fill the key positions. First of all, the doctor, the head of security and the cook. Then the minister of defence, the Home Minister, the head of the FSB, the head of the Federal Security Guard Service. If you look at the dynamics of changes of leading officials in these spheres — a lot of things will become clearer.

If you are still not entirely convinced that the key to all the problems is hidden in the corridors of the Central Bank of Russia, then there is an interesting table at the website of the Central Bank — just for you.¹ It is called 'The Base Rate of the Central Bank of the Russian Federation'. In crude terms, this is the interest rate at which the Central Bank credits banks and through them the whole Russian economy. As, let me remind you, no one is authorised to do it except for the Central Bank because roubles are issued by the Central Bank which then lends them to commercial banks.

http://www.cbr.ru/print.asp?file=/statistics/credit\_statistics/refinancing\_rates. htm.

Looking at the table you will easily see that from 1<sup>st</sup> June 2010 the base rate has been 7.75%. This is written at the very top. And now scroll down. Have you still got any questions why the Russian economy was dying in the early 90s? Simply because the only issuing authority lent money at a 210% annual interest rate. We have forgotten about that but this is how it was. This is a record-breaking rate of course, but generally in the period between 1993 and 1996, for nearly three years, the interest rate was a three-figure number. **Try and borrow some money at a 210% rate**! It does put you off from starting your own business and taking a loan, does it not?

This is not a number, this is something out of this world! And, what is most interesting, do not confuse the consequence with the reason. It is the Central Bank that is to regulate the circulation of money in the country so that the country could breathe normally and develop. And it is on its activities that the level of inflation depends.

That is to say that the inflation rate was extraordinary, and the prices were skyrocketing exactly because the Central Bank credited the Russian economy at such an extortionate rate. And not vice versa! If the idea of borrowing money at a 210% rate does not appeal to you, may be you would like 55% more? Still no? Yet this was the base rate when Putin became the head of the country in 2000. And since then the percentage has been gradually reducing until it reached 7.5% of today. The economy could finally breathe. The Central Bank had been purposefully smothering it, absolutely consciously. It can be proved by the negative processes that took place in the absolutely market and very capitalist American economy when the Federal Reserve System of the USA held the base rate not even at a rate of 210% or 55% but at a mere 20% rate.

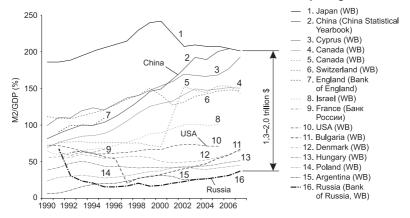
'In April 1980 the main interest rates in the USA exceeded 20%. Cars stopped being sold, houses remained unfinished, millions of people lost their jobs — by the middle of 1980 the level of unemployment reached 9% and kept rising until the end of 1982, nearly reaching 11%.' It is no one but the former Fed Chairman Alan Greenspan himself who tells us about this. And if you do have a look at the aforementioned table, you will make sure that the Russian economy lived at such a deadly rate of 21% from 7 August 2002 until 16 February 2003, and about ten years more at astronomical rates

<sup>&</sup>lt;sup>1</sup> From 15<sup>th</sup> October 1993 to 28<sup>th</sup> April 1994.

<sup>&</sup>lt;sup>2</sup> Greenspan A. The age of turbulence: adventures in a new world. New York: Penguin Press, 2007.

of up to 210%. What would have happened to the US 'efficient' economy if the FRB had raised the base rate up to 45% and kept it at this level for five years?

In order to see what destructive consequences bankers from the Central Bank and their superiors from abroad were leading our economy to, just look at the following table. There is much less money in the Russian economy than in economies of Western countries. Some might say that Russia does not work enough. Rubbish! This is like trying to explain anaemia with the fact that the patient does not work enough, forgetting that the doctors just do not trouble themselves with feeding the patient properly. The Central Bank consciously performed a demonetisation of the Russian economy. Just as a normal human body requires a certain number of litres of blood to function properly, an economy needs a certain stock of money. The amount of money in the Russian economy was drastically reduced, which immediately led to a lack of longer-term money required for economical growth and caused a stagnation of the economical development. And the volume of 'blood' let out of the economy amounts to 1.3–2 trillion dollars.¹ For such a policy the Central Bank can be considered the Central Bank of anything but Russia.



Demonetisation of the Russian economy was performed from early 1990s during active implementation of developments prepared by American experts into the Russian macro-economical and political policies.

Monetisation still has not been restored<sup>2</sup>

Yakunin V. I, Bagdasaryan V. E., Sulakshin S. S. New technologies of fighting the Russian Statesmanship. Moscow: Nauchny expert, 2009. P. 297.

<sup>&</sup>lt;sup>2</sup> Ibid.

So, what made the Central Bank gradually lower the high base rate? Or maybe, WHO made them reduce the interest rate grip at the throat of the Russian economy? All it takes is to look at the steady lowering of the base rate since Vladimir Putin's team came into power in Russia...

And if are still not convinced that the vast gold and foreign currency reserves of the Central Banks do not belong to Russia, just ask yourself one question: why is the Government going to privatise and sell shares of various companies owned by the state? Why sell shares of 'Rosneft' and VTB when you have 450 billion dollars in the reserves? In order to get some money. Why sell liquid assets to get some money if you have plenty of money?

There can only be one answer — if these billions do not belong to you. And projects require money, development requires funds. Even fighting terrorists requires money as well as secret services. Money is required for everything and all the time. But when was the first time the 'printing machine' become non-governmental? When did this madness begin?

It all dates back to history.

## 2

## On the Bank of England and the Sun King's frail relatives

I am often asked what we are fighting for. I can reply that you will find out once we have stopped.

Winston Churchill

There are historical facts that are known practically to everyone. There are historical figures familiar to every pupil. Yet it is enough to probe just a bit deeper about one of these well-known events or personalities and it turns out that we are completely ignorant of that. Here is an incontrovertible fact — the French monarchs inherited crown from one another. For a very long time all of them were called Louis. The name remained the same — only the ordinal number of the king changed. The most famous Louis (and the most famous French king generally) was Louis XIV. It was he who bore the title of the Sun King and who built the famous series of palaces and gardens, Versailles. It was him, who Dumas described in his novels as having put an iron mask on his twin brother. It was him, who as a boy d'Artagnan and the three musketeers defended from the intrigues of the cardinal. And some years earlier these four protected his mother — Anne of Austria — from another cardinal — Richelieu.

He was the most 'branded' French monarch, to use the modern showbusiness parlance. He is featured in literature and cinema, his mistresses are talked about in TV programmes. Yet the real life of the Sun King was so exciting and unbelievable, that Dumas's stories are by comparison just a collection of dull, bleak stories, and it is about this most exciting part of the monarch's life that historians and novelists are tight as a clam.

Museum guides on the other hand say a lot about the Sun King to their tourists, to everyone who visits the beautiful Versailles and wonderful Paris. So, what do they say?

The King lived in the lap of luxury and pursued invasive wars. Well, that does not say anything special about him, for in those times everyone fought wars and everyone tried to surround themselves with at least some luxury. Those who are better educated will make an obligatory remark, that Louis the XIV ruled for a very long time — for over 70 years. Even the reign of 'comrade Stalin' in comparison with Louis was nothing but a one-reeler. So, generations changed, children became parents, grandchildren were born, and the King remained on the throne, as an eternal and irremovable symbol of power. Here we should recall his famous maxim: 'L'État, c'est moi' ('I am the state').

And now I am going to ask you a question, dear reader. What is the relation of Louis XIV to his immediate successor on the throne — Louis XV? I have presented this question to many people. So far, nobody has given me the correct answer. It would seem that no question could be easier. We all know this king, we know Versailles, and we have a general idea of the French history. The most common answer is that he was his son. Those who realise that there must be a catch in the question try to grope for the right track and reply 'grandson'. Wrong. Then one normally replies: 'Nephew'. Still wrong. Then, finally, they make a desperate guess — 'he is not related to Louis XIV'. And that is wrong, too.

The throne of Louis XIV, the politician, who established the most powerful state, the statesmen, who was in control of the country for seventy two years, was inherited by his great-grandson. And mind you, the Sun King was not childless, and neither were his children. Yet it was only one of his great grandsons who inherited the throne. What happened to all the in-between heirs? Why did nobody reflect about the reasons of such strange events?

I am very often surprised by the fact, that historians for some reason persistently refuse to understand the real springs of action that shape the discipline they study. They will not compare the dates of various events, to coordinate them, as criminologists do as they try to solve a case. I speak of motives, coincidences, indirect evidences. These are the three pillars that all criminal investigations are based on. And we are going to conduct such

an investigation right now. Let us study the history of that period and try to comprehend what happened to the family of the 'Sun King.' It is important, because the decline of his family coincided with the first, even if tentative blossom of the 'money printing device,' which is now dominating nearly all over the world. And at those times this invention was just taking its first steps towards establishing worldwide hegemony. The monster had just hatched. And the family of Louis XIV was one of its first victims...

Money is power. Whatever your attitude towards money may be, you cannot deny the fact. And who could be more aware of the fact than those by nature of their occupation submerged in the world of jewellery and gold? In different times bankers existed under different names: in the ancient world they were called money changers, then jewellers and merchants. Let us call them bankers. Just like any other human beings bankers had a dream. They dreamed of obtaining a boundless source of power and wealth. Similar dreams captivated the alchemists and warlocks who desired to discover the secret of turning cheap metals into gold. In the end, they failed: the science of alchemy was abandoned as it brought no results giving way to modern chemistry. The warlocks were burnt at the stake while bankers happened to be luckier. They managed to get a true recipe of making gold out of nothing. As one cannot get around the laws of nature, the task was not to create gold itself but to endow some other things with the qualities of gold. Not only to use gold and silver as currency, but to elevate money to some extra value which is not the same as that of some metal. And — as a result — to substitute gold with paper money, that would be conceived by bankers themselves.

The idea was in the air. In the middle ages bankers stored gold of some, and lent this gold to others. Besides, they overtook — for a small reimbursement — another bank function: the payoff one. Gold does not necessarily need to be carried from one place to another. All one needs is just a bankbill, i.e. the document reading that the presenter has the guarantee to get a certain amount of gold from the banker who issued the bank-bill. A piece of paper is more comfortable to travel around with than a sack of gold, is it not? All the more so as the world was rather volatile in those days. Having presented this document, one could get gold from the banker in the other town without risking precious metals. All you have to do is the following: you give your gold to the banker against a warrant, then you present this

warrant to the banker in the other town as a paying means for the goods you need. It is practical and secure.

And what the banker gained was a unique possibility to issue more 'gold warrants', than he could back by real gold in his storages.

Who could check how much he had altogether? Who could know how many depositors stored their gold with the banker, and how much gold he owned himself? Who could check how many borrowers had borrowed gold? How much was left? Miraculous opportunities revealed. Only one situation was to be avoided, and it is also catastrophic for any bank today. It is the situation when all the depositors at once come to take their money back. The bankruptcy is in this case inevitable because it would be clear at once that the banker had issued more warrants than he had real gold. That he simply cheated.

The more paper warrants that were given by the banker to his clients, the higher was the risk, the risk of being disclosed. Apart from this danger there was another one — the idea seemed to be far too simple and elegant. Someone else could be exactly as clever. And this mastermind could have begun 'cheating' himself, or, if his authority were sanctified, he could have beheaded the sly bankers and put up their shutters once and forever.

This genial gamble required some solid protection which was invented by an unknown banker. A force was needed that would defend and would stand up for bankers. As a matter of fact bankers, having invented such a simple method to create money out of nothing, entrenched upon the millennial foundations of economics, where the values had always been real. He tempted the soul of humankind. He began to lend credence. Credence in that some gold is reserved under a warrant, credence in that a banker can always meet a bill with the yellow metal. In reality this credence proved to be enough, it turned out that it is not necessary to have that much gold — it is enough to have faith that this gold is really there. Today's economics are based on this very principle. Have you not heard in major TV and radio news, the expressions 'investors trusted in the USA's economics' or 'traders trust in the fast recovery of the Eurozone'? What is that? That is faith, nothing more. With a helping hand of bankers modern economics has stopped being a science and turned into a religion. And in the Middle Ages it was dangerous to trifle with faith...

So, the 'inventors' of getting money out of nothing needed some armed shelter. The gains involved were enormous, the opportunities for the bankers

were far too tempting. Without the support of the state 'money changers' would never stay afloat. And they shared their idea. With whom? To clarify this question it is enough to check, where and when the idea of bankers was implemented on the state level.

The first organization to 'make money out of nothing' was the Bank of England. Let us do justice to the Englishmen — it was on their territory, where the first private currency issuing centre was created. It happened nearly 300 years before the US Federal reserve system was established. So, the bankers shared their idea with the Royal Family of England. Yet after the juxtaposition of facts and dates one gets an impression that the Albion became the cradle of private money issuing... not quite voluntarily.

'The Bank of England was founded in 1694 to act as the Government's banker and debt-manager.' This is written on the official website of the Bank of England. According to the official version, this is how it happened. Due to the numerous wars, the Royal Treasury was empty by 1690. In 1693 a Chamber of Commons Committee was established in order to find ways of obtaining extra money. At the same time, a certain financial expert from Scotland called William Paterson appeared out of nowhere and offered a solution for the financial deficiency problem¹. For this favour he did not ask for a soul as Mephistopheles would, but called for the establishment of the Bank of England, creating the first private issuing centre in the world which would not issue bank warrants but actual state money.

As you can see, bankers used mimicry and disguise from the very beginning. Even the first agency to make money out of nothing already bore a proud name which clearly referred to the governmental nature of the institution. But the Bank of England was private, and its shareholders were bankers and the King.2 The budget deficiency was eliminated by issuing paper and not golden pounds sterling. 'A public subscription to a loan of 1,200,000 pounds was announced; subscribers formed a privileged company which was given control over negotiations regarding all the subsequent loans. The list of subscribers was filled within ten days.' It is this 'privileged company' that became the mysterious group of people that managed to gradually impose their rules on the rest of the world over the next several

<sup>&</sup>lt;sup>1</sup> http://www.2uk.ru/business/bus59.

<sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Green J. R. History of the English people. IndyPublish, 2008.

centuries. Yet they could have failed. But for a start they guaranteed the new paper bills of the Bank of England and that they could have been exchanged for gold. However, if we look at the dates and the circumstances of establishment of the Bank of England more closely we might have doubts about it all happening smoothly and amicably.

The king who agreed to establishment of the Bank of England was William III, Prince of Orange. The thing is that he ended up on the English throne as a result of a coup d'état¹ which took place six years before the Bank was founded. While still ruling over the Netherlands, in 1688 William received a secret letter (!) from England with an offer to overthrow James II and take the throne². On the 5<sup>th</sup> November 1688 he disembarked on the shores of England together with an army and set off to London³. These were hired warriors and they consisted entirely of foreigners with the exception of some English ex-pats. William III became the king almost effortlessly. Dethroned James II fled to France while the new king started negotiations with those who, most likely, sponsored him to hire his army.

The money also served to pay for the sudden loyalty of the leaders of the English army. As a matter of fact, the invading troops were immediately joined by the nobleman who was in command of James's army. One of this man's descendants became one of the most distinguished politicians in the world history — his portrait with a cigar in his mouth is familiar to everyone. This heir and descendant is Sir Winston Churchill<sup>4</sup>. No one is going to say that the title of the Duke of Marlborough, proudly carried by

<sup>&</sup>lt;sup>1</sup> In English history this coup d'état is known as the Glorious Revolution.

Another detail — by that time the Netherlands where William of Orange ruled had become the centre of world trade and banking. The 'Scottish' bankers might have been from there. There is different information on the nationality of the bankers who came up with the idea and created the first money printing machine. They could have been Scottish, English, Dutch or Jewish — there are different opinions. One thing is certain — in a very short period of time the bankers entered the elite of the English society and became tightly interwoven with the British royal authorities.

<sup>&</sup>lt;sup>3</sup> http://www.allmonarchs.net/uk/william\_iii.html.

<sup>&</sup>lt;sup>4</sup> Winston Churchill himself did not bear the title of the Duke of Marlborough as it was given to the eldest son in the family. And Winston was a descendant of the younger son, and, what is more, his mother was American. His uncle became the Duke and after that the title was conferred to a different branch of the Churchill family tree.

the Churchills today, was conferred to their ancestor for a betrayal. It turns out, however, that John Churchill who was commanding James's troops changed sides and joined William Prince of Orange and, thus, determined the future of the country. It is from the new king that he got his title — the Duke of Marlborough. Can we be quite sure that he did not get anything else as a reward?<sup>1</sup>

The new king started a new period of economic growth in England. Here we should ask ourselves one thing: why was it during this new reign that the British economy started to prosper? The people had been working like mad before but their living standards were not any different from the rest of Europe. In the middle of the 17<sup>th</sup> century, for example, England produced 4/5 of all the European coal. Metallurgy developed a lot during the period. So did shipbuilding, potter trade and hardware manufacturing. But production of fabrics turned out to be a real national craft for England. Export of fabrics accounted for 80% of the total export.<sup>2</sup> Britain also went as far as prohibiting export of wool which had been exported before and thus became a country which supplied external markets with finished woollen goods.<sup>3</sup>

These goods, however, did not make the English rich. The country's economy was just another economy at the time. And all of a sudden there came prosperity. Contemporary British historians and politicians like William III a lot. And they tell us that it was during his reign that the Bill of Rights was passed which became the basis of the new political system of the country. This is a typical trick used by demagogues and manipulators — in order to prove a certain statement they simply omit some of the facts. They need to demonstrate that it is the Parliament and the system of elections and nothing else that brought prosperity to the Albion. People of today have a modern image of elections and they cannot picture them in a different way. And when they find out that back in 1690 England already had a democrati-

Betrayals of top military officers and their participation in takeovers normally have very firm material basis which works perfectly with personal dislike of the person to be taken over and secret grudges. John Churchill, in his youth, was a page-boy of the heir to the throne. Later on, the heir became James II and John Churchill became a general and a baron. And then betrayed his benefactor.

<sup>&</sup>lt;sup>2</sup> World History // English Revolution. M.: AST, 2000. P. 8–9.

This practice of the English should be actively used. As even now, at the beginning of the 20<sup>th</sup> century Russia still has not dared to act as decisively in certain sectors of its economy where unprocessed raw materials are still exported.

cally elected parliament they immediately realise that Russia was lagging behind by centuries. But actually we have nothing to worry about. Those who are trying to manipulate our opinions choose not to mention that there was no such thing as universal elections of a democratic parliament — only those who had at least 200 pounds in money or real estate had the right to vote.¹ And the country with a population of 20 million people had only 250 thousand who met the requirement. These were the gentlemen who voted, and a lot of those people made their fortunes by trading slaves and owned 'talking cattle', as slaves were called back then, themselves. Women were not to take part in the elections at all.²

What other good things are normally mentioned about King William? It was during his reign that the English East India Company was founded which later became an instrument of conquering and looting of colonies. But the English will turn to looting their colonies later, gold and diamonds from dependent lands will flow into the Empire later. But the country's prosperity started before all that. So, what was the economic miracle that took place in Britain?

The story of William's way to the English throne is rather dubious. He was helped by money and the betrayal he bought with it. Who could give him the required amount? Back then kings borrowed money from people whom these days we would call bankers. So, once in power, the King signed the Bill of Rights, a legislative act designed primarily not to grant universal and equal voting rights but to restrict the King's authority. It was not about freedom and democracy for everyone. British bankers and slave owners thought about no one but themselves. This was their protection against the King potentially changing his mind. Since, if we go deeper we can find information on the number of bankers who took part in the project called 'The Bank of England'. In 1694 forty merchants found the Bank of England'. The number of partners is minimal and the temptation is great. Throughout

<sup>&</sup>lt;sup>1</sup> In those times annual income of 20 pounds was considered very high. Therefore the Bank of England did not issue bank notes with a value of less than 20 pounds (not to waste any effort on change). The majority of the population did not use the products of the Bank of England and did not even come across it.

In France women voted for the first time in 1945. And what about Russia? It happened earlier. The Bolsheviks made the right to vote universal.

http://velikobritaniya.org/istoriya-velikobritanii/istoriya-anglii-v-xvi-xix-veka. html.

the course of English history people were executed frequently and in big numbers. Forty merchants together with their relatives would not be a big problem. A plot is discovered, people are beheaded and their property is confiscated. And if there is no plot, it is just an insignificant detail. Three hundred years later historians would say that those were difficult times. There are conspiracies everywhere. Similarly, the founders of the new Bank were sent by the Catholic party and the French king in order to weaken England during the fight with its rivals. And the king simply had to take severe measures...

However, history is indeed written by the victors. And the 'printing machine' has been striding successfully around the world for three hundred years since it was first used. And it has its own heroes. For example, American president Woodrow Wilson, who signed the decree on establishment of the American Federal Reserve System, is portrayed on the bill with the highest value in the world of 10,000 dollars. Contemporary British historiography likes William III too, for the fact that during his reign bankers achieved agreement with the royal power. He got funds for fighting for the throne and a share in the 'money printing machine' whereas they got a private emission centre in Britain. It was the first printing machine in the history of mankind that enabled its owners to conquer the world using its amazing features. And then, having conquered the world, to write history and make heroes out of those who made creation of such a machine possible. And dead heroes are always easier to deal with then living ones — they can be spoken for, explained for and they will put up with everything and remain silent. Similarly, King William III, apart from this dark story of coming into power, has a dark story of passing away. His death was just so well-timed...

But we will come back to it later. I would like to draw your attention, dear reader, to one particular fact. Great Britain remained the leading sea power for centuries until the baton was taken by another Anglo-Saxon nation — the USA. Incidentally, at the times when the Bank of England was founded Britain's military capabilities were lower than those of its primary rival. 'French marine forces in 1689 and 1690 exceeded those of England and

Back then the front line was defined by religion. France and Spain supported Catholics who were being exterminated in England. England, in its turn, supported Protestants all over Europe.

Holland altogether.' That means that Britain was far from being the Ruler of the Seas — back at the end of the  $17^{\text{th}}$  century this title rightly belonged to France. French Corsairs based in Dunkerque ruined English trade completely. Their English counterparts did not manage to achieve such results. In 1690 during the Battle of Beachy Head, the French defeated the English fleet having sunk twelve of their ships. Twenty ships more were exploded by the English crews themselves. Who remembers this defeat today? Instead, everyone remembers the greatest victory achieved by Admiral Nelson near Cape Trafalgar. How many ships did the heroic Brits sink in that epic battle? Just one! And seventeen more ships — led by French Admiral Villeneuve — surrendered. History is written by the victors...

And yet the English did take the lead in the size and capacity of the fleet. And it happened exactly at the beginning of the 18<sup>th</sup> century. So, what was it that helped them? Let us remember what was required back then in order to build a great number of latest ships. Just as today, money was everything. A fleet is obviously an expensive thing to maintain. The cost of its construction exceeds the cost of developing land forces by many times. The exhausted English economy 'all of a sudden' found the enormous amounts of money required to build a fleet. Where from? It is the money derived from issuing paper money and using the secret bankers' know-how that was engaged to obtain military supremacy for the country where the printing machine took roots.

It is in that period that the main principles of the British policy were established — not to let another strong power appear in Europe and try to use others to fight. A lot has been written about it. But you will not find the main principle of the British policy in any reference books — not to let there be another strong emission centre. Always follow the same standing rule — your currency should be stronger, more reliable, more convenient, more in-demand than any other currency in the world. As early as the end of the XVII century the founders of the Bank of England understood something that everyone realised to be right only today. It is not a strong economy

<sup>&</sup>lt;sup>1</sup> Mahan A. T. The Influence of Sea Power Upon History, 1660–1783. Dover Publications Inc., 1988.

<sup>&</sup>lt;sup>2</sup> Green J. R. History of the English people. IndyPublish, 2008.

<sup>&</sup>lt;sup>3</sup> Vorobyevsky Y. Judas Order. Betrayal does not cancel victory. Moscow: Rossiysky pisatel, 2009. P. 95.

that makes a currency the strongest on the planet. On the contrary, it is a strong currency that makes the country's economy strongest. *Make your money the most important money in the world and everything else will come to you itself.* The conclusion is rather obvious — weakening rival countries is required to weaken rival currencies.

This is how the cooperation between clever and cunning financial experts and the British government started. Only after William III, Prince of Orange established the Bank of England, Great Britain as we know it appeared out of the mists onto the political stage. The country is called Great Britain, and was called such even before its greatness had been supported by an English know-how; destabilising the situation within rival countries. This is how Spain was defeated, and marine guerrillas from Holland — Geuzen — were based in English harbours. Later on, French Huguenots received weapons and money from England, which was well described in novels by Alexandre Dumas. And now another invention made by a cunning banker's mind added to this political ingenuity — printing money out of nothing. Financial wit and bankers' cunningness fit the English political tradition perfectly. All together they made a really explosive combination of that Anglo-Saxon political art that Great Britain used against its enemies, as well as against its friends, as a matter of fact. Since then the Anglo-Saxons have been following one rule in politics, and this rule is that there are no rules.

And here we should remember who the main enemy was for the English on the brink of the 18<sup>th</sup> century. The answer is obvious — it was France. We will not get too deep in describing the endless wars between the French and the English on various continents and for various reasons. As an example, let us take only one of them — the War of the Spanish Succession. It was during this conflict that England managed to overcome France's power and took the leadership in the size and capacity of its fleet: 'This supremacy settles and becomes obvious after the War of the Spanish Succession. Before this war England was one of the sea powers; after this war it became a sea power which knew no rivals.'

Year 1702. The War of the Spanish Succession is on. This was the largest military conflict in Europe since the Crusades. The Sun King decided to put his grandson on the Spanish throne, which could have led to creation

<sup>&</sup>lt;sup>1</sup> Mahan A. T. The Influence of Sea Power Upon History, 1660–1783. Dover Publications Inc., 1988.

of a European super-empire — by means of merging two nations in one kingdom.1 And a union of France and Spain was more than just dangerous for England. It would have meant an alliance of an old enemy which the British had been depriving of colonies and gold, that is Spain, and a new rival on the world arena, that is France. The first aim of such a new most powerful state would have inevitably been destroying Great Britain as a colonial power. The 'money printing machine' found itself in danger soon after it saw the light of day. In order to save the new-born it was required to use the whole range of tools available for money. And England immediately declared a war against France. As we remember, a lack of money in the treasury was one of the reasons why the Bank of England was founded in 1694. And as early as 1702 the English did not have the same problem anymore. Apart from incurring its own expenses, England also paid for military expenditures of Germany, Denmark and Austria. Admiral A. T. Mahan, a famous geostrategist and historian, wonders why France was depauperated and exhausted while England was jubilant and prospering. Why was it that England dictated the conditions of the treaty and France simply accepted them? The historian sees the reason in the difference between wealth and credit. France was fighting alone against several enemies risen and supported by English subsidies.2

But where did the English find such money and such opportunities to enlist practically all of Europe to start a war against Louis? The money just appeared. Itself. Out of nowhere. Out of nothing. The same writer says that despite being burdened with a debt which was far too considerable to pay back within a short period of time after a most excruciating war in 1697, already in 1706 instead of seeing the French fleet next to the British shores, they were already sending the strongest ships on annual offensive missions against the enemy.<sup>3</sup> Is this owing to economic miracles? No, miracles

Spain owned most of Italy and Southern Netherlands in Europe, as well as territories in South, Central and North America, Africa, the Canary Islands, the Antilles and the Philippines. In 1700 the Spanish king died having left no direct heir. Late King Charles II of Habsburgs was related to Louis XIV and the emperor of the Holy Roman Empire, Archduke of Austria Leopold I of Habsburg.

<sup>&</sup>lt;sup>2</sup> Mahan A. T. The Influence of Sea Power Upon History, 1660–1783. Dover Publications Inc., 1988

<sup>&</sup>lt;sup>3</sup> Mahan A. T. The Influence of Sea Power Upon History, 1660–1783. Dover Publications Inc., 1988.

simply do not happen. The money for bankrupt England was provided by the Bank of England. France, on the other hand, did not have the money to buy the loyalty of other countries. That is why Savoy, who fought with the French at the beginning of the war, finished it on the side of London.<sup>1</sup> It was simply overbought. The English 'suddenly' had a lot of money. Not only did they manage to pay others to fight for them. They were even able to find enough money to fund the media. No, non-governmental organisations (NGOs) had not yet been invented, there were no 'human rights organisations' or 'independent journalists'. They had to use what they had at hand. And at the beginning of the 18th century the only 'opposition' that existed in France included the Huguenots. They were opponents to the French government on account of their religion, so would nowadays be seen as real 'prisoners of conscience'. And it was exactly in 1702, when the War of the Spanish Succession broke out, that the Huguenots started a revolt in the French province of Languedoc. It will be known in history as the Revolt by the Camisards.2

France did not lag behind. A year after being dethroned by William, King James landed in Ireland, where the situation was quite the opposite: the English, who were Anglican, were oppressing the Irish, who were Catholics.<sup>3</sup> Louis, the Sun King, sent 7000 soldiers to Ireland in order to help him. But military luck favoured London and not Paris. The fight between France and England did not stop for a single day. When the USA started the War of Independence, a squadron of 'volunteers' led by Marquis de La Fayette immediately set off for America. These were military advisers and not awe struck youths or admirers of liberty. The French actively helped the rebellious Northern colonies to fight against their own archenemy. For example, Beaumarchais, the famous playwright who created Figaro, was at the time in charge of a front company called 'Rodrigo Gortalez' which was used to send weapons and ammunition to the New World.<sup>4</sup> At the first opportunity,

<sup>&</sup>lt;sup>1</sup> http://www.megabook.ru/Article.asp?AID=635974.

From the Latin word 'camisade' — shirt. The protestants attacked at night and put on white shirts over their clothes. Sort of basmachi or Chechen separatists. All the three types of rebels fought the 'unfaithful' for the 'freedom of faith', and actually served as cannon fodder, helping the English weaken their political rivals.

<sup>&</sup>lt;sup>3</sup> James's supporters are known as Jacobites and they attempted to organise a plot in England.

 $<sup>^{\</sup>rm 4}~$  World History // The Age of Enlightenment. Moscow: AST, 2001. P. 306.

in 1778, France recognised the sovereignty of the United States and signed The Treaty of Alliance with Washington. And only the retaliation blow of the English which caused a revolution in France itself put an end to this century-long dispute...

It is now time we remembered the mysterious events that took place in the family of Louis XIV. They started closer to the end of that very War for Spanish Succession which started seven years after the Bank of England was founded. The 'printing machine' could not make any steps further to the world hegemony without defeating the Sun King. At this point completely different methods had to be used...

Louis XIV was 73 years old. Nothing seemed to spell trouble. The first to die, on 13<sup>th</sup> April 1711, was the King's son and the heir to the throne, Louis, Le Grand Dauphin. Smallpox was claimed to be the reason of his death. This story is very similar to that of the Russian Emperor Peter II, who allegedly entered a peasant's hut to have some water while hunting and contracted smallpox from a girl.¹ This atrocious disease was indeed a recurrent guest in Europe. There is only one contradiction — the Dauphin had smallpox when he was little,² and he died at the age of fifty. And, as is well-known, one cannot have this disease twice. Yet the heir to the French throne died within several days.

So, was it smallpox indeed? Or arsenic? Arsenic oxide, also known as white arsenic (As2O3), is perfect for crimes: diluted in water it has no colour or smell. It does have disadvantages — diluting it in water is rather difficult. But one does not need a lot: 60mg is a lethal dose. And, what is most important, the poisoning symptoms are very close to the symptoms of many diseases.<sup>3</sup> It is very hard to recognise an arsenic poisoning — apart from the digestive tract it also affects the nervous system and blood, causes mucous membranes and skin diseases. At the same time, some clever people tried to prolong their lives by licking a piece of arsenic gradually increasing the dose and thus getting insensitive to the 'favourite' poison of those times.

There are hundreds of stories of poisoning. Some of them remained mistaken for natural deaths until recently, and there are very significant and well-known people among the victims. Such is Napoleon Bonaparte.

<sup>&</sup>lt;sup>1</sup> http://www.passion.ru/s.php/1416.htm.

<sup>&</sup>lt;sup>2</sup> http://www.louisxiv.ru/finale.html.

<sup>&</sup>lt;sup>3</sup> http://n-t.ru/ri/gd/yd07.htm.

For your reference — one of the French emperor's fans of our times decided to make the reasons of his death clear. As you know, after the Battle of Waterloo Bonaparte surrendered to the English and was sent to the island of Saint Helena where he died of stomach cancer. There were, however, suspicions that he had been poisoned. In order to find out what the truth was, remaining Napoleon's hair was examined. Arsenic settles in tissues and as it accompanies poisonings, the examination would either prove or refute the poisoning theory. The results prove that the great French emperor was indeed poisoned with arsenic. The quantity of poison in Napoleon's hair is 38 times as high as the limit that a human body can withstand. As of today, the fact that Bonaparte was poisoned is 100% certain but apparently books about this man will keep saying that he died of natural reasons for centuries. So, who poisoned him? He was poisoned systematically — Napoleon's death was not sudden. He was given poison repeatedly. I should remind you that Bonaparte was guarded exclusively by the English, and at the time he was the main enemy of the Albion who had managed to shake the world hegemony of Britain together with the world hegemony of the Bank of England.

And before Napoleon it was Louis XIV who was by far the most wanted villain for the Anglo-Saxons. And bacterial misfortunes started happening in his family with a surprising frequency. After the Sun King's son died of smallpox, it was his grandson, the Duke of Burgundy who became the heir to the throne. But he did not keep the title for too long. *In early February*, 1712 his young wife died in strange circumstances. She was in fever for several days. The princess could not sleep and doctors did not leave her for a moment. What was happening to poor Marie-Adélaïde was unknown. Nothing would help her — neither blood-letting, popular back then, nor opium.<sup>2</sup> She was never properly diagnosed. The poor woman suffered so much that the heir was not even allowed near her so that he would not hear her shrieks. And later on, he was even asked to move to a different room as the princess was dying straight above his. On 12th February 1712 the Duchess passed away. And several days later it was her heartbroken spouse, the heir to the throne, the Duke of Burgundy who was covered in spots. The pain all over the Dauphin's body soon became intolerable. According to himself, it

<sup>&</sup>lt;sup>1</sup> http://www.newsru.com/world/01jun2001/napoleon.html.

 $<sup>^2\ \</sup> http://www.louisxiv.ru/finale.html.$ 

felt like everything was burning inside him.  $^1$  Six days later, on  $18^{th}$  February 1712, the Duke of Burgundy died. The reason was unclear.

He left two infant orphans, one of whom became the heir to the French throne. And this time germs, bacteria and viruses demonstrated amazing selectivity. For some reason they aimed to attack only the heirs to the French throne. The five-year-old Duke of Brittany and his three-year-old brother, Duke of Anjou, fell ill just two weeks after their parents had died. Did they contract the disease from them? No, they did not. The children were diagnosed with scarlet fever whereas their parents died of a strange fever which looked like measles. Can you see the logic? As soon as one becomes the heir to the throne, one gets fatally ill and will die imminently. Having been the heir for as little as 17 days, the infant duke died on 8th March 1712.

This was the third heir of the 74-year-old Sun King who died within a short period of time. The three-year-old boy who got infected together with the heir hovered between life and death for several days and was considered hopeless. They say that the King ordered to find some sort of an antidote and, eventually, the child survived.<sup>3</sup>

Mathematics is a precise science. History surrenders here. To solve a mathematical problem we are given precise data, otherwise nothing will work out. In case of history we have altered and retold stories and no data whatsoever. Were the Sun King's relatives poisoned? To answer this question we need to know how many servants accidentally fell out of the window, quitted the job all of a sudden or drowned in the nearest pond around that time. How many cooks were hanged or died in the prime of their lives whilst on duty. Who of the court nobility and those who were close to the victims suddenly and mysteriously solved all their financial problems. How many Surgeons in Ordinary to the King choked on a steak or froze to death in the forest following an accidental fall off their horse. We need to know whether anyone else died in the Royal Palace or was the epidemic always confined to the heir to the throne. But we do not have that information at our disposal...

What would you do if you were an old king whose heirs are dying one by one? Would you become more cooperative during negotiations? The ques-

<sup>1</sup> http://www.louisxiv.ru/finale.html.

<sup>&</sup>lt;sup>2</sup> http://www.erlib.com/Ги\_Бретон/От\_великого\_Конде\_до\_Короля-солнце/15.

<sup>&</sup>lt;sup>3</sup> The baby, future King Louis XV, survived thanks to the fact that at his age he was still partially breast-fed, and poisoning him was slightly more difficult.

tion is difficult and everyone decides for themselves. The Sun King agreed to negotiations. The Treaty of Utrecht was signed in 1713 which consigned the eleven years that France spent fighting to waste. After that, the heirs to the French throne stopped dying. The five-year-old infant, the Sun King's great grandchild and the future Louis XV, became the heir. An infant Dauphin by a 74-year-old king, who can die of old age any moment. Should the King die, who will protect and help the child? France would have found itself in a very tough situation if it had not been for the handsome 28-year-old Duke of Berry, the second grandson of Louis XIV and the heir's uncle. It was him that the elderly king entrusted with looking after the country and the young king. And... yes, your guess is right, the Duke of Berry died very soon, too. He was injured while hunting and hit the saddlebow very hard. It is usually said that he fell off his horse and died. Allegedly, he broke his neck or spine. But this is not true. The poor duke died on 4th May 1714 after a four-day-long illness. Now it is more common to say that he died

<sup>&</sup>lt;sup>1</sup> The English achieved all their goals: they weakened France and stopped Austria from strengthening. And having agreed with the French candidate for the Spanish throne Philip V, they managed to get a formal prohibition for him to become the next French king. It meant that Spain and France could not merge into one superpower. By the way, this is when England obtained an important part of the Spanish territory — Gibraltar. And apart from that, the Isle of Menorca and the French territories in North America (the land around Hudson Bay and Newfoundland). But the most important English acquisition was the Asiento. This was the exclusive permission to sell slaves from Africa to Spanish territories. England became the only country entitled to do slave trade. And it did a good job and brought slavery overseas. Wherever the British came, it is slaves who started working. Another story, which we will leave beyond this book, is white slaves of the English. They were mostly Irish. English laws did not provide for any punishment for a murder of an Irishman committed by an Englishman. Because an Irishman living in Ireland occupied by the English was a second class person even being free. Because the Irish were Catholics, whereas England was Protestant, and even more than that — it had its own Anglican church.

The English did not forget Russia either: English money and diplomatic support helped Sweden, making it pursue wars with Russia until 1721. And Charles XII who strived to achieve peace, died very promptly after returning to Sweden in 1718. He was killed by a stray bullet in a trench during an operation in Norway. Do you recognise the style? His sister, Ulrika Eleonora, stopped peace negotiations and continued the war for three more years.

<sup>&</sup>lt;sup>2</sup> http://www.louisxiv.ru/finale.html.

of internal injuries caused by the fall. Could this have happened? Yes, it could have unless another participant of turbulent politics of the time had not died in a similar way having fallen off his horse...

After the accident that happened to his grandson Louis XIV lost interest in life. Fearing further accidents, he went as far as to change the law. Previously, only children born by the queen could be the heirs to the throne. Louis XIV had several illegitimate children. The King legitimated them and put them at the top of the royal hierarchy straight after the princes of the blood. A couple of months later, Louis XIV especially stipulated the following: should the legitimate kin be extinct the new princes would be able to inherit the throne. He knew who was trying to destroy his family and realised that the series of deaths was not incidental and more deaths could follow.

In 1715 the Sun King passed away. End of story, it would seem. However, it was just the beginning. Less than a year after the old King's death, the shareholders of the Bank of England proved to be right in their suspicions. Someone tried to steal their know-how, their invention, in a most impertinent way. To copy it, just as sly Chinese manufacturers copy the looks of famous car brands. It turned out to be impossible to keep the secret of the 'printing machine'. Its advantages and amazing simplicity were obvious. Instead of the complicated procedure of extracting gold and silver there came the simple process of printing money. France, which lost in the war due to 'credit deficiency', decided to create its own 'printing machine'. In 1716 a Scotsman called John Law received a patent for opening a private bank with the right to issue bank notes that could be exchanged for metal.<sup>2</sup>

The French king, Louis XV was a still a child and obviously was not very interested in financial issues. His Regent, Philippe II, Duke of Orléans, on the other hand, seized on this brilliant idea. He ordered that bank notes were to be accepted as payments as well as coins. In 1718 Law's bank was renamed into Banque Royale.<sup>3</sup> Although, essentially, it was the same 'joint stock company' where shares were divided between cunning bankers and the Royals. From now on the military and diplomatic rivalry between England and France also takes a secret financial turn. Two groups of bankers who received two different governmental protections were fighting each other

<sup>&</sup>lt;sup>1</sup> http://wiki-linki.ru/Citates/49719/3.

<sup>&</sup>lt;sup>2</sup> Do pay attention that the idea came from a Scottish banker again.

<sup>&</sup>lt;sup>3</sup> http://www.icpress.ru/information/articles/?ID=4310.

for the right to uncontrollably print unsecured money. And through that to rule the whole world.

But we have been distracted. Let us go back to the French attempt to clone the 'English' idea of paper money. The story of rapid development of England during the reign of William started repeating itself in France. It is not surprising — your personal economy will immediately flourish as well if your find a briefcase full of money in the street. The Central Bank of France was very successful. In one fell swoop, John Law solves all the financial problems of the royal house: he lends 100 million livres to the Government at a 3% annual interest rate. For reference: when the Sun King died there was as little as 700 thousand livres in the treasury. At the end of 1716, on the other hand, when John Law turned his printing machine on, the budget deficit had reached 140 million livres and France could now proceed with its global expansion as it had the money for it.

The French copied the system established by the English not only in its essence but also in details. The authorities leased to John Law the exploitation of gold deposits in Louisiana as well as all trade overseas. It would all be dealt with by the India Company which was a full copy of the British East India Company. Shares of the new company were at first sold to anyone and later on, only to those who paid with bank notes which could be received in exchange for gold coins. 'It turned into a competition — who could get rid of their gold first.' But the success did not last long, in fact it was surprisingly short. The credit and monetary basis of the French expansion was destroyed within literally a few months.

This is the chronology of prosperity and immediate death of the Bank of England's clone in France. *In January 1720* banker John Law rises on the surge of phenomenal success of his creation and is put in charge of controlling all financial affairs of France, since the Bank which he was the head of had just lent France 100 million livres. And at this point something terrible happened. 'Immediately and very rapidly disturbing news spread around Paris and the whole city found itself in the state of atrocious panic,' recalls the French writer Guy Breton in his book 'Love Stories throughout the History

<sup>&</sup>lt;sup>1</sup> World History // The English Revolution. Moscow: AST, 2000. P. 284–286.

<sup>&</sup>lt;sup>2</sup> http://www.erlib.com/Ги\_Бретон/От\_великого\_Конде\_до\_Короля-солнце/16.

<sup>&</sup>lt;sup>3</sup> Ibid.

of France?¹ And already in early 1720 those who wanted to exchange their paper money back to gold started applying great pressure on the bank. At first, the exchange had to be slowed down and later on frozen altogether.² When did it happen? In *February-March*, 1720.

Since it all happened such a long time ago, it is hard to track how the panic among shareholders was organised, but in my opinion those technologies were not very different from the ones used today. I would like to draw your attention to the fact that it happened three years after the Bank started operating, which means that at the beginning it was doing pretty well. And then, all of a sudden, things got worse — after the record-breaking loan of 100 million livres received by the government. Was this a coincidence? Judge for yourself — the blow was quick and merciless. The Bank that issued 3 billion worth of paper money under the warranty of 700 million in coins was unable to pay back. But the French Government did not give up without fighting. And it managed to find a very 'original' way out. As the population would not want to use paper bills and preferred coins... using coins should be prohibited. 'The decree of  $11^{th}$  March 1720 banned using coins from  $1^{st}$  May onwards; if found on someone, coins were to be confiscated.'

You can imagine the reaction this decision caused in France. Of course, universal jubilation and enthusiasm of the public. After this decree, the popularity of paper money went down to the very bottom, as well as the popularity of the royal power. Everyone started hunting the forbidden coins and avoiding the allowed banknotes. And this quickly ended in a catastrophe. The next decree published on *22th May 1720* announced a reduction of the nominal rate of banknotes by half. Therefore, those who obeyed the previous decree and had started using paper money immediately lost half of their savings. Then, on 10<sup>th</sup> October 1720 a third decree was published which announced that banknotes would no longer be used after 1<sup>st</sup> November 1720. Small banknotes were to be exchanged for state bonds with another half-reduction of the nominal rate.<sup>5</sup>

 $<sup>^{1}</sup>$  http://www.erlib.com/Ги\_Бретон/От\_великого\_Конде\_до\_Короля-солнце/16.

 $<sup>^{2}\ \</sup> http://www.icpress.ru/information/articles/?ID=4310.$ 

 $<sup>^{\</sup>scriptscriptstyle 3}$  http://www.icpress.ru/information/articles/?ID=4310.

<sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> Was it the governmental reforms of young Louis XV that were used as a template by the reformers of the 90s for their strategy? They are just so similar! People's

As a result, obedient citizens were quickly robbed twice. Obviously, the royal government which did all these tricks (very similar to Russian reforms) became very unpopular. It was then that the hatred for the French monarchy was planted which would lead to a revolution in 1789 and would completely destroy the royal authority. In *November 1720* the Central Bank went bankrupt and its founder had to flee from France a month later. It would be interesting to find out where, because it would shed light on many things...

I do not know much about the following years of the founder of the 'printing machine' in France. But I do know what happened to the founder of the Bank of England. As we remember, William III of Orange, the English king, had a deal with bankers. And he kept his promises. Possibly because his death was also very timely. In March 1702 he passed away in the Kensington Palace of... (not again?!) injuries he got as a result of a fall off his horse.¹ Could this have happened? Yes. Only two facts seem suspicious: the similar death of the Duke of Berry and the official reason of William's death as it was announced. What was it exactly that caused his death? William died of pneumonia, which was a complication to a broken shoulder, which the King broke when he fell off the horse. Who would have thought that a broken shoulder can start pneumonia? What is the connection between a fracture and pneumonia? It is all rather interesting, is it not? And rather suspicious, too...

The founder of whatever it is, is needed for a figurehead. It is this king that signed all the laws that the bankers needed, he gave them everything they needed at the time. The following kings would receive the established system as legacy. And the secrets of William's agreements died with him and his descendants were left with the King's stern look from the full-dress portrait. The Bank of England would be a given entity for the new monarchs, certain legacy and an irreversible decision of their ancestor.<sup>2</sup>

saving accounts were frozen and then devaluated by means of hyperinflation. As a result, the cost of a flat became equal to the cost of a chocolate bar. In France it was decided to clear the rest of the state debt for bank notes through 2% and 4% life annuities.

http://encyklopedia.narod.ru/bios/gov/konigen/england/stewart/william3/william3.html.

<sup>&</sup>lt;sup>2</sup> Do you know who William III's heir was? This is quite interesting. Apparently, William III, who dethroned James II, was married to James's daughter called Mary Stuart. The defeated king had two daughters, and the second one was called

It was high time they started thinking of further steps in establishing world hegemony. There had always been one means to achieve that — by declaring a war. The British elite, led by bankers, added another one to the world's geopolitical arsenal, and it was special operations. Both should be generously accompanied with money, seeing that now it was made out of nothing. The War of the Spanish Succession was the beginning of a long way of the 'printing machine' to the July morning in 1944 in Bretton Woods, where the pound sterling passed the baton to the dollar. When it was time to change location the 'printing machine' moved overseas where it was more secure.

But before that there was WWI which destroyed the golden rouble and the golden Deutsche Mark. They were followed by the currencies of the Austro-Hungarian Empire and the Ottoman Empire. Only one step was left till the world supremacy, only one world war. And the scenario of the Second World War which was written in London was very different from the one that happened in reality.

...And the most important rule is that there are no rules.

Anna. This charming creature publicly betrayed her father and joined her sister's husband under the 'influence' of John Churchill, who later became her 'blue-eyed boy'. William of Orange and Mary had no children, and therefore Anna Stuart became the heiress to the throne. Just like in mathematics, changing the order of addends (kings) did not change the sum (the right for the throne) for this girl.

## 3

## Six Spy Stories, or The Amazing Adventures of Ribbentrop in Russia

The Englishman is superior to the German in one respect— that of pride. Only the man who knows how to give orders has pride.<sup>1</sup>

Adolf Hitler

Analysing results of battles I inevitably came to the conclusion that it was not only courage of infantry and audacity of cavalry and artillery that determined the result of many battles but mostly this damned invisible weapon called spies.

Napoleon Bonaparte

It is always pleasant to fight with someone else's fists. The advantages are numerous: all the losses are incurred by someone else's economy, all the crimes are committed by someone else's army. Another country spends

<sup>&</sup>lt;sup>1</sup> Statement of 22.07.1941 (Adolf Hitler, Norman Cameron, R. H. Stevens, Hugh Redwald Trevor-Roper. 1941–1944: His Private Conversations. Enigma Books, 2000, P. 11).

the money, another people exhausts its economy. And can you fight without stressing your own economy? No, this is simply not possible. Military expenses can bring any successful nation to its knees. This is the reason why it has always been important to enter a war last. Therefore, no matter how you look at it, it is good when someone else is fighting instead of you. This country buys weapons and equipment, food and other goods. During wars prices always grow, factories always work at their full capacity, the economy develops — and all of this happens to the country which is not at war, of course.

But this is not the most important thing. The most important thing is that gold flows in the right direction. In order to start a 'printing machine' on a global scale, to get an unprecedented emission of hard currency flowing, it was necessary to eliminate the possibility of creating a currency secured by gold. For this purpose it was required to use up practically all the world's reserves of the yellow metal. Such a possibility could be provided by a world war and preparations were being made. A new hegemony of a global currency was to crown an unprecedented war, where any power capable of resistance would be ground to dust. Millions of Europeans were to perish so that all nations would agree to abandon their sovereignty.

But there was one problem. The advantages of standing aside and joining the fight at the last moment were too obvious. As well as the disadvantages of a gruelling war. Therefore, there would be no fools willing to start a war. Everyone wanted to be 'second'. So, what should be done in such a situation? One should help someone else to be 'first'…

Practically everyone must have heard of the Molotov-Ribbentrop pact. Have you ever wondered why all other treaties are called treaties and only the treaty of non-aggression between Germany and the Soviet Union persistently called a pact? And why Western historians and our liberals keep trying to paint this document and the story of its execution black? Because this pact crossed out the scenario of a world war drawn up in London. History started developing in a completely different direction. By a miracle the Anglo-Saxon world retained its hegemony over the planet; this miracle was Hitler's unrestrained Anglophilia...

But let us move on to the facts. When you next hear someone say that Stalin is to blame for initiating the Second World War, that it is the pact with

Hitler that helped it to begin, remember that these are all lies. <sup>1</sup> If one studies the facts scrupulously enough, one will realise that it is simply impossible to blame the USSR for initiating the Second World War. Therefore, one could only assert the latter maliciously or out of ignorance.

It was not until 1st April, 1939 that Hitler, who had had no plans for a war against Poland, ordered them to be drawn up.<sup>2</sup> Fall Weiss, which was accepted ten days later, specified the date of the strike against Poland — 26th August, 1939. That means that in April, when there had been no negotiations between the USSR and Germany, Hitler was already planning to destroy Poland and was planning to do so in August. The text of Hitler's plan contains the following phrase: 'Russia's interference, if it were capable of it, would still be very unlikely to help Poland...'3 This suggests that in *April 1939* Hitler saw the USSR as his potential enemy. What does it mean? **It means** that when setting the date of the beginning of the war, the Führer was not guided by signing a pact with Russians. What is more, no one in Germany could even have dreamt of such a pact back in April 1939. The USSR signed the non-aggression treaty with Germany on 23rd August, 1939. It would seem that it should have let Hitler off the leash and one would have expected the Germans to proceed with their plans concerning Poland straight away. And yet, they did not. Two days after executing the treaty with the USSR, the German leader altered his plans and changed the planned date of attacking Poland. On 25th August, 1939, Hitler postponed the invasion until 1<sup>st</sup> September, 1939. After signing the pact in Moscow, Hitler changed the date of the beginning of the war. AFTER that! Thus, we can see that in defining the date of the first strike Hitler was always guided not by his arrangements with the USSR but by completely different motives.

<sup>&</sup>lt;sup>1</sup> Do not help those who lie to you — they always try to draw you into the field of emotions and not facts. Take a small step — say the there was no Molotov-Ribbentrop Pact, there was just a non-aggression treaty between the USSR and Russia.

<sup>&</sup>lt;sup>2</sup> Please note that Hitler, according to historians, was going to conquer the whole world but for some reason half a year before the beginning of the war he still had no plans to attack Poland which would be the starting point. The Führer will start the war without any aggressive plans against England or France. This is a rather strange aggressor, is it not? Or Hitler was for some reason convinced that London would not protect Poland.

<sup>&</sup>lt;sup>3</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 76

And now let us try to dot all the i's and cross all the t's. Let us pose one direct question: did the non-aggression treaty executed between Hitler and Stalin make defeating Poland easier? The honest answer is: it certainly did. And now let us pose another direct question: would Hitler have declared war on Poland without a non-aggression pact with the USSR? The facts say unequivocally that he would have done. Preparations for war were going at full speed and did not depend on negotiations with the Kremlin.<sup>1</sup>

Now, another couple of questions. What is the main task of the leader of any nation? Is it the prosperity of their own country and people or the prosperity of a different country and people? What is more important for this leader, saving their own people from participating in a war and avoiding aggression from another country or 'world peace'? There can be only one honest answer: the head of state is obliged to use all possibilities to avoid aggression against their country. And this is a duty of every head of state.

So, what country should have Joseph Stalin thought of and cared for: the USSR, Poland or another country?

<sup>&</sup>lt;sup>1</sup> It was not by accident that I give you a brief story of swift rapprochement of Germany and the USSR in August 1939. Dates are essential here. This is what the chief of the German Army General Staff, France Halder, wrote in his diary on 15 August, 1939: 'No changes are expected until the evening of 19 August. No changes in operation of public transport until 22 August... The cancellation of the party rally should be kept secret... The location and time of strikes, the date of the surprises remain unchanged'. (Halder F. War private journal of Generaloberst Frans Halder... [United States]: A.G. EUCOM, 1947.). That means that the Germans were working hard on preparing their offensive operation against Poland. Despite the fact that on 15 August, 1939 there was no pact with Russians — there was not even a draft, no negotiations are being held. There was nothing and yet the German military machine was actively preparing for war. Even on 4 August there was no certainty that Stalin would change his opinion concerning Germany. This shows in the cable from the German ambassador, Schulenberg, from Moscow: 'The Soviet Government is actually more inclined to improve the relations between Germany and the USSR, but the old mistrust towards Germany is not yet extinct. My general impression is that the Soviet Government is determined to sign an agreement with England and France...' We can read this... in Churchill's book. (Churchill W. The Second World War. Volume 1: The gathering storm. London: Cassell, 1964). But contemporary liars in history only try to sound plausible to the ignorant. They appeal to emotions. But once you open a book, even by Churchill, who was not particularly friendly to Russia, all accusations dissolve as mist in the morning. Do not believe liars in history. Read books and judge for yourself.

It was the USSR, and the USSR alone, that Stalin had to protect against aggression. The fate of Poland, which was an overtly anti-Russian state and before April 1939 was even planning to join Germany in a war against Russia, was not his concern. This country had its own government to worry about its fate. And this government believed the promises of England and France and did everything it could to make the war between Germany and Poland happen.<sup>1</sup>

The non-aggression pact between Germany and the USSR was a brilliant manoeuvre performed by Russian diplomats who thus managed to ruin the game of the Anglo-Saxons completely and avoid an offensive operation against the Soviet Union. The fact that Hitler did later attack Russia is not due to an error or a mistake made by the Soviet government but an irrational, unpredictable and fundamentally stupid act on the part of the Führer.<sup>2</sup> A war pursued by our country on two fronts against Japan and Germany, as was planned in London, never happened at all. Stalin managed to change the future scenario drawn up by the Anglo-Saxons and not become the first to fight and, consequently, to bleed. This is the main reason why the treaty signed by Molotov and Ribbentrop became the most hated diplomatic document in Western historiography.

Since we are on the subject, let us dispel a couple of the nastiest myths about this treaty.

Myth One: signing a treaty with Hitler's Germany was something out of the ordinary. This is not true. Pacts, or treaties with Hitler, by August 1939 had been executed by England, France, Estonia and Latvia. The list can be continued. And the first country to do it was, in fact, Poland. In 1934 she signed a non-aggression treaty with the German Chancellor, Adolf Hitler. So, while Poland was the first to sign such a treaty, the USSR is the last one on the list. Therefore, there was nothing special in signing a treaty with Germany. In 1939 it was a nation recognised by the global community and at its head was one of its leading politicians. *By conclusion*,

<sup>&</sup>lt;sup>1</sup> Not only were the Polish not preparing to protect themselves against Hitler but they were actually planning an attack themselves. But all their fortifications were on the Russian border, not German. For more information on what the Polish government did to ruin their own country see: *Starikov N.* Who Forced Hitler to Attack Stalin? St. Petersburg: Piter, 2010 (In Russian).

 $<sup>^2</sup>$  In my next book, if I have enough time and am in sufficient health, I will write about the reasons for the tragedy that happened on  $22^{nd}$  June, 1941.

the USSR had the full moral and judicial right to sign a non-aggression treaty with Germany.

Myth Two: there were 'secret protocols' to the treaty signed between Moscow and Berlin. Firstly, having secret articles or secret treaties is a common diplomatic practice of any era. They have been signed by lawful monarchs and presidents and not only by villains and dictators. For example, the treaty between Russia and France of 1894 signed by Emperor Alexander III and the French president was completely secret. Russian tsars and French presidents knew its contents but the French Parliament was not familiar with its articles. The agreement of 1905 between the USA and Japan was just as secret. The two countries divided spheres of influence in Asia based on the results of the Russo-Japanese war. Japan abandoned its aggressive intentions concerning the Philippines, while the States recognised the right of the Japanese to append Korea.<sup>1</sup>

Secondly, it was not only Russia and Germany but also other countries that had secret protocols within their treaties in 1939. For example, the guarantees given to Poland by Britain in April that year were also accompanied by a secret protocol.<sup>2</sup> German treaties with Estonia and Lithuania also contained a secret article. According to this article, the Baltic states were 'to take all military security measures against Soviet Russia as agreed with Germany and in compliance with its advice.'<sup>3</sup>

Thirdly, there is still no convincing evidence that the secret protocols within the non-aggression pact with Germany existed at all. The USSR recognised that they had existed at the Second Congress of People's Deputies<sup>4</sup> after a report made by a commission headed by the foreman of perestroika, Alexander Yakovlev. *The thing is that neither in Russian archives nor anywhere abroad can one find the originals of these notorious secret protocols*;<sup>5</sup> only 'copies of copies' were presented. But Gorbachev and his subordinates

<sup>&</sup>lt;sup>1</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 27.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 212.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 91.

<sup>&</sup>lt;sup>4</sup> The Second Congress of People's Deputies of the USSR was held on 12–24 December, 1989.

Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 115.

had already taken a firm tack in the direction of destroying the country. Destroying the country's history, blackening and rigging its past are major elements of destroying a country. Therefore, it is hardly surprising that despite lacking the originals, the commission found it 'possible to admit that the secret protocol of  $23^{\rm rd}$  August, 1939 had existed.'

The conclusion is that the very existence of the protocols has not been proved. But even if they had indeed been signed, this was a regular political and diplomatic phenomenon.

The Soviet Union is not to blame for starting the Second World War. If we wanted to blame someone, that would be the Government of Germany, as well as the British and US governments that had been investing enormous amounts of money in German industry for six years. Here we should make a little remark. Adolf Hitler was put in charge of Germany by London and Washington: in other words, by the owners of the 'printing machine<sup>2</sup>. His task was to start a war against the USSR and to conquer vast territories and vast treasuries full of natural resources as well as to eliminate a dangerous alternative plan of economic development. For this Germany was promised to be made an equal partner of the Anglo-Saxons at the global table. To enable Hitler to fulfil this task, enormous amounts of money were invested in Germany and she was supplied with the latest industrial equipment. The West was afraid and did not notice the militarisation of Germany, which in just six years (1933-1939) created an army from scratch and equipped it with latest systems. Austria and the Czech Republic were surrendered to Hitler to create a big army, and these two countries would provide millions of conscripts and the huge Czech Škoda military plant.<sup>3</sup> Even Poland was Hitler's loyal ally and was preparing a joint attack against Russia.

And when the time had come to realise the plans, Hitler started his game. Instead of building up a conflict with the USSR around the Ukraine,

<sup>&</sup>lt;sup>1</sup> Ibid. P. 115.

I dedicated another book, 'Who Forced Hitler to Attack Stalin?' (St. Petersburg: Piter, 2010), to detailed demonstration of this statement. It is impossible to give all arguments within this book. Therefore, we will confine ourselves to a brief listing.

<sup>&</sup>lt;sup>3</sup> According to Churchill, they produced as many weapons as the whole British Empire altogether.

he resolved it.<sup>1</sup> The situation was as follows: having acquired everything he could have possibly acquired from the West, Hitler deviated from the prepared scenario, according to which a war was bound to begin in 1939. It was not without reason that the American magazine *Time* called Hitler 'Man of the Year' in 1938.

Then London decided to alter the strategy slightly. The English knew perfectly well that Hitler was going to attack Poland. And they were not trying to prevent this attack. The idea was different: having defeated the Polish, the German army would have turned up at the Soviet borders. The tensions between the two countries and the mutual propaganda between the communists and the Nazis were to guarantee that a war between the USSR and Germany would definitely break out. To make it work out it was necessary to:

- ☐ promise support to Poland, so that it becomes uncompromising, and never provide any;
- ☐ promise Hitler that there would be no support for Poland and he would be 'granted a pardon' if he starts a war against the Russians;
- play games with the Russians and linger with negotiations until Germany attacks Poland.

These are the three points on which English diplomacy placed emphasis throughout spring and summer 1939. There was also a fourth task: to keep an eye on the Russians and Germans to prevent them from making any deals. Therefore, each time Berlin and Moscow resumed their relations, the British immediately became more active...

And now let us move on to the story of the signing of the non-aggression pact itself between Germany and the USSR. There are some fascinating details that do not get spoken about aloud very often, if at all. These tiny details can tell us much more about that period and its tensions than numerous

<sup>&</sup>lt;sup>1</sup> The war between Russia and Germany was to break out on the grounds of Transcarpathian Ukraine. This region was once a part of Austria-Hungary, then Czechoslovakia and then Slovakia. Hitler was going to annexe it as a part of the Reich, and that would have served as an excuse for a war. Both the USSR and Germany had parts of the Ukraine. Instead, the Führer gave the Transcarpathian region to the Hungarians in March 1939. And immediately the West decided to punish him, and Poland forgot about its friendship with the Reich. Within literally 24 hours.

thick books. To begin with, I will give you an irrefutable historical fact: it was not Stalin but Hitler who initiated the warm-up of German-Soviet relations. As early as  $22^{nd}$  *December, 1938* the trade mission of the USSR in Berlin received a proposition to draw up an agreement. After some probing and 'exchange of opinions', contact ceased. As this book is not on the history of diplomacy, we can omit several months and proceed straight to the climax.

On 2<sup>nd</sup> *August*, 1939 the envoy of the USSR, Astakhov, was summoned by the head of the German Foreign Ministry, Joachim von Ribbentrop. The essence of his words was that there were no problems between Berlin and Moscow that could not be solved.

On 5<sup>th</sup> August, 1939 British and French delegations set off for Moscow to participate in negotiations. The English are not in a particular hurry. They do not go by air... but by sea. And not by a military fast ship but by a low-speed steamer, *City of Exeter*. As a result, instead of several hours, getting to Moscow takes seven days (on 10<sup>th</sup> August, 1939 the allied delegation arrives in Leningrad).

On  $11^{\rm th}$  August, 1939 Hitler summons the League of Nations High Commissioner, Carl Burckhardt and asks him for a 'favour': to help explain to the West that everything that Hitler was doing was aimed against Russia. And if this were to fall on deaf ears then he would have to come to terms with Russians.

On 12<sup>th</sup> August, 1939 the first official meeting of the British, French and Soviet missions took place. Immediately it turned out that the head of the British delegation, Admiral Drax, did not have any letter of authority. The head of the French delegation, General Doumenc, was only authorised to reach an agreement and not to sign any resulting documents. When asked by the head of the Soviet delegation, Voroshilov, whether Poland and Romania would let the Soviet troops into their territory in order to fight against the German aggressors should they annexe these countries, they did not produce any definite answer. This is the very lingering that has been mentioned above. The English did not need to hold on and sit in session for too long: only two weeks were left until Hitler's planned attack against Poland.

On  $15^{\rm th}$  August, 1939 at a meeting with Molotov, the German ambassador, Schulenburg, read out a note which essentially said that it was 'possible to restore good mutually beneficial cooperation' between the two countries and raised a question regarding the arrival of a high German official in Mos-

cow. Incidentally, he was not authorised to give the note to the Russians so that no evidence would be left behind.<sup>1</sup>

The fact that Hitler had planned an attack against Poland for the 26<sup>th</sup> *August, 1939* was known not only in London but also in Moscow. Therefore, it was decided to buy some time and play on the Germans' nerves. At the same time, this would let them find out how serious their intentions were. So, having had a lovely chat with the German ambassador and having realised that the Germans were under time constraints, Molotov said that there was no rush with the visit, ensuring they did not end up just having talks in Moscow without making any particular decisions.

On 17th August, 1939 Schulenburg saw Molotov again. The head of the soviet Foreign Ministry said that Moscow understood why Germany would really want to improve its relations with the USSR. But then a list of previous offences followed. Yet, 'since now the German government has decided to change their policy', it should prove that its intentions are serious and execute economic contracts. That would mean giving the USSR a loan of 200 million marks for seven years and supply quality equipment for this amount. This contract would come first and then it would be possible to discuss a non-aggression treaty.<sup>2</sup>

On  $19^{\rm th}$  August, 1939 Hitler and Ribbentrop sent Schulenburg to Moscow again. He passes a proposition to sign a treaty which would consist of two provisions:

Germany and the USSR shall not under any conditions resort to the use of violence against each other. The proposed duration of the treaty was 25 years.

As an addition Germany was to use its influence to help improve the relations between Moscow and Tokyo. The last provision was crucial. It meant that signing the treaty with Germany would also solve the USSR's second problem, that being the constant aggression from Japan. This was a very serious argument. Incited by Great Britain and the USA, Japan invaded China back in the thirties<sup>3</sup> and started gradually biting off bits of

<sup>&</sup>lt;sup>1</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 148.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 148-149.

<sup>&</sup>lt;sup>3</sup> Here are just some facts. Great Britain was Japan's ally during the Russo-Japanese war of 1904–1905. As a result of the war. Japan annexed Korea, which went unnoticed by the Anglo-Saxons. After the Japanese invasion of China, despite enormous casualties on the Chinese side, Great Britain blocked all accusations

Chinese land approaching the Russian borders. According to the English plan, the USSR was going to be attacked by Japan in the east and Germany in the west. This was to be a two-front war for the USSR, not for Germany. And the first front had already been opened. On 11<sup>th</sup> May, 1939 a regular Japanese army attacked the Mongolian frontier posts.

When the German ambassador proposed to Stalin the signing of the non-aggression pact, Tokyo was considered to be Berlin's ally. Meanwhile, heavy fighting was taking place at the Khalkhyn Gol River in Mongolia. The Japanese planned an offensive operation on  $24^{\rm th}$  August, 1939. Instead, it was the Red Army that started an offensive on  $20^{\rm th}$  August, 1939, that is to say on the day after the Germans offered their mediation in reconciliation with Japan. To make the Japanese more willing to negotiate it was necessary to beat them up well first.

To assess the actions undertaken by the Soviet officials properly, one needs to realise that the negotiations with the Germans and the battles with the Japanese were happening at the same time. And Berlin did not just offer its friendship: the Germans could actually persuade the Japanese to put an end to the conflict. Pursuing a war against Russia on its own was an extremely difficult task for Japan, if at all feasible. And a non-aggression

of Japan's aggression as a member of the League of Nations. In total, between 1931 and 1945 as a result of the Japanese aggression, 35 million people died in China (*Narochnickaya N. A., Falin V. M.* The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 54). And finally, while the delegations from England and France were getting ready for negotiations in Moscow, on  $24^{th}$  July 1939 London and Tokyo signed a treaty which completely recognised the 'existing situation in China'. This was a blessing for a war with Russia. For a full-scale war...

Russia did not lose the war with Japan in 1905. We were forced to sign a peace treaty! Russia was forced to do that by means of revolutionary action, strikes, terrorist attacks and 'mutinies' in the fleet. All revolution was the result of excellent work of the foreign special services. For example, the mutiny on the Potemkin started with a soup in which the sailors found living worms. Their indignation was just — they were being fed rotten food! And it did not occur to anyone that boiling the soup would have surely killed the worms and there was no way they could still be alive. Someone purposely threw living worms into the food AFTER it had been cooked. And this is just one of the examples: the most telling one. The peace negotiations were initiated by... Japan. Two days after the battle of Tsushima the Japanese offered a peace treaty. Because they realised that it was impossible

treaty between Berlin and Moscow would be a perfect excuse for Tokyo to stop fighting. It would be only natural to ask the following question at this point: was there a different way to influence Japan? No, because it would have required a will to stop the war between the USSR and Japan, and this is exactly what was lacking. The situation was, in fact, quite the opposite: the English were trying to organise a rebellion in the Chinese province of Xinjiang.¹ Why did the British need that? Because it was through that province that the USSR supplied support to China and Russian weapons and counsellors helped to strengthen China, thereby weakening the Japanese troops which confronted the Red Army. By blocking the route by which Russian weapons and equipment were supplied, the English were sabotaging the fight of the Chinese and strengthening the Japanese, helping them to aggravate the conflict with Russia...

Credit where credit is due. Stalin did realise how serious Germany's intentions were and did understand why they were in such a hurry. Therefore, despite the problems with the Japanese, he decided to take advantage of the situation with as much profit for the USSR as possible. The Germans asked to meet a minister in Moscow. The English sent someone with no particular position or authority. The situation was very telling...

During his visit to Moscow, the German ambassador, Schulenburg, received quite a specific response from Molotov: provided that the economic agreements were signed on the same day, 19<sup>th</sup> August, Ribbentrop could come a week later, on 26<sup>th</sup> or 27<sup>th</sup> August. When it was suggested that Ribbentrop could arrive earlier, Molotov objected that it was too early to speak of that before the first stage, that is the economic negotiations, had been accomplished. It was about 3 p.m., 19<sup>th</sup> August, 1939.<sup>2</sup> The officials in Berlin were panicking: time was running out very fast. The Russians were being polite but did not cast any light upon the situation. And all of a sudden they said that without a loan of 200 million marks there could be no

to win a long war with Russia. You can read more on how the English were forcing Nikolas II to sign the peace treaty with the help of the revolutionaries (and most importantly, why?) in: *Starikov N.* Who funds disintegration of Russia. From Decembrists to Mujahids. St. Petersburg: Piter, 2010.

<sup>&</sup>lt;sup>1</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 81.

<sup>&</sup>lt;sup>2</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 149.

progress in the relations. What was Berlin to do? Did Hitler want to credit Stalin? Of course not. He needed money himself to finance his preparations for a war with Poland. But he had no choice. Stalin used the good old Anglo-Saxon trick in the negotiations: having created a problem, he was 'selling' ways to solve it. Today, the USA funds international terrorism and then fights it.¹ The Kremlin lingered and then suddenly offered to speed up the negotiations through financing the USSR until 1946. And to achieve a positive result, the USSR used a carrot after using a stick. Half an hour after saying that Ribbentrop could come a week later, the German ambassador was summoned to Molotov again.

He was presented with the Soviet project of the non-aggression treaty drafted in compliance with all the rules. This is the version that was signed later on with insignificant amendments. This was an ordinary treaty; there was nothing special about it except for one detail: the draft did not specify that the document would lose become null and void should one of the parties attack a third party.<sup>2</sup> Let us just keep this fact in mind and proceed. This piece of information will be very useful later.

On 20<sup>th</sup> August (at 2 a. m.) a trade and credit agreement was urgently signed. The USSR was to receive a loan of 200 million marks that the country could spend on German equipment and pay back with raw material and food.<sup>3</sup>

So, Germany did what the Kremlin had been asking for: the economic agreement was signed. Hitler, completely exhausted, went to bed at seven in

<sup>&</sup>lt;sup>1</sup> For more information on this subject see: *Starikov N.* Cherchez la Oil. St. Petersburg: Piter, 2010.

<sup>&</sup>lt;sup>2</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 150.

<sup>&</sup>lt;sup>3</sup> Very often, to demonstrate Stalin's silliness or cowardice, people mention the trains full of crops which crossed the Russian-German border up until 22 June. But it was not due to cowardice or fear; the USSR was paying back its loan. Or do those who condemn Stalin not pay their loans back? First, Germany supplied machines, weapons and a lot of other things to the USSR, and then the USSR paid the debt back over several years. It was a bargain. It is not the USSR that financed Hitler, but Hitler who financed the USSR. Stalin squeezed everything possible out of Hitler. Who can say exactly how much of the loan we paid back before the beginning of the war and how much was left? Who remembered our debt in 1946 when the loan contract expired? If this is not a victory of the Russian diplomacy, then what is a victory?!

the morning on  $20^{\text{th}}$  August. But there was still no clarity from the Russians and the only date proposed by them for the arrival of the German delegation remained the same:  $26-27^{\text{th}}$  August, 1939. This was too late for Berlin. And then Hitler decided to speed things up. On  $20^{\text{th}}$  August, 1939 he sat down and wrote a personal letter to Stalin. They had never been in correspondence or spoken before. But Hitler had no time to act according to the official procedures: the attack against Poland was planned for  $26^{\text{th}}$  August and there was no time to spare. 'Nevertheless, I repeat my proposition to accept my Foreign minister on  $22^{\text{nd}}$  August or  $23^{\text{rd}}$  August at the latest'<sup>1</sup>, said Hitler in his letter. On 21 August, 1939 at 15:00 the German ambassador, Count Schulenburg, presented Hitler's letter in Moscow. Just two hours later, at 17:00, Vyacheslav Molotov gave the German ambassador the response of the head of the USSR.<sup>2</sup> Stalin replied practically immediately.

'21st August, 1939.

To the Reichschancellor of Germany, Mr. A. Hitler

Thank you for the letter.

I do hope that the non-aggression treaty between Germany and the Soviet Union will be a pivotal moment in the history of political relations between our countries and will contribute to their improvement.

The peoples of our countries need peaceful relations. The agreement of the German government to sign a non-aggression treaty will serve as a basis to eliminate political tensions and establish peace and cooperation between our two countries.

The Soviet government authorised me to let you know that it agrees to see Mr. Ribbentrop in Moscow on  $23^{rd}$  August.

I. Stalin' 3

The economic agreement that the USSR needed had already been signed and the funds would be received. A non-aggression pact with the Germans could now be signed, which the USSR also needed in order to avoid a possible war with Germany and finish the current war with Japan.

<sup>&</sup>lt;sup>1</sup> Bulok A. Hitler and Stalin. Smolensk: Rusich, 1994. P. 237.

<sup>&</sup>lt;sup>2</sup> Falin V. The Second Front. Anti-Hitler Coalition: conflict of interest. Moscow: Centrpoligraph, 2000. P. 121.

<sup>&</sup>lt;sup>3</sup> The Year of Crisis. 1938–1939: Documents and Materials: 2 Volumes. Moscow: Izdatelstvo politicheskoy literatury, 1990. V. 2. P. 303.

Molotov hands Stalin's response to the German ambassador and... And here came the moment which was the reason, dear reader, why we made such a long introduction into the hot August of 1939. The most interesting and the least studied part of the story of the non-aggression pact begins. Pure miracles ensue...

## Story one Concerning inert Germans and Stalin's letter

Let us imagine a situation. Adolf Hitler puts his prestige at stake and, in spite of diplomatic etiquette, addressed the head of another state, bypassing his foreign minister. No such thing had happened in German-Russian relations before. Having written that letter, Hitler put himself in a very vulnerable position. He showed how important it was for him to come to an arrangement. He revealed his cards. He exposed himself even before the negotiations started. And he is waiting for an answer. On 21st August, 1939 there is no news in the whole Third Reich which would be more important than Stalin's answer.

Here is the question for you: how long did it take to pass the message from the Soviet government? As we know, at 5 p.m. the envelope with the message got into the German ambassador's hands. And when did it reach Hitler?

Let us try to calculate. We will give fifteen minutes to Ambassador Schulenburg to say his goodbyes to Molotov and walk to the car, then, say, twenty minutes to drive to the Embassy. Around ten minutes to take his coat off and suchlike, about twenty minutes to cipher the message. Ten more minutes to send the message to Berlin — the document is tiny, there are only 14 lines. In total, we get 75 minutes. Let us round it up to 90, as the German ambassador is not very young and therefore does not walk very fast. So, an hour and a half in total. What are the time expenditures in Berlin? Deciphering would take 20 minutes, delivering to the Führer another 20 minutes. Let it be an hour. An hour in Berlin and an hour and a half in Moscow. It means that passing Stalin's response from the Kremlin to Adolf Hitler could take two and a half hours at the most. And this would be without too much haste, in a very laid-back manner. Whereas Hitler must have ordered this material to be given top priority due to its urgency and importance. Everyone should have run! What happened in reality?

Stalin's response was passed to Hitler nine hours later!1

How could it have happened that the most expected document in Germany was delivered to Hitler with such a delay? Did it get lost on the way? Just compare two and a half hours and nine hours. Who held the message up for so long? I think you will agree that it raises a lot of questions. Hitler must have asked these questions, too, as he really was looking forward to Stalin's answer. 'In utter anxiety, practically unable to control his nerves, Hitler was waiting for an answer. He could not sleep and that is why he called Hermann Goering in the middle of the night to share his worries with him and express his irritation about Russian stolidity.'2 And the Führer's misgivings concerning Stalin were completely unfounded, as the head of the USSR replied at lightning speed. So, where was the response? Who kept it from Hitler? And when Stalin's letter finally got through to the addressee, the Führer's reaction was rather peculiar. 'Hitler was given a note at dinner. He quickly ran through it, blushing thoroughly, stared in front of himself for some time and then hit the table in front of him so hard that it clinked and shouted in a failing voice, 'It's all right! It's all right!'3 There is other evidence. When Hitler received the message that Ribbentrop could fly to Moscow on  $23^{\rm rd}$  August, he exclaimed: 'This is one hundred per cent victory! And though I never do, I am going to have a bottle of champagne.4

Could Adolf Hitler take no notice of the strange delay in the delivery of this important information simply out of joy that Stalin had replied and agreed to move the negotiations closer? He could have done. But the senior officials of his secret services were obliged to examine the situation. Why? Because when the head of state runs around his residence in anxiety and is constantly on the phone, asking, 'Where is Stalin's answer?' a delay in delivering information by six — seven (!) hours has a very short and concise name: sabotage. Or maybe even a louder one: a diversion. This 'delay' could

<sup>&</sup>lt;sup>1</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 93.

<sup>&</sup>lt;sup>2</sup> Fest J. Adolf Hitler: In 3 volumes. Perm: Aleteya. V. 3. P. 160.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 233-234.

<sup>&</sup>lt;sup>4</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 152. Hitler was vegetarian and did not drink.

have resulted in a turning point in history. In fact, world history could have been completely different.

Let us approach this question from a different point of view. It would seem that to entirely conceal from Hitler the fact that Stalin had replied would have been impossible. So what is the difference between delivering the message two hours later and nine hours later? The difference is enormous. The difference is as big as between the mornings of  $10^{\rm th}$  and  $11^{\rm th}$  September 2001. Let us pose another question: who would be interested in making it look like there had been no response from Stalin? Who would be interested in driving Hitler mad with Stalin's silence in response to Hitler's PERSONAL LETTER? What results would it produce? What could Adolf Hitler have done having not received Stalin's message? What would have happened had Hitler's patience snapped earlier?

Curiously enough, it is pretty easy to answer these questions. The Führer was a gambler. He played two boards at the same time, both the West and the East. When, six years later, Adolf Hitler shot himself in the Führerbunker, Stalin was abundantly clear about it ('The scoundrel's game is over!'). These words tell us the whole truth of the Second World War. Hitler's game-playing with everyone at the same time led him to a defeat. He said more than once that fighting on two fronts would be disastrous and impossible for Germany, that such a war scenario was the biggest mistake made by Kaiser Wilhelm II. And that he, Hitler, was not going to make the same mistake. Therefore, in August, 1939 Hitler was to come to an agreement either with the West or with the East. And it would be even better if he managed to make an arrangement with one side and then with the other centre of power, as well. And should the proposal of the English prove more interesting, the friendship with the Kremlin could be forgotten about again.¹

<sup>&</sup>lt;sup>1</sup> For some reason those who write about the Molotov-Ribbentrop pact make it sound like Hitler, once he had signed the treaty, was ready to be 'friends' with Russia forever. For a man as cynical as Hitler, a treaty was nothing but a paper. And he was not going to adhere to it forever from the very beginning. He could have easily exchanged it or traded it for more preferences from his beloved Britain. This is what happened in reality. By 25<sup>th</sup> May Hitler had already sent Dalerus, who was a Swedish manufacturer, a relative and a friend of Goering's, to London. And up until 1<sup>st</sup> September, 1939 active work on diplomatic channels was taking place. But the English decided that Hitler's word was worth nothing and therefore declared war against him: in actual fact, they were not pursuing any war, and promised to

But let us go back to the question of what Hitler would have done had Stalin's response been some five hours later. The answer is that he would have continued negotiating. But not with Russians. With whom then? There is only one answer to this: with the English. It is an historical fact that on  $21^{\text{st}}$  August, 1939 the German ruler asked London to have a meeting with Goering on  $22^{\text{nd}}$  August and received a positive answer. In those fateful August days there were two aeroplanes at the Berlin airfield. One of them, the Führer's personal Junkers, was waiting for the Foreign Minister, Ribbentrop, in order to take him to Moscow. And the other plane was a Lockheed A-12 of the British secret service. Hermann Goering was ready to board it and fly to London. Both flights and both visits were planned for the same day,  $23^{\text{rd}}$  August, 1939. Goering's flight was organised personally by the head of the British intelligence in order to avoid publicity.

Fatman, which was Goering's nickname, was to meet not just anybody but Prime Minister Neville Chamberlain. And the whole arrangement was kept under a veil of complete secrecy. He was to fly not straight to London but first land at a small airfield near a town called Bonvington in Herefordshire. From there Goering was to be delivered straight to Chequers, the official residence of the British Prime Minister. It was planned to dismiss Chamberlain's staff for the sake of secrecy, and replace all its members with officers of the British secret service. It was also planned to disconnect all the phones...<sup>3</sup>

This was not the first occasion when, at crucial political moments, one of the leaders of the Third Reich would fly to London in order to make arrangements in real time and in person. For example, when German troops invaded Austria in spring, 1938, Ribbentrop was in the British capital. The excuse not to make this visit official was found in the process. Ribbentrop, who used to be the German ambassador in London, now became the head of the Foreign Ministry. And in this new position he just wanted to see his

stop it provided that Hitler would fulfil his obligations and attack Russia. And they kept pushing Hitler until he finally gave London satisfaction on 22 June 1941.

<sup>&</sup>lt;sup>1</sup> Narochnickaya N. A., Falin V. M. The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 151.

<sup>&</sup>lt;sup>2</sup> Falin V. The Second Front. Anti-Hitler Coalition: conflict of interest. Moscow: Centrpoligraph, 2000. P. 112.

<sup>&</sup>lt;sup>3</sup> Grotov G. Hermann Göring — the Marshall of the Reich. Smolensk: Rusich, 1998. P. 323–324.

all friends and throw something akin to a farewell party. As a result, England recognised the *Anschluss* (annexation) of Austria to Germany despite having a treaty with Austrians in which the British promised to protect their independence.

In August 1939 only one flight could take place. And it is exactly where Hitler's envoy would fly and which country the Führer chooses to make an arrangement with that the flight was for.<sup>2</sup> Having no response from Stalin was supposed to prod Hitler into negotiating with the English. The German leader simply did not have any other options. This is why we can state that the supposed lack of response from Stalin could have meant an entirely different scenario for Europe. And this scenario would have been even more tragic for Russia, as straight after defeating Poland the German troops would have turned up at the Russian borders *and* the Russian Army would have had to fight the Wehrmacht on its own and two years earlier *and* France or England would not have been obliged to reinforce Russia.

Who would have found it profitable if a war between Russia and Germany had started in September 1939? England. Who would have found it profitable to pit two peoples against one another in order to then join the

<sup>&</sup>lt;sup>1</sup> Putlitz W. G. Unterwegs nach Deutschland. Erinnerungen eines ehemaligen Diplomaten. — Berlin (Ost): Verlag der Nation, 1958

<sup>&</sup>lt;sup>2</sup> Those who are at least a little bit familiar with the principles of the English policy are bound to know that the main principle is to fight using others. Britain has always tried to 'get rid of' its rivals with the help of other countries. Spain was weakened by the revolt in the Netherlands then Holland was defeated on land by the French. When France became the main rival of the Anglo-Saxons, she was 'eliminated' by Russian troops in 1812-1814. The principle did not change later. In the First World War the two enemies of England — Germany and Russia mutually destroyed each other. The same principle was going to be applied to the Second World War. The following fact is rather telling: on 27th April, 1939 the law on universal military service was passed in Great Britain. But it remained on paper even after the world conflict had started. It is enough to say that 24-year-old Brits were only asked to arrive at recruiting stations as late as March 1940 — that is six months (!) after London declared war on Germany (on 3 September 1939). (Maysky I.M. Memoirs of a Soviet Diplomat. Tashkent, 1980. P.387). When Hitler was destroying Poland, the English were dropping leaflets over German territory. Over the first month of the war they dropped 18 million leaflets. This was how the British helped Poland. The English wanted to stay 'second' and avoid fighting themselves.

battle second when the rivals had bled white? England. And a nine-hour delay in delivering the urgent and important letter is an historical fact which no one can deny. So, who could have tried to impede negotiations between Germany and Russia through holding up a message from one head of state to the other? The answer is obvious. There is one thing I do not understand: why has no one else tried to answer this fascinating question before, since answering it makes a lot of things clear. Even too clear. This was a question of national importance and Great Britain used the help of the secret service apart from all diplomatic sources...

Who could have provided the 'extra' six hours for Stalin's letter? English agents in German institutions. What institution exactly is not really that important; Foreign Ministry, intelligence, ciphers, Ribbentrop's deputies. If you want to know who exactly was responsible, get hold of German archives; they must have the answer. Such a blunder could not have remained unpunished. Either the German secret service or Ribbentrop himself must have reacted to this obvious sabotage. There must have been a reaction — severe but concealed. Within a month someone must have drowned, died in a car crash or of a sudden heart attack. Quietly. With no publicity. With nothing but a portrait at work with a black ribbon. Some crying colleagues. A true Aryan. Blind Death has taken him away. With a pension for the heartbroken widow.

I do not know what happened to the British agent who put everything at stake performing the task of his bosses in London; I do not know his name. But I do know names and surnames of other *real* foreign agents who were in Germany back then.

#### Story two About a Russian agent

This man was not just an agent; he was considered the most valuable agent of the USSR in Nazi Germany. A book about him is actually called 'His Majesty the Agent'. With a capital letter as they use for royalty. And this is not for nothing — **Willy Lehmann** was indeed a very precious agent. For as many as twelve years he supplied very sensitive information to Moscow under the pseudonym of Breitenbach, while working not just

<sup>&</sup>lt;sup>1</sup> Gladkov T. His Majesty the Agent. Moscow: Pechatnye tradicii, 2010.

for an agency but for the Gestapo. 'Willy Lehmann took the initiative and offered his services himself. .. Lehmann spent twelve years working for Soviet intelligence. During that period he did not make a single professional mistake, nothing that could have attracted any suspicion,' says the author of the book, Theodore Gladkov, about the agent. Having started working with Soviet intelligence even before the Nazis came to power, he passed on the last piece of sensitive information on 19<sup>th</sup> June, 1941. On that day, Lehmann reported the exact and accurate day of the German invasion of the USSR. After that, contact with him was broken.

As a result, there was a very strange situation: there was a very precious agent but no contact with him. 'By spring 1942 the Centre managed to restore contact with none of their agents in Berlin'<sup>3</sup>. That means there was physically no one who could have contacted Lehmann. Then it was decided to send some liaisons over the front line. Two agents were sent to Berlin and both were arrested by Willy Lehmann's 'colleagues' from the Gestapo. One of them held on to the last and died under torture; the other one started collaborating with the Nazis. A radio game started. Later on, the arrested Soviet agent insisted that he had given a coded sign that he was working under control which, allegedly, had not been noticed by the radio operators of the Centre. On 4th December, 1941 a password and terms of contact with Breitenbach were sent to the receiver controlled by the Gestapo...

In December, after the 11<sup>th</sup>, the telephone rang in Lehmann's apartment. Late at night. There was nothing special in it for an agent. It might have been an urgent call. In his many years of service, it had happened many times... A service Horch was already waiting for him. He opened the door, dived into the car, and immediately handcuffs clicked on his wrists... There was no warrant for his arrest. He was to be delivered, and that is it... No one knew of Lehmann's case except for the head of Gestapo, Mueller and a few more people. Lehmann was doomed. He was denied even a mockery of a trial from the very beginning, even with a predetermined death penalty...

<sup>1</sup> http://www.vesti.ru/doc.html?id=353153.

<sup>&</sup>lt;sup>2</sup> Apparently, Lehmann's supervisors had diplomatic cover and were deported from Germany together with all Soviet diplomats. This by itself provides food for thought. We were so convinced that there was no threat coming from Germany that there were no other ways of contacting this agent!

<sup>&</sup>lt;sup>3</sup> http://kp.ru/daily/24478.3/635042.

And there was nothing but a short message in the internal Nazi 'Bulletin' on 29<sup>th</sup> January, 1943 which said that 'Willy Lehmann gave his life for the Führer and the Reich'. The only truth in this message must have been the month of his death — December 1942...'

In a very quiet, peaceful, family-like manner. He gave his life for the Führer and the Reich. Well, why trouble the public? Why cause puzzlement and anxiety? Nothing happened to Lehmann's wife. Could it have been different if her husband had lost his life for the sake of Germany? 'Margaret Lehmann was not subjected to any sanctions or oppressions. Not out of humanism, of course, but purely to keep the secret. In the beginning she was told that Willy died during a 'secret' mission.<sup>2</sup>

It is very, very seldom that truth does come to the surface. Secret services sacredly keep their secrets.

#### Story three About an English agent

This story is of particular interest because its main character was a regular German diplomat which, however, did not stop him from working for English intelligence. Our character was called Wolfgang zu Putlitz. He came from an ancient and noble family, did his military service in the Kaiser's army and after Germany's defeat in the First World War he became a diplomat. His well-known surname and connections helped him take the post of Head of the Consular Department in the German embassy in London in 1936.<sup>3</sup> And it seems like he was recruited. Why 'seems'? Because in his

<sup>&</sup>lt;sup>1</sup> http://kp.ru/daily/24478.3/635042.

<sup>&</sup>lt;sup>2</sup> http://kp.ru/daily/24478.3/635042.

We will mention in passing what the author of the memoirs said about England's attitude towards the Reich: '...In England there was no sign of negative or hostile feeling towards the Third Reich. On the contrary, the press did its best to avoid what the Nazis called 'stigmatisation'. The only exception was the communist newspaper 'Daily Worker' which was, however, impossible to buy at any stand... The Brown Book of the Reichstag Fire and other anti-Nazi books were normally only sold under the counter and could not be seen in big book shops.' (*Putlitz W. G.* Unterwegs nach Deutschland. Erinnerungen eines ehemaligen Diplomaten. — Berlin (Ost): Verlag der Nation, 1958). At the time Hitler was the favourite and the most promising project of the English who was expected to attack Russia in

memoirs, Putlitz, being a man of sound judgement, does not say anything specific about his connections with English intelligence. He tells his readers about his 'friendship' with the English. Yet the results of this friendship are so telling that there can be no doubt about the nature of this relationship.

The German diplomat writes about many interesting things. For example, just before the beginning of the Second World War, he is appointed at the German mission in Holland. Being a German diplomat, he is commissioned to... get a large batch of oil and other strategic raw materials to the Reich. It did not have time to get through the German-Dutch border before Germany's attack against Poland and was blocked. Where are the raw materials from? They are from England.<sup>2</sup> As an English agent, Putlitz is trying to do the opposite and prevent the Nazis from getting a single drop of the oil. And he writes a letter to... the English intelligence centre (as he does not admit to being an agent, he just 'sends them a letter'!). How does he know the address? 'Everyone in the Hague knew that the British intelligence centre was located in the passport agency of the British consulate in Scheveningen, and that it was headed by a certain Captain Stevens'<sup>3</sup>, says Putlitz in his memoirs.

Is this not charming? Everyone knew. All the boys and every single old lady. It is just over there, the English intelligence centre. Maybe there was even a sign? For convenience. But let us put all jokes aside. As you may have

the future. Therefore, nothing bad was to be written about the Nazis. Nothing was written, nothing was sold. Freedom of speech in operation. There were no books on Hitler's crimes but in the same year, 1936, the Anglo-German Fellowship was founded in London. Its only task was to spread the ideas of friendship and cooperation with the Third Reich among the English public. Such organisations do not appear on their own without being sanctioned by government. Just look at it, is this not interesting? When there was no Hitler, there were no ideas of friendship and cooperation with Germany, and once Hitler came to power the British authorities became eager to be friends with Germany.

<sup>&</sup>lt;sup>1</sup> In the history of recruiting Soviet spies by foreign special services, in the majority of cases it happened abroad, where the Soviet spies were working under a diplomatic or a different type of cover. One of the most famous examples — Suvorov-Rezun, who got into a honey trap. Typical.

http://militera.lib.ru/memo/german/putlits\_vg/03.html — Original: Putlitz W. G. Unterwegs nach Deutschland. Erinnerungen eines ehemaligen Diplomaten. — Berlin (Ost): Verlag der Nation, 1958.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 260.

guessed already, as a result, the oil successfully got through to Germany with the help of employees from the Shell company. And as for Putlitz himself, the English 'suddenly' decided to bring him over to Britain so that he would not hinder strategic supplies to Germans. And yet, Putlitz says that he was not an agent but just 'friends' with some English people. I would like to draw your attention to the way they were going to bring him over. Putlitz's 'friend,' Lord Vansittart, said,¹ 'If it is necessary, I will send a British torpedo boat to Scheveningen to bring Putlitz. But it would be better if Stevens could find an aeroplane in Holland'².

The Second World War had begun. The British fleet had been placed in operational readiness and was about to start battle operations. And Lord Vansittart was ready to send a torpedo boat for his friend. Did military vessels really have nothing more important to do? Did the English have so many torpedo boats that any lord could send one of them anywhere during a war 'to get a friend of his'? And did the head of the English Intelligence Department, Captain Stevens, really have nothing else to do except look for a plane for someone who had simply written a note to him?

We will have no questions left if we read the episode where Putlitz describes the way he was met in England. What is more, we will be convinced that Putlitz had provided the English with rather important information. We do not know what information exactly, but, obviously, rather sensitive. You can judge for yourself. Putlitz flew to Britain on a plane which had been found for him by British intelligence in Holland. The man who was meeting him shook his hand and said, 'Your arrival has been the most promising event in the whole war so far'. Quite some appreciation. 'No customs formalities were complied with; no one even looked at our passports'³, says Putlitz about the meeting. Indeed, why trouble oneself with formalities? There is no point in them. Why check passports of any passengers flying from Holland? Yes, Great Britain had joined a world war, and what? Yes, Holland has borders with Germany, and what? It does not really matter that the tulip country is neutral and the Germans freely move around it.

<sup>&</sup>lt;sup>1</sup> Lord Vansittart was the Permanent Under-Secretary at the Foreign Office.

<sup>&</sup>lt;sup>2</sup> Putlitz W. G. Unterwegs nach Deutschland. Erinnerungen eines ehemaligen Diplomaten. — Berlin (Ost): Verlag der Nation, 1958.

<sup>&</sup>lt;sup>3</sup> Putlitz W. G. Unterwegs nach Deutschland. Erinnerungen eines ehemaligen Diplomaten. — Berlin (Ost): Verlag der Nation, 1958.

After having a glass of champagne to celebrate the successful arrival of the escaped German diplomat... he was offered British citizenship.¹ Whereas, according to the martial law, every citizen of the country which is in a war with Britain has to be interned until the end of the war. Put simply, citizens of the enemy state are sent to a concentration camp until the end of the war.² This is unpleasant but necessary to prevent espionage and sabotage. And on this occasion a German citizen is offered to become British. Simply out of kindness, of course, out of friendship. But noble zu Putlitz refuses to become a British citizen. After this, he is not arrested either, and he can freely travel around the country. Lord Vansinttart even invites him over to his villa.

Then Putlitz leaves Britain and goes to the USA. When four years later, on 6<sup>th</sup> January 1945 (apparently, after accomplishing another task for English intelligence) Putlitz was coming off the boat in Liverpool, things were even funnier. And even more telling. There someone to meet him again. The same person as in 1939, actually. There was a hand-shake again. And extraordinary 'negligence' again, 'He had papers that allowed me to go ashore without being searched'³. The reaction of an ordinary English customs officer at the sight of all these miracles is the best illustration of the situation: 'Casting a suspicious look at me, the immigration officer mumbled, 'And I thought we were fighting Germans!"<sup>4</sup>

...In 1948 Wolfgang zu Putlitz did decide to take British citizenship and got a British passport within three weeks. I do not know what exactly he did for Britain but his story is perfect evidence of the fact that there were English agents in the German Foreign Ministry, who were rather successful. And therefore they were quite generously rewarded if they remained alive. Here, of course, you can ask where these agents come from. What can I say? Money had always been the best key to a human heart. Do you really think that all the so-called progressive journalists, all those pseudo-human

<sup>1</sup> Ibid.

<sup>&</sup>lt;sup>2</sup> The USA went even further than that. At the beginning of the war with Japan, the Americans imprisoned not only Japanese citizens but even American citizens of Japanese origin. And they kept them in jail until the autumn of 1945, that is until the very end of the Second World War.

<sup>&</sup>lt;sup>3</sup> Putlitz W. G. Unterwegs nach Deutschland. Erinnerungen eines ehemaligen Diplomaten. — Berlin (Ost): Verlag der Nation, 1958.

<sup>&</sup>lt;sup>4</sup> Ibid.

rights activists and all those dissidents sincerely believe in democracy in Washington and London FOR NOTHING?

...Germany was plunged into famine and poverty in November 1918. Darkness and horror covered the country. As many as 21 years are left until 1939. An agent would be helped to go up the career ladder (the West conveniently had full control over 'democracy' in the Weimar republic); he was assisted and provided with money. And this agent, who may have done nothing of importance for London before 1939, could change history completely. Had the Führer's envoy flown to London instead of Moscow in 1939, all the expenses on the part of the agent and the patience of his bosses would have been worth it. Who knows, maybe it was actually Putlitz himself? Maybe he made an attempt, which did not work out, but survived?

Yet, the story of strange and amazing things happening while such a disliked non-aggression treaty was being signed does not end here. The English would never have become a great nation if they had given up after the first failure. Yes, Hitler did receive Stalin's letter and cancelled Goering's flight to London. Is that it? No. We will give it another try. What if Ribbentrop's aircraft does not make it to Moscow?

## Story four About loafers in air defence and strict comrade Stalin

The atmosphere at the end of August 1939 was tense and edgy. Poland, for example, just a week before it had to become the 'guiltless victim of Hitler's aggression'... was firing on German airliners (!) flying over its territory. Not trespassing on its air area but just passing on their way to other countries. One can read about this completely freely in the book by Hitler's interpreter, Paul Schmidt, who went to Moscow together with Ribbentrop. This book has been published several times in England and in the USA and

While Ribbentrop was in prison during the Nuremberg Trials, as a result of which he would be hanged, he managed to write some memoirs. Speaking about his trip to Moscow, he wrote the following: 'At first, I suggested sending another authorised representative to Moscow, and the first person I thought of was Goering'. (*Ribbentrop J.* Ribbentrop memoirs. London: Weidenfeld and Nicolson, 1953). This very interesting evidence tells us several things. Firstly, Goering indeed was ready to depart at any moment, and secondly, that Hitler decided to keep him for the negotiations in Great Britain. The circumstances could have rapidly changed.

no one has ever questioned this story: 'In the course of a brief visit to the aerodrome restaurant, I had learnt that both Condors¹ were having fighter cover. In the last few days, such was the tension which had already developed between Germany and Poland, Lufthansa machines had often been fired on by Polish anti-aircraft batteries.'

Imagine the following picture: an aircraft with the German foreign minister is flying to the USSR to sign this treaty between Berlin and Moscow for Great Britain which was so unwanted for Britain. And gets shot down by the Polish air defence. What does it mean? For Germany it would be an excuse to declare war on Poland. And it would mean that there would be no treaty with the USSR. When did Ribbentrop fly to Moscow? 'On 23<sup>rd</sup> August in the afternoon between 4 and 5 p.m., we arrived at Moscow airport in the Führer's aircraft', says the German foreign minister himself.<sup>3</sup> I should remind you that the attack against Poland is planned for 26<sup>th</sup> August. Hitler might just have no time to send another minister to the Kremlin. Or may even not want to. Hitler did not break off contact with the West. Should Ribbentrop be unable to make it, the Führer, being a fatalist, would immediately send Goering to London.

And what if Ribbentrop's aircraft flying to Moscow gets shot down by the Soviet air defence? By accident or by mistake. A non-aggression treaty would be impossible in that case. Does it not sound credible? And yet, while flying over the Soviet territory, the aircraft carrying the German minister Joachim Ribbentrop was shelled by Soviet air-defence operations near Velikiye Luki. Look at the map. Velikiye Luki is a town in Pskov Oblast. How could it have happened that the most important aircraft in the USSR on that day was shelled by overly enthusiastic artillery men well to the rear and not at the border? Does it not remind you of the story of the 'late delivery' of Stalin's letter to Hitler?

The most common explanation of this fact is that the Soviet air defence systems were not warned about this flight as it had been prepared in secrecy.

Paul Schmidt did not fly in the same Junkers as Ribbentrop but on board a different aircraft.

<sup>&</sup>lt;sup>2</sup> Schmidt. P. Hitler's interpreter. Macmillan, 1951. P. 140.

<sup>&</sup>lt;sup>3</sup> Ribbentrop J. Ribbentrop memoirs. London: Weidenfeld and Nicolson, 1953.

<sup>&</sup>lt;sup>4</sup> *Falin V.* The Second Front. Anti-Hitler Coalition: conflict of interest. Moscow: Centrpoligraph, 2000. P. 122.

Vyacheslav Dashychev, a professor and Doctor of Historical Sciences, provides valuable evidence: 'On 23rd August, 1939 I happened to be a witness of an extraordinary event that could have dramatically changed European history... It was in Velikiye Luki, where I lived with my parents. My father was in command of an infantry corps there. In the morning, I went to school, where pupils were to gather before the beginning of a new academic year. On the way to school, I suddenly heard gun fire. I looked up and saw an aircraft with an unusual silhouette. It was flying rather low. I thought I could see crosses on its wings. Little clouds left by exploded missiles were visible around the plane. It made a loud noise, rapidly turned and soon was out of sight. When Father came back from the headquarters in the evening, I told him what had happened and asked what it meant. He heaved a sigh and said, 'Our artillery men accidentally shelled Ribbentrop's aircraft on its way to Moscow. They had not been warned about the flight route, and they were caught unaware and did not even take aim when shooting. I do not know yet how this story is going to end for me.' But it worked out fine in the end.'2

And yet, on the previous day, 'On 22<sup>nd</sup> August the Telegraph Agency of Soviet Union advised that Ribbentrop was flying to Moscow in order to sign a non-aggression treaty with the Soviet Union.' But why this strange secrecy? Why announce that a plane is coming but not warn the air-defence?! Why did the government not open the air-passage? This is was not the first foreign aircraft flying over our borders after all. And no one had been shelled. Delegations as well as high-rank officials had been to the USSR. The process of opening and closing the air passage in a state is operational and technical. But on this occasion Stalin kept silent and said nothing specific to any of his subordinates among the military. Why?

Because it is then and it is that very aircraft that can be 'accidentally' shot down. By Soviet artillery men, by Polish artillery men or by artillery men of the 'independent' Baltic states. Wherever Ribbentrop flies, this is where he will gladly be helped to fall from the sky by those for whom his arrival in Moscow puts an end to the game they had been playing for years. 'Unidentified planes' may attack this highly important Junkers anywhere.

<sup>&</sup>lt;sup>1</sup> Ivan Dashichev was in command of Infantry Corps 47 of the Leningrad Military District from August 1939.

<sup>&</sup>lt;sup>2</sup> http://www.novoemnenie.ru/rassl/6.html.

<sup>&</sup>lt;sup>3</sup> Churchill W. The Second World War. Mariner Books, 1986.

Great Britain would do anything to prevent Herr Ribbentrop from reaching Moscow. But the best possible option for London is the Soviet artillery men. This would be beautiful and elegant and the same time. Keep in mind that it is *Hitler's private aircraft with one his ministers on board* that is flying over the USSR under the cloak of secrecy. A war could immediately break out instead of peace. Especially if the BBC tells the whole world that the Bolsheviks fooled silly Hitler by shooting down his personal aircraft. Thus, Stalin was facing a dilemma: warning the air-defence was bad; not warning it was just as bad. The only question is why it was there and there alone that the German aircraft was shelled by Soviet artillery men. Why was it the only aircraft that was shelled?

And, by the way, going back to Dashychev's story — it did not work out fine. You can find I. F. Dashychev's name on the web, on a page with a very telling title — 'Purges in the Red Army.' On 21st January, 1942 he was arrested while in command of the 9th infantry corps of the 44th army during the battles in Crimea. The sentence of the military division of the Supreme Court of the USSR said, 'In January 1942 he did not secure a manoeuvrable withdrawal of troops of the 44th army in accordance with orders given by military command, which caused panic among the soldiers and desertion, which led to many casualties and loss of equipment'.

On 2<sup>nd</sup> March, 1942 Dashychev wrote a personal letter to Stalin: 'I was temporarily put in command of the 44<sup>th</sup> army for a day and a half. I took the position after almost a two-day retreat by the army from around Feodosiya under pressure from superior numbers of the enemy (after the army commander had been severely wounded)... For this I am being deprived of the rank of major-general, of my three Orders of the red Banner and The Jubilee Medal 'XX Years of the Workers' and Peasants' Red Army"<sup>3</sup>. Was this really the reason?

Dashychev was deprived of his awards, demoted and sent to the disposition of the Central Personnel Administration of the People's Defence Commissariat. And as early as July 1942, he had proceeded straight from

<sup>&</sup>lt;sup>1</sup> http://handbook.rkka.ru/personal/repress/gen-major.htm.

<sup>&</sup>lt;sup>2</sup> Brig E. On Brigade and Division Commanders // Isaev A., Svirin M., Brig E., Chobitok V., Victor Suvorov's Lies. Moscow: Yauza, Exmo, 2007. (http://militera.lib.ru/research/nepravda\_vs-1/05.html).

 $<sup>^{3}\,\,</sup>$  The information is from debryansk.ru (http://www.debryansk.ru/~ssadm/g1.htm).

there to the dock. He was charged with Antisoviet propaganda, sentenced to imprisonment and spent over ten years in jail! He served his full sentence for Antisoviet propaganda until Khrushchev's time and was not rehabilitated or freed while Josef Stalin was still alive. What kind of Antisoviet propaganda could he have carried out as the former commander of an infantry corps being at the Central Personnel Administration of the People's Defence Commissariat?¹ This is a strange story. Might he have served a sentence for those shell holes in Hitler's private aircraft? As we all know, Comrade Stalin had an amazing memory. And he did have an excuse to observe formalities. Can you personally say with 100% confidence that shelling of Ribbentrop's plane was an accident? And not an attempt to stage an accident? This obscure story is still waiting for someone to discover its mystery. As well as the story of another aircraft that flew to Stalin from Hitler.

#### Story five About loafers in air defence and kind comrade Stalin

Adolf Hitler used the same trick several times. In spring 1941 he replicated the situation of August 1939. Two planes again. Rudolf Hess was the first one to leave — on 10<sup>th</sup> May, 1941 he flew to London. His target, according to Hitler's instructions, was to come to an arrangement with the English regarding a joint attack against the USSR or at least to persuade them to stay neutral when Germany starts a campaign against Russia. Why was Hess chosen to negotiate with the Brits and not Goering? In order to show how sincere his intentions were, Hitler sent his most sincere anglophile to talk to the British. Hess's best biographer, Englishman Peter Padfield, says that Hess's main target in foreign policy which, from the very beginning till the very end, coincided with Hitler's strategy, was to establish friendly relations with Britain.<sup>2</sup>

Compared to August 1939, however, in spring 1941 the Führer changed the scenario several times. This time there was not one but two flights. One of the planes flew to London and the other one — to Moscow. Five days

Dashichev would be completely rehabilitated and received his rank and his awards back by a decree of the Presidium of the Supreme Soviet Council of 12<sup>th</sup> December, 1953.

<sup>&</sup>lt;sup>2</sup> Padfield P. Hess: The Führer's Disciple Cassel, 2001.

after Hess's departure, an unknown negotiator was sent to Stalin. But the way he arrived is worth another story.

'The historical fact that we are going to tell you about seems unbelievable. It was so scandalous for its time that the highest ranks of the Red Army — People's Commissioner of Defence Timoshenko and the Chief of General Staff Zhukov — did not dare report to Stalin what had happened. At least this is what the allocation of the copies of Decree no. 0035 of 10<sup>th</sup> June 1941 says. The Decree was sent to district commanders and a small number of high-ranking military personnel. But Stalin is not on the list.'

Have you read the explanation of a journalist who does not understand something himself? And now I am going to clarify what had happened: **the German aircraft flew over the whole country, safely went past all the air defence forces and landed in Moscow**. In June 1941. I think you will agree that this is more than just an emergency situation; this is just incredible. And the reaction of the command of the Soviet armed forces should be appropriate. Let us have a look at what the People's Commissioner of Defence, Marshall of the Soviet Union Timoshenko and the Chief of General Staff General Zhukov wrote in their decree no. 0035 of 10<sup>th</sup> June 1941.<sup>2</sup> And only after that will we try to answer all these questions.

'On 15<sup>th</sup> May, 1941 during a non-scheduled flight, a German U-52 attempted to cross the Soviet border and was allowed into the country without hindrance, flying over Soviet territory via Belostok, Minsk and Smolensk to Moscow. No measures to impede this flight were taken by the air defence forces.'<sup>3</sup>

Two years — the time since the flight of Ribbentrop's aircraft — have not passed for nothing. No one is shooting at planes without an order now. The mess has been sorted out: there is no mess anymore. You will shortly understand how we can assert that.

'Due to bad organisation of the system of airborne surveillance, the aircraft which had violated the border was only located when it was 29 ki-

<sup>1</sup> http://kp.ru/print/article/23727.3/54321.

The incident itself happened on 15<sup>th</sup> May, 1941, that is slightly over a month before the beginning of the war and the decree was published on 10<sup>th</sup> June, 1941, that is three and a half weeks after the incident! And less than two weeks before the beginning of the War.

<sup>&</sup>lt;sup>3</sup> Decree on the unobstructed crossing of the border of J-52 on 15<sup>th</sup> May, 1941, no. 0035 of 10<sup>th</sup> June, 1941; F. 4, inventory 11, case 62, page. 179–182. Original.

lometres into the Soviet territory, but not being familiar with the silhouettes of German aircrafts the surveyors mistook it for an DS-3 airliner and did not inform anyone about the non-scheduled U-52... As a result, the commander of the western air defence zone, General-Major of artillery Sazonov and the Chief of Staff of the 4<sup>th</sup> brigade of air defence Major Avtonomov, did not have any information about the U-52 flight until they received a message from Moscow...'. <sup>1</sup>

Good grief! What about Moscow air defence system? After all, the aircraft under question landed in Moscow. It turns out that the capital's air defence did not know anything either: 'In turn, due to bad organisation of service in the Staff of the First Air Defence Corps of Moscow, the Commander of the First Air Defence Corps, General-Major of artillery Tikhonov and the Chief Deputy of the Air Defence Headquarters, General-Major of artillery Osipov did not know anything about the unauthorised flight of the U-52 over the border until 17th May.'2

Yes, there is an aircraft in the air, what is wrong with that? It is just flying, nothing to worry about.

'No measures were taken in order to impede the unscheduled flight of the U-52 by the Headquarters of the Red Army Air Force either. What is more, the Chief of Staff of the Red Army Air Force, General-Major of aviation Volodin and the Chief Deputy of the 1<sup>st</sup> department of the Headquarters of the Air Force, General-Major of aviation Grendal, knowing that a U-52 had committed an unauthorised crossing of the Soviet border, not only took no measures to stop the aircraft but even assisted the flight to Moscow by authorising it to land at the Moscow airfield and giving an order to the air defence system to secure the flight.'

We have the air defence in Stalin's USSR assisting a violator's flight to the capital! A month before the war! And this even is mentioned in a decree by the top military officials of the USSR. Let us play an interesting game. It is called 'Guess the sentence'. The sentence that the loafers, traitors and criminals are going to get for this. What else do you call the people who assist unidentified aircraft in landing in their own country? What is your

<sup>&</sup>lt;sup>1</sup> Decree on the unobstructed crossing of the border of J-52 on 15<sup>th</sup> May, 1941, no. 0035 of 10<sup>th</sup> June, 1941; F. 4, inventory 11, case 62, pages 179–182. Original.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>3</sup> Ibid.

guess? Have you taken the period into consideration? I will remind you that the decree was issued on 10<sup>th</sup> June, 1941. Ten years? Execution by firing squad?

Let us read the document now.

'4. For bad organisation of the airborne surveillance service, lack of appropriate military discipline in the air defence units and insufficient training of staff at airborne surveillance units, the Commander of the Western air defence zone, General-Major of artillery Sazonob and the Chief of Staff of the  $4^{\rm th}$  brigade of air defence, Major Avtonomov, **shall be reprimanded**.

For unauthorised permission of flight and landing of the U-52 at the Moscow airfield without checking for flight authorisation with Moscow, the Chief of Staff of the Air Force, General-Major of aviation Volodin and the Chief Deputy of the 1<sup>st</sup> department of the Headquarters of the Air Force, General-Major of aviation Grendal, **shall receive an administrative admonition**.<sup>1</sup>

A reprimand and an administrative admonition. And this at the time of Stalin? Have you ever heard of such light punishment for such severe crimes? When Mathias Rust landed on Red Square on 28<sup>th</sup> May, 1987 many high-ranked military officials were demoted.<sup>2</sup> Gorbachev used it as an excuse to dismiss all army men who were not content with his policy.<sup>3</sup> And what did meek and kind Stalin give? A reprimand. Is this not a miracle? No, miracles do not exist. It is high time we clarified everything. Do you recall what has been said? 'Did not dare report what had happened to Stalin,' and that is why his name is missing on the list of people who received a copy of Decree no. 0035. No, it is not that they did not dare. Stalin knew everything, and before anyone else. It is on his orders that an air passage was organised for the mysterious Junkers from Germany, bypassing the top military authorities of the USSR.

<sup>&</sup>lt;sup>1</sup> Decree on the unobstructed crossing of the border of J-52 on 15<sup>th</sup> May, 1941, no. 0035 of 10<sup>th</sup> June, 1941; F. 4, inventory 11, case 62, pages 179–182. Original.

<sup>&</sup>lt;sup>2</sup> Rust's flight was organised by the Western special services in order to compromise the top military authorities of the USSR, which was opposed to surrendering the country to the West. The flight was particularly cynical due to the fact that Mathias Rust violated the Soviet borders on the Border Officer's Day.

<sup>&</sup>lt;sup>3</sup> The minister of Defence Marshall Sokolov and his deputies were dismissed. The total number of dismissed general officers, according to different sources, is between 300 and 500 people.

Let me remind you: on  $10^{\text{th}}$  May, 1941 Hitler sent Hess to the English. And on  $15^{\text{th}}$  May, 1941 an envoy from the Führer flew to Stalin. The aircraft flew along a specifically provided air passage. Because the envoy was carrying a highly important letter from Hitler to Stalin. It is unknown who

'I am writing this letter when I have finally come to the conclusion that it is impossible to achieve long-term peace in Europe — not only for us but for the next generations as well, without ultimate defeat of England and its breakdown as a state. As you know, it has been a while since I made a decision to take some military measures in order to achieve this goal. The closer I get to the decisive battle, the more significant is the number of problems I have. For the German people no war is popular, and especially a war against England, as the German people sees the English as a fraternal people, and a war between our countries as a tragedy.

I will be frank with you and admit that I used to be of the same opinion and have offered peace conditions to England more than once. Yet, the insulting responses to my offers and the growing expansion of the English in the field of military operations, which show their eagerness to involve the whole world into a war, have convinced me that there is no way out of this situation, except for invading the British Isles.

The English intelligence has rather cunningly started using the concept of 'fratricidal war' for achieving their goals, using it in their propaganda — and not without success. Opposition to my decision has been spreading in many layers of the German society, including representatives of the elite. You must be aware that one of my deputies, Herr Hess, in a fit of madness flew to London in order to bring out the feeling of unity in the English. According to my sources, such ideas are shared by several generals in my army, especially those who have relatives in England.

These circumstances require special measures. In order to organise troops away from the English and due to the recent operations in the Balkans, a significant part of my troops, about 80 divisions are now located near the borders of the Soviet

<sup>&</sup>lt;sup>1</sup> This letter was published and since it is not directly related to the subject of this book I will give it in small print (http://www.rg.ru/2008/06/20/stalin-gitler.html). Many historians believe that this letter never existed and the text provided in various books is false. I am of the different opinion. This is just about how it was to be. And what Hitler was trying to arrange with the English and what he was trying to arrange with Stalin at the same time will be covered in my next book. It will be entirely dedicated to the tragedy of 22<sup>nd</sup> June, 1941 and its origins. And also, do pay attention to the phrase I have highlighted. It explains a lot in Stalin's behaviour during the last days before the war and the first hours after it began. So, Hitler's letter to Stalin of 15<sup>th</sup> May, 1941:

the envoy was.¹ But if we realise that the top officials of air defence and air force were following Stalin's secret order, then their negligence with the Junkers starts to make sense. This is why they 'assisted the flight to Moscow by authorising it to land at the Moscow airfield and giving an order to the air defence system to secure the flight'. This order was so secret that even the military authorities did not know about it. And found themselves in a rather silly position having learnt about it afterwards. And Stalin must have let them know that everything had been sanctioned by him personally. This was a very tough situation for Timoshenko and Zhukov. They could not let the situation go unnoticed but they could not punish anyone either. Hence the strongly-worded decree with ridiculous punishments. And this decree does not need to be sent to Stalin. Why send it to him if the ridiculous

Union. It may be causing rumours about a potential military conflict between our two countries.

I want to assure you, and I give you my word, that this is not true...

In such a situation it is impossible to exclude random episodes of military conflicts. Due to a high concentration of troops, these episodes can reach a rather significant scale, which would make it difficult to define who the first to start was.

I want to be absolutely honest with you. I am afraid that some of my generals may consciously start a conflict to save England from the upcoming events and ruin my plans. I am speaking of a period over a month. Starting from around 15<sup>th</sup>–20<sup>th</sup> June I am planning to start a mass transfer of troops from your borders to the west. Due to this, I am asking you, as much as possible, not to yield to provocations which may be organised by those generals who have forgotten their duty. And, it goes without saying, do not pay too much attention to them. It has become practically impossible to avoid acts of provocation from my generals. I am asking you to remain moderate and not to respond to acts of provocation and contact me immediately via the channels known to you. This is the only way for us to achieve common goals, which, as I understand, we have agreed on... I am awaiting our meeting in July. Yours sincerely, Adolf Hitler.

<sup>&</sup>lt;sup>1</sup> This might be another subject for a research paper for historians. We do not know who flew. But we can try and work out who that was, going through the list of Reich's top officials (Goering, Bormann, and two-three more people, at the maximum) considering which of them was absent on 15<sup>th</sup> May, 1941 somewhere public. Why one of them? Because the rank of the negotiator could not be lower than that of Hess's who was sent to London.

punishments have already been agreed upon with him? It simply could not have been otherwise.<sup>1</sup>

Now, how do you like these 'flight stories'? They provide a lot of information for understanding what was happening at the time. And if you have the right idea about the situation, it is relatively easy to make little historical discoveries. It is about spies that we speak in this chapter. Not about planes. Planes are just a method, maybe a target. But the main players are always people...

## Story six About the main English agent

Let us go back to the hot August of 1939. Sabotaging Ribbentrop's flight to Moscow and the potential arrangements made by Moscow and Berlin are the main goals of the English intelligence. Every effort goes into it. This is a critical moment. What should the rest of the English secret service in Germany do? Exactly the same thing — do everything possible to sabotage Ribbentrop's flight. Who makes all political decisions in the Third Reich? Who will say that he should not fly to the 'hideous Bolsheviks' but fly to the 'civilised British' instead? The Führer. It means that Hitler should be told nothing but anti-Soviet things. It means he should be influenced.<sup>2</sup> So, does it mean that anyone who said nasty things about Russia within the period of 15th-23rd August, 1939 was an English agent? Of course not. But it was a 'MUST' for an agent to do it! In spite of the risk of losing their position, freedom or even life. Because something as important as the future of the 'money-printing machine' was at stake. This is what the situation was like. Even the head of the Abwehr, the German military intelligence service, Admiral Canaris, got involved in compromising Russia.<sup>3</sup> This faithful servant

One can dislike Stalin, but one should not think of him as an idiot who had no control over the most important things in his country. This, of course, applies only if you are writing a serious article or a book, and not libel.

<sup>&</sup>lt;sup>2</sup> Hitler was a hopeless anglophile. Therefore, trying to use his love for England and dislike of Russia could have been successful. You can read more about Hitler's Anglophilia in: *Starikov N.* Who Forced Hitler to Attack Stalin. St. Petersburg: Piter, 2010.

Wilgelm Canaris was rather a strange head of the German intelligence services. He became the head of the Abwehr on 2<sup>nd</sup> January 1935. He was 160 cm high and

of the Führer was executed in April 1945... for being an English spy. This is as historical a fact as the several-hour-long delay in delivering Stalin's letter. As well as the shelling of Ribbentrop's aircraft and the flight of the other German Junkers on 15<sup>th</sup> May, 1941 with a further landing in Moscow.

Canaris did not start working for the English in 1945. It had started far earlier. He became the head of the German intelligence service because he was an English spy and not vice versa. If you do not believe me, look at the reports issued by the Abwehr in 1941 about the Soviet army. Do you recall? The Germans did not know that we had the T-34 or that we had the KV tanks. The number and quality of these tanks were a shock to Germany. Despite the fact that a KV was captured by the Finns during the Winter War. You may also recall Hitler's words that he would have never started a war against the USSR if he had known that it had so many tanks and so many divisions. Canaris's task did not change in 1940–1941. He was to do everything possible to make sure that a war began between Germany and the USSR because this was the only thing that could save Britain from a catastrophe. And the Albion would be followed by the plan of creating a new global emission centre of a totally soft currency after the Second World War. A defeat of the English, even backed up by the USA, and reinforcement of Russians and Germans would mean that equal partners would be sitting at the negotiating table. And that would put an end to the whole plan. Because there could only be one reserve currency<sup>1</sup> and it was to belong to the owners of the 'printing machine'.

had grey hair. He spoke quietly and sometimes switched to whispering. He was obsessed with his own health and was constantly afraid of getting ill and therefore kept taking pills and medicines. After lunch he would always have a nap in his office on a leather sofa. And in the evening, no matter what was happening and how things were going, he would leave everything and go to bed at 10. Canaris had two badger dogs called Seppel and Sabina and hated people who did not like animals. Dogs and horses, to be exact. Canaris would take his dogs to work and they accompanied him every day when he got out of his black Mercedes he was provided with. Despite the puddles that occasionally appeared in his office, the head of the German intelligence could lock the door and play with his pets, leaving all his duties. He did not take them on official visits, fortunately, but when he got back he would always ask his aide how things were back at home. And it was not about his wife and daughter that he was concerned but the dogs...

<sup>&</sup>lt;sup>1</sup> The dollar and the pound belong to the same powers; therefore, we can speak of one currency.

Therefore, in 1941 Admiral Canaris presented an incredibly underestimated assessment of Russia's military potential, making Stalin's army look ridiculous in comparison with Hitler's. If you realise that the head of the German intelligence service was working for the English, all its 'failures' become understandable. In the same way, in August 1939, in a decisive situation when Hitler was choosing where to send his envoy, Canaris had to do everything to convince the Führer that it was impossible to reach an agreement with the Russians.

This is our theory. Now let us have a look at the documents. General Halder, the chief of the Army General Staff, left amazing diaries. They are amazing in their meagreness and pedantry, and at times they resemble a shorthand report. In the entry from  $21^{\rm st}$  August, 1939 he says (italics added. — N. S.): 'Canaris. A) *The safety pact as it is today does not satisfy the Russians*. Programme. Von Ribbentrop may go [to Moscow] eight days after the trade agreement has been signed and published ( $20^{\rm th}$  August). He will have to take a new draft of the pact with him which would specify all the subjects which are of mutual interest both to Germany and Russia. The draft prepared by the Russians has provisions about non-admission of use of force against a third party as well as providing support to aggressors'.

According to Halder's diary, Admiral Canaris claimed that Stalin did not want a peace treaty with Germany. Let us not forget that this was not just an officer's opinion but that of the Head of the German intelligence service. And then these words look completely different. Whereas Admiral Canaris... was simply lying. He was lying to prove that it was impossible to come to an agreement with the Kremlin. Otherwise we would have to admit that Canaris's incompetence was truly boundless. Let us examine the Admiral's words.

The safety pact as it is today does not satisfy the Russians. This is a lie. What would Stalin want in August 1939? Peace and peace alone. An idea that Moscow would want a war with Germany in the summer of 1939 has still not occurred even to the most hopeless Russophobes. The USSR wanted to avoid a war with the Germans and stop the war with the Japanese. The pact provided such an opportunity and therefore should completely match Russia's desires.

<sup>&</sup>lt;sup>1</sup> Halder F. Occupation of Europe. War journal of the chief of the Army General Staff. 1939–1941. Moscow: Centrpoligraph, 2007. P. 24.

*The flight is only possible in eight days.* In reality, the flight took place two days later.

In its draft¹ Moscow wants to prohibit the use of force against third countries. Another lie. A few pages back, I purposely drew your attention to this point. The draft of the treaty did not specify that the document would lose force in the case of an act of aggression by one of the parties against a third party.² Canaris, on the other hand, wanted to make it look like the Russians wanted to forbid Hitler to attack Poland. In this case, signing a treaty with Russia would have indeed been rather foolish since it would have lost force three days later (after the attack against Poland). But it was the Soviet draft that became the non-aggression treaty which was signed not on 23<sup>rd</sup> August but on 24<sup>th</sup> August around 2 a. m.³ And the Germans were completely satisfied with it.

What conclusions can we make after reading such claims from the head of the German intelligence service? There are two possible explanations: either Canaris is an idiot who reports tales and lies to his superiors or he is striving to achieve particular goals by means of these reports. But this is not for the benefit of his own country. The second theory, unlike the first one, proved to be true. Canaris's work for the English is not a guess. It is a fact. This is a quotation from a book by a famous English historian: 'What led him to betray his country remains a matter for debate. There is no doubt that he used numerous channels of communication with Great Britain: of those that are known, one led through the Vatican and was used for peace sounding with Lord Halifax; another through the British ambassador in

<sup>&</sup>lt;sup>1</sup> The story of the text of the future treaty is rather dubious. Ribbentrop says that Russians did not have any draft before 23<sup>rd</sup> August: 'On the plane, the first thing I did was to make a brief draft of the non-aggression pact together with (legal counsellor) Hauss. It turned out to be useful during the negotiations in the Kremlin because the Russians had not prepared any draft beforehand' (*Ribbentrop J.* Ribbentrop memoirs. London: Weidenfeld and Nicolson, 1953). But there is evidence that Molotov handed the Soviet draft of the pact to Schulenburg on 19<sup>th</sup> August. Therefore, such a 'mistake' by Ribbentrop does not make any sense.

<sup>&</sup>lt;sup>2</sup> *Narochnickaya N. A., Falin V. M.* The Score of the Second World War. Who started the war and when? Moscow: Veche, 2009. P. 150.

<sup>&</sup>lt;sup>3</sup> Falin V. The Second Front. Anti-Hitler Coalition: conflict of interest. Moscow: Centrpoligraph, 2000. P. 122.

Madrid, Sir Samuel Hoare, for the same purpose;¹ another through Madame Synanska, wife of the former Polish Military Attaché in Berlin... He visited her from time to time; it is often said that she was his mistress; she denies it. After Canaris had departed, the local SIS unit chief would call on her² and she would tell him what Canaris had said. This was then enciphered and sent by wireless to London.'³

And this person remained in his position until *February 1944*. On the Führer's orders the Admiral was dismissed and imprisoned in Lauenstein Castle. He could freely move around inside the castle and was not considered under arrest, but could not go beyond. Contact with other people was also prohibited. It is strange, is it not? But later on there were even more strange things: on *10<sup>th</sup> June, 1944* Hitler transferred Canaris to the reserves. And several days later he was drafted for active military service again. He became an 'Admiral for Special Commissions.'<sup>4</sup>

After the assassination attempt on Hitler in July, Canaris was arrested. He was arrested by SS-Brigadeführer Schellenberg, the head of SS intelligence service which competed with the Abwehr and with whom the Admiral often went horse-riding in the morning. He decided to let Canaris escape: 'I will wait in the room for an hour. Meanwhile, you can do whatever you want. In my report I will say that you went to your bedroom in order to change.'5

Samuel Hoare is a very interesting figure for us Russians. It was this gentleman who was in charge of the British military mission during the First World War in Petrograd (as St. Petersburg was called at the time). He was also the head of British intelligence in the country. A lot of the credit for the assassination of Grigory Rasputin and the events of February 1917 which led to the destruction of the Russian Empire can be given to this British spy. Later on, Hoare put on the mask of a diplomat but the essence of his activities remained the same. It is not surprising, therefore, that he was one of the curators of the most valuable and precious English agents — Canaris, thanks to whom England was able to directly influence Hitler and obtain first-hand information (for more information see: *Starikov N.* 1917. The mystery of the 'Russian' Revolution solved. Moscow: Yauza, 2010).

<sup>&</sup>lt;sup>2</sup> That is of the British intelligence.

<sup>&</sup>lt;sup>3</sup> Padfield P. Hess. Flight for the Führer. London: Weidenfeld and Nicolson, 1991. P. 129–130.

<sup>&</sup>lt;sup>4</sup> Volkov A., Slavin S. Admiral Canaris — 'iron' admiral. Moscow: Olympus, 1998. P. 513.

<sup>&</sup>lt;sup>5</sup> Ibid. P. 523.

The Admiral's answer is amazing: 'No, I am not considering escaping or committing suicide. I am sure that nothing will happen to me.'

How can he be so sure? The most important allied agent may become an object of trade and cunning diplomatic game playing.<sup>2</sup> The arrest was followed by an investigation. There turned out to be plenty of evidence for his betrayal, and yet he was kept alive until the very end of the Third Reich. Although the evidence was enough for ten death penalties. Why did they linger then? He was needed alive while there was still a chance to reach an agreement with the West. And only when it became clear that no one in England was going to negotiate with Hitler, he ordered the British spy to be executed. On 8<sup>th</sup> April, 1945 Admiral Canaris was hanged for treason.<sup>3</sup>

One agent can change history. Or at least, try to do so. To make the total domination of the printing machine planned for after the world war a fact...

Volkov A., Slavin S. Admiral Canaris — 'iron' admiral. Moscow: Olympus, 1998. P. 523.

Other German figures did not behave as strangely as Canaris. Let us take the hero of the African Corps, General Rommel, who was the head of The Leibstandarte SS Adolf Hitler before his exploits in Africa, as an example. He was involved in the plot against the Führer and then they came to arrest him but decided not to risk it. He was given a pistol and left alone in the room. Rommel shot himself. As a result, he had a pompous funeral, his widow received an allowance from the state and no one mentioned his high treason.

<sup>&</sup>lt;sup>3</sup> Schellenberg W. The Labyrinth: Memoirs Of Walter Schellenberg, Hitler's Chief Of Counterintelligence. Da Capo Press, 2000.

# 4

#### Why Stalin did not sign the Bretton Woods agreement

Everyone likes beautiful horses but for some reason no one wants to become one.

St. Augustine

The process of creating the world that we know today required a very extensive period of time. But the exact date when this world was 'created' can be easily defined. Strictly speaking, a period within which it was created. If God created Earth in six days, then the creators of the financial world managed to do their job in three weeks: from 1 July to 22 July, 1944. During this period an international conference on reforming the traditional system of gold standards of national currencies took place in a resort town called Bretton Woods in American New Hampshire. It was there that it was decided what the structure of the world's economy was going to be like after the war. As a result of the conference, an agreement was signed, which is known in history as the Bretton Woods agreement. The officially proclaimed goal of this agreement was to create a global financial system which would make it possible to eliminate economic nationalism and egoism and would lead to the stable existence of mankind for the sake of everyone's prosperity. The real goal was completely different.

You should remember this name 'Bretton Woods'. And the date — July 1944. The history of mankind used to be divided in Soviet history books into two, roughly speaking, unequal periods — before 1917 and after it. As

from the point of view of the Bolsheviks, who came to power, a new era had indeed dawned in the history of mankind. Well, today, there are a lot more reasons to believe that the conference in Bretton Woods was the most significant milestone in history than the historians belonging to the Soviet school had when they told us about the overwhelming role of the October Revolution. The dream of flying to outer space that humanity had had for centuries was realised by smiley Yuri Gagarin and the less smiley designer, Korolyov. Similarly, the century-long dream of a certain group of people came true in July 1944 — the dream of creating a perpetuum mobile, an engine of a particular kind. The energy generated by this engine was to advance its creators towards world dominance. A financial perpetuum mobile. It was eternal because it made money itself. It created it out of nothing, and that meant that no one could confront the power that had an unlimited source of financial goods. But unlike the names of the people who invented the rocket or the electric light bulb or the radio, we do not know and will barely ever know the names of those who, several centuries ago, came up with an idea of how to make money out of nothing.1

It was there that the bankers of the Anglo-Saxon world finally built a very strange and illogical financial system which was inevitably to collapse, which we witness today. Why was it inevitable? Because the system that the bankers came up with is against the laws of nature. Nothing disappears into nowhere and appears out of nothing in the world. Nature exists under the law of the conservation of energy. And the bankers decided to go against the fundamental principles of being. Money from nothing and wealth from nothing without labour is the shortest way to degradation and degeneration. And this is exactly what we witness today.

Great Britain and the USA were actively trying to organise events the way they needed. The New World could only be built on the ruins on the previous one. And this is what a world war was needed for. According to its results the dollar was to become the world reserve currency. This task was achieved by means of the Second World War and dozens of millions of lives. This was the only way to make Europeans give up on their sovereignty

I think that the couple of names mentioned in relation to the establishment of the Bank of England and the three or four names mentioned in the story of the establishment of the Fed are not the names of the real owners of the 'moneyprinting machine'.

as a sovereign state inevitably issues its own currency. This was the only way to make European and other countries agree to establish a little clone of the Federal Reserve System of the USA in each of them — a central bank independent from the government. It might seem to be a tiny unimportant thing but this is what tied the whole world to the dollar once and for all and deprived all states of their sovereignty without exception.

But not everything went as expected. The scenario turned out to be different from the original one, as conceived by the authors. Not only did the USSR survive the unprecedented war, but, on the contrary, by the end of it, it had become even stronger than it had been at the beginning. Despite the enormous casualties and destruction of the economy, by the summer of 1944 the Soviet Union had managed to defeat Nazi Germany, practically on its own. This is why the infamous Second Front was opened in the summer of 1944, although Stalin had been asking the English and Americans to open it since the autumn of 1941. But the western countries lingered. They were waiting for the Russians and Germans to mutually exhaust each other. And only when the defeat of the Third Reich became inevitable, the USA and Great Britain disembarked in Europe.

The historical context is very important in understanding the decisions made in Bretton Woods. Look at the dates when the conference took place: 3–22 July, 1944. What was happening at the time? On 6 June, 1944 the Anglo-Saxons disembarked in France and started slowly moving forwards (Paris was only liberated on 31 August). Practically at the same time the Soviet Union initiated Operation Bagration (23 June — 29 August, 1944), which practically resulted in the complete elimination of the Army Group Centre. The *Wehrmacht* was swept out of Belarus, and the front was moved 550–600 km to the west.<sup>1</sup>

One can often hear not very clever people talking about the gigantic ratio of casualties in the Red Army to those in the Wehrmacht. This is a well-promoted lie. If we take Operation Bagration as an example, we can refute this lie. During the offensive operation the troops of our four fronts lost 765,815 people, who were killed, wounded, went missing or were sent to hospital, which accounts for 48.8% of the total size at the beginning of the operation. The German troops lost 409,400 soldiers and officers, including 255,400 deaths. Over 200,000 German soldiers and officers were taken captive. Thus, if we take the total casualties, the ratio is less than 1:2, which is quite understandable considering the fact that it was our offensive operation. The number of mortalities on the German side

These were the circumstances under which the Bretton Woods conference started. The first question that arises is why the USSR took part in it in the first place. And why should our country not have participated? After all, participation and signing all documents is not at all the same. The result of the war was quite obvious. The trade-off for the future organisation of the world had started and it would have been silly not to participate in the conference. The USSR was not going to become a rogue state, as the arrogant representatives of the western countries sometimes refer to certain states, but an equal player on the world political field. Apart from that, the USA and Britain could have played any trick, even signed a separate peace treaty with Germany in order to prevent the Russians from entering Europe. It was necessary not to provide any excuses for that and carefully watch the 'Allies' participating in all their 'projects'. The Soviet Union was an equal partner of the anti-Hitler coalition and Stalin was determined to preserve such a position in the period after the war. I suppose that he was planning to divide the spheres of influence with the Anglo-Saxons not only in Europe and Asia but also within the economy — in order to have the rouble zone and the dollar and pound zone. This theory is supported by the dates, too.

from 3 to 22 July, 1944 — the Bretton Woods conference takes place. 44 states are represented. The USSR delegation takes part in drafting the resulting documents;

May 1945 — Germany capitulates;

from 17 July to 2 August, 1945 — the Potsdam conference takes place, where the winning states resolved the issues of post-war world organisation. This was where Truman 'mentioned in passing' while talking to Stalin that the USA had nuclear weapons;

 $6\,August,\,1945$ — the USA drops a nuclear bomb on Hiroshima and on Nagasaki a few days later;  $^1$ 

generally exceeds that of the Red Army. (http://wwii-soldat.narod.ru/OPER/ARTICLES/026-bagration.htm).

When the Americans were dropping the nuclear bomb, they were well aware that the USSR was going to attack Japan one of those days, as had been agreed by Stalin and Truman in Potsdam. Tokyo had no chance of continuing the fight. Nevertheless, the American Government decided to drop two nuclear bombs. Why? It was done to show Stalin their power and make the USSR more concessive, to make him accept the new financial world order and the dollar's hegemony. There was no military need for this measure. Japan was already on the brink of defeat, which can

8 August, 1945 — the USSR declares war on Japan starting from August 9, 1945;<sup>1</sup>

3 September, 1945 — the Second World War ends with Japan's capitulation.

Most likely, it was after the testing and use of the nuclear weapons in August 1945 that the Anglo-Saxons denied the USSR any equality and offered the position of a guided satellite. They even gave Stalin some time to mull it over. The ratification of the Bretton Woods agreements was planned for *December 1945*. And meanwhile, the Combined Intelligence Committee of the USA prepared protocol no. 329 (4 September, 1945): 'To make a list of approximately 20 of the most significant targets suitable for strategic nuclear bombing within the USSR and its controlled territory.'<sup>2</sup>

The power of gold was on the bankers' side, as well as the power of weapons: the USA had the nuclear bomb while the USSR did not have one until 1949. Who could resist such double supremacy? Who could withstand such dictatorship? Seemingly, no one. But the leader of the USSR managed to. Whereas the Anglo-Saxons were seriously planning a nuclear blow to Russia-USSR should Stalin refuse to 'give up' his financial independence. What saved the USSR was the fact that the USA did not have enough missiles to guarantee complete elimination of the whole military potential of the country, taking into consideration the USSR's antiballistic missile system. The number of plans and orders regarding a nuclear war against Russia was multiplying until the Soviet Union tested its own bomb on 29 August, 1949. And then the arms race began, where the USSR was ALWAYS catching up. The confrontation began what is so well known as the Cold War. And it was the West that started it and not the Soviet Union. The confrontation began

be proved, in particular, by the actions of the Japanese Air Forces. There was no counteraction to the nuclear attack. And it was not because only three bombers were sent on a mission but because the Japanese had hidden heir fighters and did not use them at all, preparing for a final battle only in case of American invasion. Japanese aviation rarely appeared from its underground bunkers in the last months on the war. The US bombers attacked the unprotected cities as training.

<sup>&</sup>lt;sup>1</sup> The information is taken from the web-page 'Military secrets of the Second World War' (http://voentaina.ru/vstuplenie\_sssr\_v\_vojnu\_protiv\_japonii/).

<sup>&</sup>lt;sup>2</sup> Yakunin I., Bagdasaryan V., Sulakshin S. New technologies of fighting the Russian statesmanship. Moscow: Exmo, 2010. P. 297.

because Stalin refused to surrender Russia's state sovereignty. It was later surrendered by Yeltsin and Gorbatchev together.<sup>1</sup>

In December 1945 Stalin was brave enough not to ratify the Bretton Woods agreement. Was that the right decision? Let us rephrase the question: would it have been the right decision of the head of the country that had lost 27 million lives as a sacrifice to its independence, to sign a paper which would have deprived the country of this very independence? And it would have happened very soon with the help of peaceful financial methods. To answer this question we need to carefully examine the Bretton Woods agreements.

The logic promoted by the States at that conference seemed to be impeccable. As most gold reserves and most industries in operation were concentrated in the USA, this was the only country capable of backing the gold content of its currency. This meant that the post-war economy was to be built on the basis of the dollar which would have a gold content of 35 dollars per Troy ounce.<sup>2</sup> Other currencies would not have any gold content and their value in gold would be defined only in proportion to the dollar. Therefore, they would have *dollar content* and only through the exchange rate to the American and British currencies would they have a certain content of the precious metal. Various currencies needed to be weighed in relation to each other, and now it was the dollar which would serve as the 'scales'. As a result of such changes, the dollar was basically equalled to gold.

But it was not only the 'yellow metal' that moved overseas. The post-war Europe, which was covered in ruins, had practically nothing, and therefore practically everything — food, cars, machines — could only be bought from the USA. And the Americans would only accept gold and their own cur-

<sup>&</sup>lt;sup>1</sup> Few people remember today that on 1 November, 1991 the senior assistant to the USSR, Prosecutor-General Victor Ilyukhin, started legal proceedings against the President of the USSR, Mikhail Gorbatchev, on the grounds of Article 64 (high treason) due to the decree of the State Council of 06.09.1991 on recognition of independence of Latvia, Lithuania and Estonia. After that brave and earnest Ilyukhin was dismissed from the USSR Prosecutor-General's Office. He is now a member of the State Duma.

 $<sup>^2\,</sup>$  The Troy ounce is a measure used to weigh precious metals. It is equal to 1/12 of the English golden pound. A Troy ounce is equal to 31.10348 grams. This amount of gold is enough to make two pairs of wedding rings.

rency<sup>1</sup> which means that trading was to be done in dollars. This is where the tradition of setting the prices for all assets on the global market (oil, gas, metals, food) in dollars, which has survived up until today, comes from.

All countries from now on could gather reserves not in gold, as they used to do, but gold and foreign currency reserves. Even the name indicates the difference. It was suggested that states should save the American currency and — in very small quantities — the British currency rather than the yellow metal. The USA provided a guaranteed exchange of dollars owned by countries for gold at the set rate. What is more, in these new conditions saving up paper, rather than metal, was easier, more convenient and even more profitable. Apart from everything else, dollars had another advantage over gold: they do not remain without use in storage, as gold does, but could be invested in American security and even produce extra profit. Thus, as a result of this conference, the dollar became the main currency of the world. It was the currency of another country that was to be used as a measure for the wealth of all countries, rather than 'neutral' gold. And that in itself provided quite a lot of advantages to that country.

What did it lead to? It immediately made all other currencies of the world secondary. But this was not the main result of the Bretton Woods conference, as the dollar's leading role and the dependence of all currencies on the dollar were just a part of the system which was being established. The main result turned out to be different. If states start issuing their own money whose value is guaranteed by the dollar, which in turn is guaranteed by its gold content, then obviously the amount of currency issued by the country has to be equal to the amount of dollars this country has. Otherwise, no one can be sure of another country's money. Every country took the obligation to guarantee immediate exchange of its national currency for dollars. This is where the system of relation of the amount of roubles to the amount of dollars that is used by the Central Bank of Russia today, comes from. There is logic in this system — in such a situation no country can issue more money than it has 'earned'. And its 'salary' is measured by the amount

<sup>&</sup>lt;sup>1</sup> http://www.rian.ru/economy/20090722/178181206.html.

 $<sup>^2</sup>$  It was actually both the dollar and the pound that became reserve currencies as a result of the Bretton Woods conference. But the pound only accounted for 4% of the total amount of reserves. Therefore it is often said that only the dollar became the reserve currency.

of dollars. The fact that the United States itself had to do nothing in order to print some more of that 'new gold' was not mentioned.

The corrupt logic of the financial world led to further 'logical' decisions. It was important for the bankers to keep under control the whole world's emission of money, which in a very short period of time would inevitably put the world itself under their control. How could that be done? Through establishing an 'independent' Central Bank in each country which would control the money emission of that country.

The main result of the Bretton Woods conference was cloning the American financial system for the rest of the world through establishment of an affiliate of the Fed in every country which was controlled by the concealed financial authorities and not the country's government. And this looks logical, since the relation of all currencies to the dollar caused the need to control money emission in each of these states. How can one ensure that the country does not cheat and not does not issue more of its own currency than it is allowed to? Guaranties were needed that the Norwegian krone or the Mexican peso were backed by dollars, that the number of issued krones or pesos equals the amount of currency covered by the American or British currencies. It is not dollars and pounds and not the yellow metal, which was too easy to calculate and too difficult to move to be able to cheat, that were stored by countries. And a foreign currency does not have to stay in the vault but can be in a bank's corresponding account. So, who was going to control all these countries? It is not five or ten countries, after all, it is many more. At the times of the Bretton Woods conference the documents were signed by forty-four states. And the number would even increase later. Who could do it? And do it so that control and inspection could be trusted?

Norway or Mexico themselves were incapable of that — one cannot control oneself. Independent controllers are needed, that is independent bakers. Ones that are not hired by the state. And it is they who should be entrusted with issuing money in every country. Does that sound logical? It does. This is how the USA planted a system of financial institutions independent from the state all over the world. This is why the Russian economy now does not have as much money as is needed for its proper operation but only as much money as is required by the rules of the IMF in the 'currency

board' mode.¹ This is all controlled by the independent Central Bank of Russia. This means that the development of the country is fully controlled from abroad. And it depends on one aspect alone: what amount of dollars can the country's trade on the global market yields. Do you remember the atrocious 'cash famine' during the times of Gaidar's reforms? It was caused by the fact that the country would not issue its currency because it had no reserves of foreign currency. And it had none because the gold reserves of the USSR vanished into thin air back in Gorbatchev's time, and under Yeltsin, the reformers quickly privatised the oil and other primary industries. Meanwhile, they forgot to establish a proper system of taxation and pretended not to notice the leaking of money through off-shore zones.²

Every Russian citizen experienced this himself. Do you remember the news of that period? — The IMF gives a loan of a certain number of millions of dollars. That meant that pensions were going to be paid and the state employees would finally receive their salaries. But the IMF gives its loans in dollars? Yet the pensions are paid in roubles? How does an influx of dollars into the country help paying debts in roubles? Now you know how. And all the talks about it being impossible to issue money to pay pensions to the country's elderly citizens, and all the horror stories about inflation — are just a cover to conceal the system that squeezes all the juice out of Russia (and the whole world). This why Stalin refused to ratify the Bretton Woods agreement in December 1945, although he did sign the documents in July 1944. Whether Joseph Stalin was right or not, you can judge for yourself...

Now is the right time to ask the following question: who controls the 'independent' central banks? They are controlled by international organisations that were created at the same conference in July 1944. These are the pillars of the existing financial system whose agony we witness today: the Interna-

<sup>&</sup>lt;sup>1</sup> The number of roubles in the economy is equal to the number of dollars in the gold and foreign currency reserves multiplied by the exchange rate.

It is often said that Putin was just lucky — the price for oil grew. At the same time, it is not mentioned that it was under Putin that the mineral extraction tax was introduced, and this tax accounts for a lot of the revenue making its way into the budget (Federal Law of 08.08.2001 no. 126-FZ) (http://www.consultant.ru/popular/nalog2/3\_8.html) They 'forgot' to introduce this tax during Yeltsin's time, so no matter how oil prices grew, the money would still flow away to the off-shore zones, bypassing the treasury.

tional Monetary Fund (IMF) and the International Bank of Reconstruction and Development (IBRD) which is commonly known as the World Bank.<sup>1</sup>

In theory, the World Bank was created for the purpose of the restoration of Europe, but in reality by 1953, that is over nine years, it had given out 1.75 billion dollars' worth of loans, of which only 497 million was given to European countries.<sup>2</sup> What did it actually do then? It was creating demand for debt. The main purpose of the World Bank was and remains giving out of loans to those who then will be unable to pay them back. Convincing and forcing them to take out a loan — what its employees are paid to do. The result is always the same — a catastrophic growth of debt of undeveloped countries which can pay for their debts only through taking out new loans. And that means further enslavement to the bankers. From 1970 to 1980 the external debt of countries with low incomes grew from 21 billion to 110 billion dollars, and of countries with average incomes — from 40 billion to 317 billion dollars.3 Very often loan agreements are secretly executed but unknown to government officials of a certain country. They will leave, the authorities will change, and the puzzled nation will be left in debt. Money for the world bankers does not cost anything after all. They basically just print it and risk nothing. When the debt becomes unrecoverable, the banks' experts recommend structural reforms and a whole package of political measures, such as cutting salaries and social payments, as well as expenditure in medicine and education. As a result of cooperation with the World Bank, the poor become even poorer and their money flows into the rich countries. Those who have taken out a loan can hardly pay the interest, let alone the credit itself. It is interesting that the World Bank makes governments of countries carry out reforms and basically takes their work. And yet the bankers were neither elected nor authorised to do it. Everything just happens by itself...

Surprisingly, the majority of the World Bank projects ended in failure. And now let us proceed to the IMF. Looking at the following news, you can see the extent to which this institution is controlled by the Anglo-Saxons:

<sup>&</sup>lt;sup>1</sup> The IMF and the World Bank were established on 27 December, 1945 on the grounds of the charter developed in Bretton Woods.

<sup>&</sup>lt;sup>2</sup> Korten D. When Corporations Rule the World. Kumarian Press, 1995.

<sup>&</sup>lt;sup>3</sup> Ibid.

'The US Senate has passed the bill which prohibits the International Monetary Fund (IMF) to give out loans to countries that are unable to prove their capability to pay them back. The bill, submitted by republican senator John Kornin, was supported by 94 senators... The document provides for an obligatory solvency assessment by the US Government of any country applying for help if its national debt exceeds its annual GDP. If the results of the assessment turn out to be dissatisfactory, the IMF is to decline the loan.'

That is to say, it is not the IMF but the US Government that decides what decision the International Monetary Fund should make. Why is that? Because the USA has the 'controlling stake' in the voting in the IMF, which was determined back at the time of its creation. And 'independent' central banks are what comprise the International Monetary Fund and act in accordance with the standards of this organisation. The beautiful speeches about the stability of the world economy, about the desire to avoid crises and catastrophes, conceal a structure designed to tie the world to the dollar and pound once and for all.

Let us open the Articles of Agreement of the IMF.<sup>2</sup> I want to tell you straight away that we are not going to read it in detail; anyone can do it on their own. You will find a lot of similarities with the legislation of the Central Bank of Russia. Speaking of which, the laws about the Central Banks of the Ukraine or Moldova will be practically identical as they were not 'written' but copied from the unified Western standard. The first article regarding its aims tells us that the IMF is supposed to 'promote international monetary cooperation, 'facilitate the expansion and balanced growth of international trade' etc. Let us go past this poetry and proceed to the essence. And navigating this blatantly deliberate complication of phrasing we will arrive at an understanding of why the Anglo-Saxons started this whole business. You will read in the Articles of the Agreement of the International Monetary Fund that it 'shall possess full juridical personality and in particular, the capacity to institute legal proceedings.'3 And in the next section — that 'The Fund, its property and its assets, wherever located and by whomsoever held, shall enjoy immunity from every form of judicial process.4 It can initiate legal

<sup>&</sup>lt;sup>1</sup> http://top.rbc.ru/economics/18/05/2010/407999.shtml.

 $<sup>^2\</sup> http://www.imf.org/external/pubs/ft/aa/\#art9.$ 

<sup>&</sup>lt;sup>3</sup> Article IX, Section 2.

<sup>&</sup>lt;sup>4</sup> Article IX, Section 3.

proceedings but is itself immune. As well as the employees of the IMF, all Governors, Executive Directors, Alternates, members of committees, representatives, advisors, officers, and employees of the Fund 'shall be immune from legal proceedings with respect to acts performed by them in their official capacity except when the Fund waives this immunity.'

Employees of the IMF are immune from any court in the world but they are entitled to demand any information. Their requests cannot be turned down. According to the Articles of Agreement of the IMF, 'The Fund may require members to furnish it with such information as it deems necessary for its activities.' Someone who was brought up with the principles of 'publicity and freedom' will say that this is the way it should be. There is no need to conceal information. It should be public and available to anyone who wants it. Fine, let us agree with that. The only question that arises is the following: who is going to demand this information from the countries? The Fund's employees and officials who are immune from legal proceedings and are as strict as original members of the Extraordinary Commission. And how are they elected? How are the officials of an organisation that is entitled to demand any information from all countries appointed?

In the very Preamble to the Articles of Agreement of the IMF you will find a beautiful phrase: 'International Monetary Fund. Washington DC, USA'. What is unusual about it? If an organisation is international then its establishment document cannot state where it should be located once and for all. It was established for the whole world, which means that it can be located in Sierra-Leone or Brazil. No, it cannot. 'The principal office of the Fund shall be located in the territory of the member having the largest quota, and agencies or branch offices may be established in the territories of other members.'<sup>3</sup>

Who has the largest quota? Take a wild guess.

How are the officials of the IMF elected then? Through voting, obviously. Equal and secret? No, not equal. The principle of 'one country, one vote' that the classical democracy is based on, is redundant here. The IMF is not a place for discussion but an instrument of world hegemony. As early

<sup>1</sup> Ibid.

<sup>&</sup>lt;sup>2</sup> Article IV 'Obligations Regarding Exchange Arrangements', Section 5 'Furnishing of information'.

<sup>&</sup>lt;sup>3</sup> Article XIII, Section 1.

as at its creation the subordination to the Anglo-Saxons was laid down in the founding documents. The thing is that the IMF uses the principle of quota-based voting. The possibility of member states to influence the Fund's activities through voting is determined by their share in its capital. Just as in a company. Each member state has 250 votes and one additional vote for each part of its quota equivalent to one hundred thousand special drawing rights. We will not go into too much detail about these SDRs (special drawing rights), we will say only that this is the paper gold invented by the creators of the new financial world.

OK, so in 1944 the controlling stake of the world economy belonged to the USA, Great Britain and their partners, which was immediately demonstrated in Bretton Woods. The quotas were allocated so that the Anglo-Saxons could always guarantee that any decision they wanted to be made would be. After all, in the managing body of the IMF — the Board of Governors — decisions are usually made by a simple majority (no less than half) of votes, and on important issues of an operational or strategic nature — by the 'special majority' (70 or 85% of the votes of the member states). The US quota was set at 2759 (million SDR), Britain's at 1300. The USSR was only allocated 1200, and France, for example, as little as 450. The USA and Great Britain could always appoint the people they wanted and guide the IMF in any favourable direction. And if we consider that the International Monetary Fund was to control the activities of the central banks of all its members, then we will see that the USSR's prospects were not bright at all. And it all looked a lot like an ultimatum. Money issuing was going to be given to a private central bank and its management to the IMF, which, in turn, was to be controlled from Washington. Would you agree to that?

Two years after the Bretton Woods Conference the third pillar of the new world order was created — the General Agreement on Tariffs and Trade (GATT). This was the prototype of the future WTO, which Russia has been 'joining' for the last fifteen years. And I really hope that it will continue to 'join'. The World Trade Organisation, which seems to have existed forever, is actually very young and is a fruit of the treacherous breakdown of the Soviet Union.<sup>3</sup> It was only founded in 1995. While Russia was strong and

<sup>&</sup>lt;sup>1</sup> Article XII, Section 5.

<sup>&</sup>lt;sup>2</sup> Article XII, Section 5 'Voting'.

<sup>&</sup>lt;sup>3</sup> http://www.rgwto.com/wto.asp?id=3667.

powerful, the WTO simply could not be established (just like the European Union). The idea behind creating the GATT (today's WTO), and generally of the whole Anglo-Saxon system, is very simple — it is expansion. Expansion all over the planet through opening up markets, currency systems and state borders. The US economy in 1945 was the strongest and it needed to open the whole world to its goods, which would ONLY BE SOLD FOR DOLLARS and which, in turn, would launch the whole system based on money being printed by some (USA and Britain) and money being saved and all values and resources being sold for it. And as the 'money-printing machine' printed more and more money, more and more markets needed to be opened up in order to use it.

Only after the Soviet Union was finally destroyed were the bankers able to finish the construction of the new financial system. The WTO is the last brick laid over the old basement. This is a system of regulating trade which has the two-thousand-page-long GATT. The cunning point is hidden in the fourth paragraph of Article XVI: 'Every member of the organisation shall guarantee the compliance of its laws, regulations and administrative procedures in line with the obligations stipulated in the attached agreements.<sup>2</sup> As soon as a country signs these 'attached agreements', any member state of the WTO can dispute any law of this country. Do you want your goods to comply with the local standards on carcinogens, additives and processing? If your standards are stricter than those of the WTO, Estonia, for example, can file a complaint against you. And Estonia will win and you will lose. Do you want to have a fuller list of ingredients on the labels or ban certain E-numbers?<sup>3</sup> Another complaint. And the country that violates the rules of the WTO has to prove that there is strict scientific justification for its activities. Environmental measures that restrict export of timber (and Russia is nearly ready for such measures) and our desire to keep the timber prepared in Russia for further processing can be proclaimed an example of unfair trade practice. The country gets completely deprived of freedom — under the flag of unlimited freedom.

<sup>&</sup>lt;sup>1</sup> The legal basis of the WTO is the General Agreement on Trade and Tariffs (GATT) as of 1994 (GATT — 1994), the General Agreement on Trade in Services (GATS) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). In other words, the WTO is a developed GATT.

<sup>&</sup>lt;sup>2</sup> Korten D. When Corporations Rule the World. Kumarian Press, 1995.

<sup>&</sup>lt;sup>3</sup> Food additives prefixed by the letter 'E'.

In this respect, it is rather interesting to look at the procedure of processing complaints at the WTO. To begin with, complaints regarding certain laws are examined at a closed hearing where both parties involved present their arguments to a commission composed of three trade experts. The documents presented to these three people are secret. The names of the members of the commission are confidential information, as well as information concerning which decision each of the experts was in favour of. *And the most important bit* — *the burden of proof that the disputed law does not restrict trade is on the defendant*! And that means presumption of guilt...

The decision made by the three experts is automatically accepted by the WTO, and comes into force within sixty days from the moment the decision was made unless WTO members vote against it unanimously. All 152 countries. That means that in order to veto the decision of the commission that found Russia guilty, even the country that filed the complaint in the first place needs to vote in Russia's favour!

Why did China join the WTO then? Because it is clearly profitable for Beijing. Being a member of the WTO opens other markets to Chinese goods. It is very difficult to compete with the Chinese due to the very low cost of their goods. Millions of people working for tiny wages are what make Chinese goods so commercially viable. Our country, on the other hand, does not have such an advantage. We have a lot of natural resources, which in the economic scheme that is being used in our country today, do not provide any competitive advantages to Russian industry. For now, we have low tariffs for energy and fuel, but joining the WTO will put an end to it. And what if we do the opposite? We do not owe anything to anyone after all. We can act in our own interests. We can create competitive advantages for our economy and only then join the WTO. One should train first and only then play on ice or on a court. And not vice versa.

The WTO is a competition for a girl's attention between an oligarch in a posh car and a mechanic on a tram. It is like a boxing competition between all boxers of all weight categories and types at the same time. It is like you and the Klichko brothers in the same ring. This is a race for all cars, no matter who drives what. It is Michael Schumacher driving his racing car and you driving your ordinary car. But there is no rush to lose. The mechanic needs

<sup>&</sup>lt;sup>1</sup> Korten D. When Corporations Rule the World. Kumarian Press, 1995.

to dress up a bit and buy some new clothes, the beginning boxer needs to gain some experience and the racer needs to join the Ferrari team. There are no common rules and no guidelines suitable for everyone. There is only one final goal — to make Russia prosper. Everything else is just a tool.

So comrade Stalin decided not to sign the Bretton Woods agreement not because he was 'opposed to capitalism' and 'was a dictator' but simply because it was not profitable for his country. And the Anglo-Saxons got extremely worried about it...

## 5

### How Winston Churchill lost World War II and how he took it out

There are a terrible lot of *lies* going about the world, and the worst of it is that half of them are true.

Winston Churchill

The point of view defines everything; it changes everything beyond all recognition. It makes a lie look like the truth, and conceals the truth in the shadows. During the time of Brezhnev, there were different views of the Second World War, too. Back then, American teachers were already 'forgetting' to tell their students that Russia was not just one of the countries who fought Hitler but was the country that made a decisive contribution to that victory. After the collapse of the Soviet Union it was already in Russia that the new American point of view regarding the winners of the most atrocious war in the history of mankind started being inculcated. Thanks to a renegade who became a writer, Viktor Suvorov, now they say that the USSR lost in WWII. And England the USA, respectively, won it.

This is what I mean by the point of view. Where you look at the problem from defines what you see. An Anglo-Saxon will say that the Soviet Union wanted to conquer the whole world but only invaded half of Europe. A Russian person must say that the enemy wanted to destroy us but we won instead. The dreams of our Tsars came true — Russian influence reached

Berlin. And not just reached it — we had taken Berlin twice before  $1945^1$  — Russian influence stayed there.

So, who won and who lost the Second World War? It is indeed an interesting question and it is worth going into detail. A victory in a political game means achieving one's goals. If one does not achieve these goals, there is no victory. As regards Germany, it is all clear. The country was completely defeated. The state is ruined; the country is divided into two halves. But what were the goals set by London and Washington and what did they end up with?

The goal of the Second World War was to defeat potential rivals of the Anglo-Saxon currency and creating a new dollar world. Signing the Bretton Woods agreement and establishing the World Bank and the IMF. The USSR refused to ratify those enslaving agreements and they came into force on 27 December, 1945 without our participation. And as early as 5 March, 1946 Winston Churchill delivered his famous 'Sinews of Peace' address.' In this speech he appealed to all English-speaking nations to unite and fight against tyranny and dictatorship.³ Those who read English newspapers today can notice that the general mood of such speeches remains unchanged regardless of time period and Russian leader. Even today Anglo-Saxons write about dictatorship in Russia, as they wrote about Tsarist despotism about 150 years ago. Nothing changes.

The Sinews of Peace is considered to be a masterpiece of public speaking. It sounds like Churchill spoke from his heart and shared something that had been worrying him. He told people of the iron curtain that descended across Europe. We should point out here that Churchill had been preparing this address for several months. He spent the whole winter 1945-1946 in the USA, where he spoke to President Truman and agreed upon its main points. Then he went to a resort in Florida where he spent several weeks finishing the text and added the final touches. That is to say that he started

Once during the Seven Years War (1756–1763) and again when chasing Napoleon out of Europe.

When people talk about the address where Churchill blames the USSR, they often forget about one interesting detail: the USSR was an ally of the English. Not just an ally in the fight against Hitler, but at the time a 20-year alliance treaty was in force, which Churchill mentioned himself in the speech.

<sup>&</sup>lt;sup>3</sup> I do recommend that you read this speech (http://history1900s.about.com/od/churchillwinston/a/Iron-Curtain.htm).

preparing his March speech as early as *January 1946*, when it became clear that the USSR was not going to ratify the Bretton Woods agreements and place its financial system under control of the Anglo-Saxons. It was Stalin's refusal to surrender to the 'money-printing machine' and not any 'tyranny' or 'dictatorship' that spurred Churchill's ardent desire to present his programme of action, which is exactly what his address at Westminster College on *5 March 1946* was. By the way, it should be noted that the famous words about the 'iron curtain' were rather boldly borrowed from... Goebbels. He put it into practice on 25 February, 1945 in the editorial in *Das Reich*. This metaphor is quite telling, and Churchill simply 'privatised' it, since it was too good a phrase to spare. But leaving aside the copyright, we are more interested in a purely pragmatic clarification: on which side did the infamous curtain descend? Who started ruining that Allied unity through which the USSR, Great Britain and the USA crashed the Nazis?

For this purpose, let me draw your attention to a very interesting detail. Winston Churchill did not deliver the Sinews of Peace address as the British Prime Minister. He was just an MP at the time. He stopped being head of the British government back in July 1945, during the Potsdam Conference. General elections had taken place and the Conservative Party had lost. Therefore, during the second part of the Conference Britain was represented by the new Labour Prime Minister — Clement Attlee.

Now ask yourselves: how many times have you heard that the English loved Churchill? Just think about the appraisal he now has been given by England and by the whole world. Yes, he drank a lot and he never let his cigar go. He received his ministers in the morning while lying in bed. Yes, he did have a nap in his favourite pyjamas every day, no matter what was going on. Yes, during the war, every weekend he went to the countryside, to the Prime Minister's Residence. But he won the war! How could the electorate vote for a different party three months after Germany's capitulation? Were they tired of the six-year-long war? But the British people should carry Churchill in their arms! Victors do not have to justify themselves. They enjoy everyone's love, not criticism.

<sup>&</sup>lt;sup>1</sup> Trukhanovsky V. H. Winston Churchill. Moscow: Mezhdunarodnye otnoshenia, 1982. P. 410.

'Despite the fact that the English saw Churchill as their national hero, the general elections in July 1945 were won by the Labour party and Churchill's Cabinet had to leave their office.'

Churchill could not lose THESE elections. He could have lost any other elections but not the elections in the summer of 1945. This was just impossible. This is impossible if we believe that the strict system of selection of politicians who follow the will of the owners of the 'printing machine', known today as democracy, honestly appoints the one who has received the majority of the votes as the winner. Otherwise, we will have to admit that Britain is inhabited with heartless robots devoid of human feelings and gratitude. But as we all know that England's population consists of ordinary, normal people, we have come across another 'historical mystery'.

How could the leaders of the Labour party decide to refuse to join the electoral coalition with the Conservatives, whose leader, Winston Churchill, had just won a war? It is similar to refusing to join the coalition with 'United Russia' today which will, most likely, win the next election. But the Labour party with Attlee, who was the Lord Privy Seal and, basically, the Deputy Prime Minister throughout the war, refused. Then the head of the government, Churchill, resigned on 23 May, 1945. Pay attention to the date — when did the Labour party refuse to join the coalition with the Conservatives, that is with the party of victors of the WWII? Several days AFTER THE VICTORY! Is this really possible? Victors are not judged; that is true. Or are they in England? Or maybe... not the victors?

However, if we imagine that Churchill did not win the war, the situation will become clear. **England did not win but took a thrashing in the Second World War!** None of the goals that had been set were achieved the way England wanted it. A cunning game: bringing the Nazis to power, giving up half of Europe to set them against Russia. Enormous expenses, brilliant schemes and amazing moves. And as a result, the Russian troops ended up being much further to the west than they were on 1 September, 1939. What would the owners of a football club say if, after several years of selection and millions in expenses, the new coach led the team to third place instead of first? And this was actually the place that Britain took in the global table of ranks after the Second World War. Previously, it was first in Europe, as well as the world. The British Field Marshal, Alan Brooke, said in

<sup>1</sup> http://www.dmitriimedvedev.ru/cherchill.

the spring of 1945 in his diary that he had no doubts that Russia was going to become the most powerful state in Europe.<sup>1</sup>

Someone had to take the responsibility for it. Churchill's victory was very similar to a defeat. He did not win it the way it was needed to establish the hegemony of the dollar and pound sterling on the entire planet. If we also realise that it is not the electorate that chooses the Prime Minister in Great Britain but that he is appointed by completely different people who had been controlling the global financial affairs since 1694, what happened to Sir Winston becomes absolutely clear.<sup>2</sup>

Instead of an award for defeating Nazi Germany, he received... a resignation. And it was all done in a rather humiliating manner. For a person who seemed to have saved Britain from Hitler. But the point it that Hitler never was going to invade Britain.3 And that means that Churchill performed no feat. Just imagine: the Potsdam Conference is taking place. Stalin, Truman and Churchill are the three triumphant leaders. And all of a sudden, in the middle of the conference, Churchill is dismissed and has to leave. And then he is offered to go back to Potsdam as a new Deputy Prime Minister, being second after the person who, himself, was present at all previous conferences as Churchill's Deputy!<sup>4</sup> And, naturally, Churchill refused. But he must have been so humiliated by such an offer! This is how Anthony Eden describes the day when Churchill held the last Cabinet meeting as a rather pitiful sight. When it was over and he set off for the exit, Churchill beckoned him and they spent half an hour alone. The poor man was very upset... He kept saying that he had come to terms with what had happened. On the contrary, the pain had become more acute. He could not help feeling the cruelty of the

<sup>&</sup>lt;sup>1</sup> Trukhanovsky V. H. Winston Churchill. Moscow: Mezhdunarodnye otnoshenia, 1982. P. 368.

The dollar and the pound belong to the same owners. How it happened and how the owners of the Bank of England obtained control over issue of the American dollar will be covered in another chapter.

<sup>&</sup>lt;sup>3</sup> The German plan to invade the United Kingdom, Sea Lion, was simply a decoration and no one was going to follow it. The plan was only needed to convince England to sign a peace treaty.

<sup>&</sup>lt;sup>4</sup> Trukhanovsky V. H. Winston Churchill. Moscow: Mezhdunarodnye otnoshenia, 1982. P. 389.

way he had been treated. 'Thirty years of my life passed around this room,' he said. 'I will never sit here again. You will, and I will not.'

Churchill is crushed and perplexed. When the King offered membership to the Order of the Garter, the former PM turned it down...

Conquering the whole world was never among Stalin's plans. Nor was it among Hitler's. Whereas a group of unknown private bankers who founded the Bank of England in 1694 and then The Federal Reserve System in 1913 was on the brink of world supremacy. They were one step away: all they had to do was to make everyone sign the agreements and replace gold with the dollar. It seemed that everything had been done for it. The United States concentrated most of the world's gold reserves on their territory during the war. The gold of England, France and other European nations went overseas. Quite a significant part of the Russian gold was also moved to the States. Lend-lease supplies, the so-called 'aid', were not free. Everything that the States sent us was paid for with gold. And the USSR, which received weapons and food for gold bars, paid for the supplies at the exit port. The risk of loss from German torpedoes or planes lay on the recipient. If a ship with tanks sank, the USSR was still obliged to pay for it.

Everything had been done and yet nothing had worked out. One sixth of the world plus half of Europe did not join the dollar zone. Soviet tanks were in Berlin, as all of Eastern Europe had become Russia's area of influence. Nothing like that had happened before — no tsar had managed to make the Russian army so powerful. Poland, Bulgaria, Romania, Czechoslovakia, Albania and Yugoslavia had never become Moscow's obedient allies before. What

<sup>&</sup>lt;sup>1</sup> Trukhanovsky V. H. Winston Churchill. Moscow: Mezhdunarodnye otnoshenia, 1982. P. 389.

The modern liars in history are very keen on the argument that other countries were forced to join the alliance with the USSR. The best answer to this lie was given by Stalin himself: 'The Germans invaded the USSR through Finland, Poland, Romania and Hungary. They were able to invade the USSR through those countries because at the time those countries had governments opposed to the Soviet Union. As a result of the German invasion, the Soviet Union lost in battles with the Germans and due to the occupation and engagement of Soviet citizens in the German work camps, by times as much as Britain and the USA together. It is possible that some nations tend to neglect and forget this enormous sacrifice of the Soviet people which made the liberation of Europe from Hitler's oppression possible. But the Soviet Union cannot forget about its own casualties. The question is: is it really surprising that the Soviet Union wants to secure itself for the

else did Sir Winston deserve for such 'successful' policy? Churchill would get monuments later, after his death, and for now all he deserved was a slap in the face. In the Labour Code it would be called 'insufficient adequacy'. He is able to rule the country, he is able to win a war, but he does not suit the post or the scale of the targets. Because his task was completely different: he was supposed to arrange everything so that no one could struggle against, or be opposed to, the new world order, where everything should be controlled by his majesty the Dollar (and his younger brother — Pound Sterling), simply because there was supposed to be no other real power in the world except for the Anglo-Saxons themselves. The USSR was to be destroyed; Germany and Japan were already in ruins. Who would dispute it?

If we examine the results of the Second World War, it was indeed the Anglo-Saxon world and not the USSR that lost it. Russia had suffered horrendous losses, but not only did it escape from being torn into pieces, but, on the contrary:

retrieved the territories which it had lost during the revolutionary unrest: the Baltic states and Moldavia (Bessarabia), which was occupied by Romania in 1918;
realised the centuries-old dream of Rusyns and Ukrainians about annexing the former Russian (Ukrainian) territories lying behind the Carpathians to the Ukrainian SSR;
appropriated German Eastern Prussia by right of the victor and of the victim of the aggression;
retrieved its base in Port Arthur (China) and gained revenge for its defeat in the Russo-Japanese War;
acquired a naval base on the Adriatic in Albania;
secured the victory of the pro-Russian communist Mao Zedong and not pro-American Chiang Kai-shek in the Chinese civil war in 1949;
created a whole block of Russia-friendly states in Europe and Asia;
eliminated the possibility of a military attack by creating a belt of friendly states along its borders.

future and strives to make certain that the governments of these countries have governments that are loyal to the Soviet Union? Therefore, how can a sane person see these aspirations of peace in the Soviet Union as expansion tendencies of our state?' (From Stalin's interview for the Pravda newspaper on Churchill's Sinews of Peace on 14 March, 1946) http://www.coldwar.ru/stalin/about\_churchill.php.

Who can call that a defeat? An earnest researcher will not. Where did everything go? What was this colossal political and economic capital wasted on? The capital paid for with the lives of 27 million Russian people. This is a completely different question. Khrushchev, 20th Party Congress, the denouncement of the personality cult — these are the first steps into the abyss after Russia's triumphant victory. Destruction of the unfinished ocean fleet founded by Stalin in order to stand against naval powers. Falling out and falling apart with China (although the alliance with this country provided vast opportunities and human assets). Losing naval and other military bases on the Chinese territories. Falling out with Albania and compromising the communist ideal. Giving Crimea to the Ukraine. Former Cossack lands being given to Chechnya. Execution of Beria who was to become Stalin's heir and continue with state-building. Execution and imprisonment of a whole group of people who knew how politics worked. Who knew how to do it. Who could play on equal terms with the 'money-printing machine' and its special services. But this issue lies outside the scope of this book...

The real dollar era, the period of its incredible supremacy, would actually start 46 years later than planned, that is after the collapse of the USSR in 1991. The USSR resisted this cancerous growth of money appearing from nowhere for over four decades, having created an alternative form of economy and a completely new civilisation, having created an alternative system of relations between people. And credit for this is due to three people: Stalin, Roosevelt and Churchill. Roosevelt passed away, Stalin was out of reach for the bankers: it was Churchill, therefore, who had to get a public whipping in victorious 1945...

Stalin's response to the famous Sinews of Peace is rather telling:

'Churchill and his friends in England and the USA have essentially delivered an ultimatum to non-English-speaking nations: recognise our supremacy voluntarily and everything will be all right, otherwise a war is inevitable. But these nations have been fighting five years of the atrocious war for the sake of freedom and independence and not to replace Hitler's domination with Churchills' domination. It is therefore very likely that non-English-speaking nations who compose the great majority of the population of the world will not agree to surrender to a new system of slavery.'

 $<sup>^1~</sup>$  Stalin's interview for the Pravda newspaper on Churchill's Sinews of Peace on  $14^{\rm th}$  March, 1946 http://www.coldwar.ru/stalin/about\_churchill.php.

It is interesting that Churchill's address does not mention 'supremacy' or 'war'. But Stalin could see perfectly well what 'reaching a good understanding on all points with Russia' meant in 1946. It was an ultimatum presented as a speech. And this ultimatum was delivered by Churchill, who had been dismissed and whipped in public. Stalin gave another negative answer to the question of whether the USSR would agree to sign the agreement which would let the dollar start its ascent to the top of the world. This was where the subsequent opposition of the West and the USSR came from. Stalin refused to give a part of his sovereignty to the 'printing machine' because he knew perfectly well that it would mean giving everything away in the end.

The history of the attempts England the USA made to influence Stalin in those first years, when they had the bomb and we did not have it yet, deserves to be the subject of a whole separate book. Let me just give you one example to show WHO was an instigator and WHO was just defending themselves. I think you must have heard of Stalin's Blockade of West Berlin and how the freedom-loving nations organised the Berlin Airlift. And now I am going to tell you what actually happened.

After Churchill's Sinews of Peace and Stalin's negative response to the covert ultimatum of the 'printing machine', England and America proceeded to action. Pressure was applied on all points. Defeated Germany turned out to be the most convenient spot for that. But immediately following the victory over fascism, the victors did not have any problems with one another. As a result of the agreements signed by the Allies, Germany was divided into three occupation zones: Russian, English and American. The country itself was not divided into any administrative subjects — this was Germany with no state authority within its borders except for the occupying military authorities. Berlin was divided in the same way. It was the Soviet Union that took it but, according to the agreements, Allied troops were allowed into the German capital. On 5 June, 1945 the Berlin Declaration was signed, in which all victors over the Nazi regime assumed supreme authority with respect to Germany. Later on, on the insistence of Charles de Gaulle, the French were also given a part of German land — they received the Saargebiet as an occupation zone and also a part of Berlin. As a result, there were not three but four occupation zones. Then, on 30 August, 1945 the Control Council, a body for cooperation between the Allies which was the common governing body in the occupied country, was established. On 20 November, 1945

the Nuremberg Trials started. On *1 January*, *1946* trade between the Soviet and British zones started. Everything went smoothly, since the USSR had not refused to accept the dollar or the Bretton Woods agreement.<sup>1</sup>

And then it all began...

5 March, 1946 — Churchill's speech marks the beginning of hostile activities of the West.

6 August, 1946 — American General Clay announced in Stuttgart that two occupation zones were going to merge.

On 6 September, 1946 the American Secretary of State, Byrnes, appealed to the Germans to establish a democratic state. How could they do it if there was no governing body in the country and it was divided into four zones?

On *2 December, 1946* the USA and Britain signed an agreement in New York on merging their occupation zones. This led to the creation of a new, strange formation on the map of Europe under the weird name of Bizone.<sup>2</sup>

On *1 January*, *1947* all trade settlements of Bizone with other zones were converted into dollars. Although it had only been a year since they started trading the Russian zone. And what had they been trading in? In *Reichsmarks*. And now the Anglo-Saxons were showing what currency was the main one in the world. The USSR did not have any dollars, to say nothing of the Germans. What does the requirement to do trade only in dollars mean? It means either that the other zones had to obey or trade between different German zones would stop. It was the Anglo-Saxons who started tearing the country apart.

On *12 March*, *1947* the Truman Doctrine, which openly announced the policy of the Cold War, was officially accepted.<sup>3</sup> And again, it is not Russia that started the confrontation.

On 5 June, 1947 the famous Marshall Plan was passed.

23 February — 6 March, 1948. The London Conference, where it was decided that a new German state would be established within three occupation zones.

Pavlov N. V. The History of Modern Germany, 1945–2005. Moscow: Astrel, 2006. P. 76–77.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 57.

<sup>&</sup>lt;sup>3</sup> http://www.hrono.ru/organ/ukazatel/trumen\_doktrina.html.

Who would call this gesture friendly? Anglo-Saxons are leading towards Germany's partition into two states. In response, on *20 March* the USSR left the Control Council, which ceased its operation immediately after that. Western countries did not need a governing body over all of Germany any more. They were preparing a new German state.

And then the most interesting thing happened. On 20-21 June, 1948 a currency reform took place in the three occupation zones. Even those who remember Pavlov and Gaidar's reforms will find this one similar to daylight robbery. The *Reichsmark* which was in use under Hitler was replaced with the Deutsche Mark. Even our hopeless reformers did not dare repeat the conditions of that reform. Which is understandable, since one needs an occupying army to do anything like this. Every German could exchange 60 *Reichsmarks* at a 1:1 rate — 40 marks immediately and 20 only two months later. Everyone could also exchange half of their savings at a 1:10 rate, and the second half could be then exchanged at a 1:20 rate. Pensions, salaries, payments and taxes were recalculated at a 1:1 rate. What do you find so democratic in this reform?

An even sadder fate was awaiting legal entities. All enterprises received a sum of 60 marks per employee. All state obligations in old *Reichsmarks* were annulled without any compensation! This led to devaluation of about two thirds of all bank assets which had been invested into public bonds. And all of that was done immediately, just as a good military operation. *Deutche Marks* were secretly printed in the USA and suddenly introduced.

Let us contemplate now. What happened in a united country where a new currency was introduced in one area while the other continued to use the old one? What were the Germans to do when they were offered to exchange their savings at 1:10 and 1:20 rates? They would naturally try to spend them somewhere where this currency was still in use. Which means in the Soviet occupation zone. This is what happened. The Germans dashed to the Eastern zone with their *Reichsmarks*. Everything was swept off the shelves just to spend the money. What was the Soviet administration to do at the sight of this? It was to close the borders of the Soviet zone and try to stop this flood of money, otherwise there would have been a collapse — their shops would have simply run out of stock. This is exactly what the Anglo-

Pavlov N. V. The History of Modern Germany, 1945–2005. Moscow: Astrel, 2006. P. 67–68.

Saxons were counting on. They were aiming to cause unrest and provoke the USSR into 'shooting at public demonstrations'.

But while it is possible to close the borders between different occupation zones, what was to be done with Berlin? There was no wall there: the city was a single entity. And by a strange accident, the currency reform took place in West Berlin three days later than in the Bizone and the French occupation zone — on 25 June, 1948.¹ As if it were a hint for the Germans — here is where you should go with your *Reichsmarks*. Here is where they are still accepted. So, all the money from all over Germany was taken to the capital. Very conveniently there were special passes to drive to Berlin through the Soviet zone for the Allies and the Germans working for them. What was to be done? Prohibit entry to Berlin and prohibit passage through the Soviet zone. And inside Berlin passage from the western part to the eastern part was to be prohibited to stop people from buying everything from the shops. What is this? This is that very Blockade of West Berlin that Stalin announced. And what would you do if you were him?

The East's *Deutsche Mark* would be introduced much later. And again it was not the Soviets that were causing a schism...

On 1 July, 1948 the military governors of the three occupation zones, in the former building of *I.G. Farbenindustrie*, read out (each in their own language) the so-called Frankfurt documents to the presidents of the eleven German states. The Germans were simply told that they were to establish a state by summoning a foundation meeting. Everything had been decided for them in London. The fact that it would lead to a division of the country as well as of the people did not worry the Anglo-Saxons. The future Federal Republic of Germany accounted for 52.7% of the territory and for 62% of the population of pre-war Germany.<sup>2</sup>

And then everything happened according to the well-known scenario. They established the Federal Republic of Germany and NATO and allowed Germans in, which scared those who remembered the Second World War. The Soviet Union replied with creating the GDR and the Warsaw pact. Look at the dates — Russia always defended itself...

Always? No, not always.

Stalin's USSR was preparing to fight and was not going to surrender.

<sup>&</sup>lt;sup>1</sup> Ibid. P. 78.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 62.

On 16 December, 1947 the USSR also introduced a currency reform. The country needed to get rid of the stock of money which had inflated during the war. The cash from the population was exchanged for the newly emitted money at a 10:1 rate. Deposits in savings banks up to 3 000 roubles, which accounted for 4/5 of all deposits, were preserved in their full amount and were exchanged at a 1:1 rate. Larger deposits were recalculated using a more complicated scheme: the portion of savings under 3 000 roubles was exchanged under general conditions; the amount from 3 000 to 10 000 roubles was revaluated at a 3:2 rate; deposits over 10 000 roubles were broken into three parts: under 3 000 roubles, under 10 000 roubles, and everything over 10 000 roubles was automatically halved.'1

In the same month, in December 1947 ration cards were cancelled; food and goods went on free sale. Prices for bread, flour, grains, pasta and beer were lowered. State prices for meat, fish, oil and butter, sugar, confectionary products, alcohol and tobacco remained unchanged. Milk, eggs, tea and fruit, as well as fabrics, shoes and clothes went on sale at prices which were about one-third of the commercial ones.<sup>2</sup>

The country's economy was recovering. On 29 August, 1949 the Soviet Union carried out nuclear tests. Stalin could breathe a sigh of relief — there was no threat of a nuclear attack from the 'printing machine' anymore. A bomb went off at the Soviet press on 1 March.

From the Decree of the USSR Council of Ministers of 28 February, 1950:

"... the abolition of the ration cards system in December 1947 and a dramatic price drop for mass consumption goods which happened three times during 1947-1950 led to further strengthening of the rouble, an increase in its buying power and strengthening of the exchange rate in relation to foreign currencies. But money in Western countries has been losing value and continues to do so, which has already led to the devaluation of European currencies. As for the United States, incessant price growth for mass consumption goods and continuing inflation based on this, which have been announced by representatives of the US government, have led to a significant decrease in

<sup>&</sup>lt;sup>1</sup> http://www.kommersant.ru/doc.aspx?DocsID=335995.

<sup>&</sup>lt;sup>2</sup> Before that one could buy food at low 'ration' prices and buy more, if one could afford it, at very high 'commercial' prices.

the dollar's buying power. Due to all of the above, the rouble's buying power has exceeded its official rate of exchange.

Due to this, the Soviet government has recognised the necessity to increase the official rate of the rouble and stop using the US dollar as the basis for calculation of the exchange rate, as it was established in July 1937 and start using the stabler gold standard in accordance with the gold content of the rouble.

Therefore, the USSR Councilof Ministers has decreed:

From 1 March, 1950 onwards, to stop defining the exchange rate of the rouble in relation to foreign currencies based on the dollar and convert it to the stable gold basis, in accordance with the gold content of the rouble.

Set the gold content of the rouble at 0.222168 grams of pure gold.

From 1 March, 1950 to set the purchase price of the USSR State Bank for gold at 4 roubles 45 kopecks for 1 gram of pure gold.

From 1 March, 1950 to define the exchange rate of the rouble in relation to major foreign currencies based on the gold content of the rouble set in provision 2:

4 roubles for 1 US dollar instead of the current rate of 5.30 roubles.

Should there be further changes to the gold content of foreign currencies or changes to their exchange rates, the USSR State Bank shall set the exchange rate of the rouble in relation to foreign currencies with consideration of these changes.'1

This was a challenge. It was the rouble and Stalin's rouble alone at the time that directly included the gold content, bypassing the dollar. **Stalin was establishing a payment system which was an alternative to the Anglo-Saxon one**. And he was doing that only upon securing the country with a nuclear shield. He did not give in to pressure and was establishing a state alternative to the Federal Reserve System and the Bank of England. All that was left was to expand this payment system and start real competition with the 'printing machine'. The point of money is simple — if it is accepted, it is in demand. Therefore, demand was needed. While the USA was trying to create demand for the dollar, Stalin started doing the same with the rouble. The USSR started trading externally in roubles, and these were golden roubles. Or in gold, but never in dollars!

http://www.stoletie.ru/territoriya\_istorii/kak\_rubl\_osvobodili\_ot\_dollara 2010-03-01.htm.

Likewise in 1949 the Council for Mutual Economic Aid was established, and its members started trading in gold roubles with each other as well as with China, Mongolia, North Korea, Vietnam and many developing countries.¹ A huge economic continent was under construction which the dollar could not enter.² In 1952 a conference of developed countries and even a number of capitalist countries (Sweden, Finland, Iceland, Austria, Switzerland and Ireland, which did not have any diplomatic relations with the USSR at the time) was held in Moscow. The suggestion put forward by Stalin's Russia sounded like a death bell to the bankers' plans of global expansion: '... Mutually agreed foreign trade prices, development of bartering for foreign trade... creating a common interstate currency with obligatory gold content. Which, in its turn, will speed up 'undollarised', genuinely equal economic integration of democratic and former colonial, that is developing, states. This integration can be joined in a certain form by those capitalist countries which are not interested in 'dollarization'.³

Now, is high time we remembered Winston Churchill. As we know him as a victor and a hero, not as an eccentric loser. And it is not owing to the victory in the Second World War that he is known as one. He was given a second chance — he was given an opportunity to correct his mistakes. It was done because the 'printing machine' had no smarter employees. Churchill became the British Prime Minister again. And he eagerly proceeded to correcting his own mistakes. The main one was Stalin's USSR. We should do justice to the bulldog's grip — Churchill did not miss his chance. This time he redeemed himself completely and even got an award. And it is not the Nobel Prize for Literature for his book on the Second World War; this is trifle. \*Winston Churchill was knighted.\* This is the very membership in the Order of the Garter that he declined at the end of his first term. So,

<sup>&</sup>lt;sup>1</sup> Originally, the Council for Mutual Economic Aid included Bulgaria, Hungary, Poland, Romania, the USSR and Czechoslovakia. It was established on 5–8 January, 1949. In February 1949 the Council for Mutual Economic Aid was joined by Albania, and in September 1950 — by the GDR.

<sup>&</sup>lt;sup>2</sup> Do not forget that in 1949 the Civil War in China ended with Mao's victory, who literally worshipped Stalin.

http://www.stoletie.ru/territoriya\_istorii/kak\_rubl\_osvobodili\_ot\_dollara\_2010-03-01.htm.

 $<sup>^4~</sup>$  http://www.peoples.ru/state/king/england/churchill.

when was the hero awarded this? Try to guess when Churchill was knighted, considering that he *took the post of Prime Minister in 1951*?

Is it difficult to guess? You do not know? No special knowledge is needed; you just need to remember who was the main adversary of the 'printing machine' at the time. And think of what happened to its previous adversaries.

*Stalin died in 1953*. Apparently, he was poisoned. The only leader of the only country which was obstructing bankers on their way to realising their ambitions.

#### Does that mean that Churchill was awarded for eliminating Stalin?!

Yes, it does. He was awarded for correcting his mistake with the help of 'friends' inside the Soviet Union.

Judge for yourself. Look at the dates.1

Joseph Stalin died (was killed) on 5 March, 1953.

And when did Churchill receive his award?

In *April 1953* Winston Churchill was knighted and awarded the Order of the Garter, the highest order of chivalry in England, by Queen Elizabeth II.' The nation is now in love with him. And only then was he incarnated in bronze. Stalin was killed. Churchill threw down the gauntlet and won. Please note the following detail: in 1953 Sir Winston accepted his award and the order. Whereas earlier, in 1945, he declined. Ask yourself: what did Churchill do that was so important between 1951 and 1953 — that is, during his second term as the Prime Minister? Nothing. What did he do during his first term between 1940 and 1945? He won a war. When should he have been awarded? When should he have accepted the award? And when did he?

The horizons that were so coldly betrayed and so ineptly wasted, were breathtaking. Human rights and common values... in the 1950s all of those were on the side of the USSR. It was our country which was the beacon of

<sup>&</sup>lt;sup>1</sup> The English special forces and diplomats can be considered responsible for organising the assassination of Paul I, Alexander III, Alexander III, Nicolas II's family and his brother Michael (see: *Starikov N.* From Decembrists to Mujahids. St. Petersburg: Piter, 2010; *Starikov N.* Liquidation of Russia. St. Petersburg: Piter, 2010). You can also add the mysterious death of Peter the Great which also looked very similar to poisoning and followed his ordering Vitus Bering to look for a sea route to India. To rule Russia, fight the Anglo-Saxons and stay alive is an art which is very difficult to master. I hope that you, dear readers, are beginning to understand that poisoning is a signature of the English special forces.

<sup>&</sup>lt;sup>2</sup> http://adelanta.info/encyclopaedia/bomonde/Churchill.

freedom, while the USA still retained strict racial segregation. And Britain, which claims to have been so democratic, never had an Indian general. Just think of the scores of brilliant Soviet and Tsar non-Russian generals — beginning with Bagration and ending with Bagramyan. There was no competition between two political systems — there was a confrontation of two financial worlds.

We were defeated with the help of betrayal. Stalin was betrayed and poisoned by someone in his close circle. And then Khrushchev swapped everything for patting on the back and legitimisation of his coming into power by the West. And as soon as the end of the 50s the USSR was doing external trade mostly in dollars. And then our defeat became a matter of time. We stopped striving to win. Only words remained — no actions followed. In 1945 the Anglo-Saxons were left face to face with the Soviet Union. They no longer knew how to fight and no longer wanted to. And there was no puppet in the form of Napoleon or Hitler left. Therefore, should we have retained the gold rouble and kept trading in gold roubles, it would have been only a matter of time before the Anglo-Saxons were defeated. And it was then that someone's vanity, meanness and stupidity saved the 'printing machine'...

Bringing up the elite is the most important goal for any Russian leader. To show them the invisible enemies, cast some light on them. To explain that it is impossible to dissuade the enemy from aggression, because those people need everything at once. It is necessary to teach the future Russian elite the history of the 'printing machine' and the history of those who betrayed their country, maybe even despite their best intentions but still ruining it. And bringing themselves to ruin. As no one loves traitors. Who likes Khrushchev today? Where are monuments of gratitude from the people in parks and squares? Who appreciates Gorbachev today? Remember this, dear Russian leaders. The way to immortality always lies through your own people. And betrayal of your own people leads to oblivion. Understanding this truth is the best vaccination against betrayal.

'Britain has no eternal allies, and we have no perpetual enemies. Our interests are eternal and perpetual, and those interests it is our duty to follow,' as Lord Palmerston once said. And Britain had friends outside the Soviet Union. Let us remember another famous politician who was a great friend of Britain until its interests demanded his death.

This politician's name is Benito Mussolini.

# 6

### How the advocate of peace Benito Mussolini ended up supporting the war

I could not help being charmed by Signor Mussolini's gentle and simple bearing... Anyone could see that he thought of nothing but the lasting good... of the Italian people, and that no lesser interest was of the slightest consequence to him.<sup>1</sup>

Winston Churchill

Let us start from the end. And the end was horrible. Being captured by the partisans. Being hastily executed together with his beloved woman. Without any sort of trial. Their corpses were hung upside down under the roof of a petrol station at Piazzale Loreto in Milan, so that everyone could see them. Mocking of the crowd. Benito Mussolini's life ended in a very different way from what he had wanted. Yet everything started so well! He had such a meteoric career; he rose so swiftly and quickly. This is why such people cannot be tried, because they can start speaking. And Benito Mussolini did have quite a lot to say. Perhaps he would have started his confession from afar, from the moment when an advocate of peace and neutrality that he had been, became a zealous supporter of war. When he,

 $<sup>^{\</sup>scriptscriptstyle 1}$  January 1927, at a press-conference during his visit to Rome.

a social democrat and revolutionary, founded the fascist movement. Or, maybe, Mussolini would have revealed some secrets of pre-war European policies to investigators. Everything was possible. Hence the *Duce's* execution by firing squad...

I will tell you straight away that detailed research of Mussolini's life is not our goal and therefore we will go past his childhood and youth. We will, however, point out the following most important details: the boy was brought up in a very poor family very much in need of money. What do they normally tell us? That in early 20th century there was the retarded Russian Empire surrounded purely by prosperity and progress. And we imagine peasants in lapti (in Russia) and clean streets with high standards of living (in Europe). Those who tell us about it have an explanation to hand — it was all due to our obsolete political system. Russia had the out-dated absolute monarchy, whereas Europe was enjoying progressive democracy, hence the difference in living standards. These story-tellers never come up with anything new: their advice is always the same. They say that holding free elections is enough for prosperity.1 This is a lie. It was not quite as they describe. The situation was completely different, frankly speaking. At the beginning of the 20th century Italy was a rather poor country. Poverty was a very common phenomenon in Europe back then.<sup>2</sup> There were also points of prosperity, like Switzerland, for example. This is where Italian workers went to earn some money in those times. Having worked as a school teacher, 19-year-old Benito Mussolini went there, too. Here is an interesting detail: the future founder of fascism, the singer of power and determination, ran away not only to earn some money but, mostly, to avoid military service.

It was in Switzerland that Mussolini was taught his first cruel lessons by poverty and hunger. He managed to find a job only as a mason, which implied an 11-hour working day. Having worked just a bit, he wore his hands

<sup>&</sup>lt;sup>1</sup> Elections are considered free when parties supporting the west win. When they lose, the elections are considered rigged. That is to say that the result of any elections can beforehand be considered right or wrong. This is how the world mass media see them. And it is never mentioned that the fifth column of the west can lose elections in a certain country simply because its ideas are not popular. There is always something that allegedly gets in the way.

<sup>&</sup>lt;sup>2</sup> 'In Belgium, as well as in other western countries, political democracy was accompanied by extreme poverty' (*Balabanoff A.* My life as a fight: A Russian socialist's memoirs. 1897–1938. Moscow: Centrpoligraph, 2007. P. 25).

down to the flesh and realised that he was not designed for physical labour. As soon as he stopped working, he ran out of money. And very quickly, the future Prime Minister turned into an regular tramp. He slept in boxes under the *Grand Pont* in Lausanne. But at this point, Benito Mussolini was very lucky. In a cafe called 'Torlachi' in Lausanne he met several Italian socialists who were also working as masons at Swiss construction sites. From them the future *Duce* learnt that there was a field of activity which did not require too much labour but did provide quite a lot of money. This field was called politics. Benito quickly realised that this opportunity was not to be missed. He introduced himself as a socialist to his new friends and explained his financial situation by a severe illness which did not let him work. Young Mussolini did not miss the chance to make a career as a politician. Four months later he was already elected as the secretary of the Italian trade union of masons.¹

Another significant acquaintance that he made at the beginning of his career in politics was Angelica Balabanoff. She was a Russian socialist who had spent so much time abroad that she became one of the leaders of the Italian social party. She taught Benito how to write articles and extended the scope of his political knowledge. I had never seen a person who would look so miserable, said Balabanoff, who took the young man, who had already reached the bottom, under her wing. She was the one who brought Benito Mussolini into politics, which she later deeply regretted when her student had become the person he is known as.

No labour bears fruit straight away. Similarly, Benito's first literary and political attempts did not bring him any financial profits. He kept on working: as an errand boy for a butcher, for a wine merchant, as a sculptor's assistant, a window cleaner and a worker at a factory. He even read cards for money. He worked at a kiosk selling newspapers when the owner went off to have lunch. He would sometimes receive a piece of ham as payment.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Stonemasons, not the freemasons.

<sup>&</sup>lt;sup>2</sup> The Duce's son, Romano Mussolini, says that there was more to the relationship between his father and the passionate revolutionary than just similar political ideas, and, most likely, he is right. Balabanoff knew Lenin and all the most significant revolutionaries in person. She boosted the start of Benito's career and left the most fascinating memoirs, most of which are dedicated to Mussolini.

<sup>&</sup>lt;sup>3</sup> Remember this: in 1910 Mussolini worked for a piece of ham. And this was in Italy, the sunny and lush country. This is how people lived in Europe then.

Mussolini would always wear the same trousers that his wife washed practically every day and dried in the nearby bakery. But his interest for socialist ideas did not die out. Why? Because he saw professional revolutionaries around him.¹ They did not lay bricks, yet lived in rather good conditions. Escaping from poverty was the main motivation for Mussolini. This is very important for understanding his further actions. It was later that he became indifferent to money, but at that point his friends bought him food in a cheap canteen.

Having returned to Italy (the royal amnesty for desertion had been announced!), Mussolini started working as a village teacher again. At the same time, he would write for the weekly four-page socialist newspaper Lotta di Classe (The Class Struggle). It was one of the numerous weekly newspapers of the Socialist party published in Italy and neither the newspaper nor its editor drew too much attention.2 This was not surprising, since the circulation of the newspaper was a mere 350 issues: Mussolini was its editor, reporter and proof-reader. But this was his first job for the party. This was his life start. And he did his best. Not only did he write, but he also engaged in some propaganda, visiting nearby villages and towns. This is where the future *Duce* honed his declamation skills. In 1911 he appealed to people on the pages of his newspaper to start a strike. The reason was purely socialist — 'Let us say no to the imperialist war in Africa'. Italy wanted to get its share of the colonial treasure and invaded Tripolitania (the territory of today's Western Libya). Italian socialists were vehemently opposed to this war and organised protests. 'The advocate of peace' Benito Mussolini became one of the main propagandists and organisers of the strike. The person who started creating a new Italian empire by means of war a couple of decades later, urged the women to lie down on railway lines to stop military trains. The unrest expanded and workers started dismantling railway lines. To stop this havoc, the government sent troops over, and Mussolini, who was among the organisers, was arrested and tried. The verdict was not harsh —

No better, and even much worse than in Russia. No one worked for a piece of ham in Russia.

<sup>&</sup>lt;sup>1</sup> Balabanoff herself lived on money coming from unknown sources and was a real 'professional revolutionary'. And there were a lot of them around Mussolini.

<sup>&</sup>lt;sup>2</sup> Balabanoff A. My life as a fight: A Russian socialist's memoirs. 1897–1938. Moscow: Centrpoligraph, 2007. P. 97.

Mussolini was sentenced to a year in prison, of which he only served five months. But these months in a real prison, this real imprisonment, would be the beginning of his rise. To gain authority among socialists and 'fighters for freedom', one has to have terms in jail. Similarly, one cannot be recognised in the criminal world without having been in prison. And it is hard to be a proper non-conformist if one has never been arrested and oppressed by the 'blood-thirsty' and 'totalitarian' regime...

Nine months after he was released, in December 1912 Benito Mussolini, together with Angelica Balabanoff, was elected to the Central Committee of the Socialist Party of Italy. At the same time, Mussolini became the chief editor of the party newspaper 'Avanti' with a rather a decent salary, whereas Balabanoff, on his request, was appointed his deputy. The circulation of this new child was not 350 issues but twenty-eight thousand. This was a serious newspaper and it presented a good chance of becoming famous and making a career. Therefore, a new editor was determined to promote the new newspaper. Within a year and a half, which is by summer 1914, the circulation of Avanti nearly quadrupled and amounted to one hundred thousand issues. Together with the circulation grew the popularity and salary of the chief editor. Benito Mussolini had reached what he aspired to — he had joined the cohort of well-paid fighters for the happiness of the workers. He did not need to lift anything heavier than his pen to earn his living. But it was just several months later that Mussolini put all his prosperity at stake. And with a gracious move he put an end to his socialist career. So, what happened?

What happened was World War I. It broke out unexpectedly, not only for the revolutionaries but even for the monarchs who started it. As a result of this war, four empires collapsed: the Russian Empire, the German Empire, the Ottoman Empire and the Austro-Hungarian Empire, and new states quickly appeared from amidst those ruins. When the old dust raised by the collapse of these gigantic empires settled down, there were only two currencies on the financial map of the world that were backed by gold. These were the dollar and the pound. Competing economies and competing currencies were being destroyed in an organised global slaughter. This was the first stage of the establishment of the total global hegemony of the money-printing machine created in 1694 in Britain. The second stage would be World War II followed by the Bretton Woods conference. But, firstly, the European monarchs were to be locked in mortal combat.

And they were helped in this. World War I was not expected or inevitable. It was beautifully organised by the English, who, on the one hand, promised support to Russia and France, and on the other hand, promised the Germans not to join the war on the French or Russian side.¹ Astonishingly, the Entente block which included England, France and Russia, as it turns out, had no documents that would stipulate Britain's obligations to fight for its allies! The adversary military block, the so-called Triple Alliance, on the other hand, which included Germany, Austria-Hungary and Italy, was united under a proper alliance treaty.² Italy was obliged to fight for its partners only if Germany was attacked by France. And in reality Berlin declared war on France, which allowed Italy to avoid entering the war.³ This is how it was at first. On 3<sup>rd</sup> August, 1914 the Italian ring told the German Kaiser Wilhelm II that the conditions of beginning the war did not comply with those stipulated by the treaty. On the same day the Italian government published its declaration of neutrality.

Benito Mussolini would have remained a well-known fighter for the rights of the working class, and the 'golden' socialist plume of Italy, had the world war started itself. Just like that. If it had not been designed to destroy Russia and Germany by means of mutual exhaustion, and consequently, to establish the hegemony of Britain, where the money-printing machine had already taken root. Keeping it unique was what guided English policy.

What is neutrality? This is the way to prosperity. Especially if a war is raging in the world around you. If this war is a world war, standing aside is twice as wise. There was even a very good example right next to Italy —

<sup>&</sup>lt;sup>1</sup> For a detailed description of England's game and the incredible effort it made to start this war see: *Starikov N.* 1917. The Mystery of the 'Russian' Revolution Solved. Moscow: Yauza-Exmo, 2010.

The secret alliance treaty was signed on 20 May, 1882. (http://slovari.yandex.ru/dict/bse/article/00080/65600.htm).

<sup>&</sup>lt;sup>3</sup> Romania, too, had an obligation to defend Germany, and was also spared from it by Germany's behaviour. It is impossible to understand why Berlin deprived itself of two allies at the same time unless we consider the cunning play of the English. 'By declaring war on Russia we gave Romania a formal excuse to refuse to help, just as later on we gave the same excuse to the Italians by declaring war on France', says the puzzled Admiral of the German navy Alfred von Tirpitz (*Tirpitz A.* Memoirs. Moscow: Voyenizdat, 1957. P. 281; http://militera.lib.ru/memo/german/tirpitz/16.html).

Switzerland. Why should Italy not become an oasis of stability and order in the furious waves of the global crisis? The USA became a world leader, among other things, owing to the fact that they barely participated in two global conflicts but sold ammunition to the countries at war. They only entered the fight at the very end. Did the wise Italian king realise the advantages of neutrality and decide to keep it? No: in reality, everything was completely different. Italy joined the war. And *not on Germany and Austria-Hungary's side*, whose official ally it had been before the beginning of World War I. Such a political manoeuvre required time and accuracy, as the turn that Italian policy was taking was far too sharp. Therefore, much effort was required to guide public opinion in the right direction.

During World War I Italy lost about six hundred thousand men and 1.9 million people were wounded or disabled. Hence a very logical question: why did Italy join the war and suffer such casualties? Was anyone threatening her? No. It means that something had been promised to her. Hence another equally logical question: what did Italy receive for the blood that was shed? It received bit of Austria-Hungary. According to the treaty signed in Saint-Germain-en-Laye after the war, Vienna gave Rome some of its territory. It is enough to look at the map to establish that these were not vast fertile territories. Italy received rather little for 2.5 million ruined lives! What else did it get? It had been promised the Austrian province of Dalmatia. He who expects from a promise a lot must wait three years or maybe not, as the saying goes. But when one deals with Anglo-Saxons, one had better forget the promise. Therefore, after the war Dalmatia was given

<sup>&</sup>lt;sup>1</sup> *Urlanis B.* History of Military Losses. Moscow: Polygon, 1998. P. 378–383.

<sup>&</sup>lt;sup>2</sup> Trentino, Alto Adige and a considerable part of the Istrian peninsula; Islands of Cres, Lošinj, Lastovo and Pelagosa along the Dalmatioan coast.

When we say that something was 'promised', we do not mean in word, but in writing: according to the London treaty of 1915 which signalised Italy's entry into the war on the Entente's side.

<sup>&</sup>lt;sup>4</sup> Would you like to become a prophet? It would be a safe bet to say that Anglo-Saxons have never kept and will never keep their political promises. And it does not matter who the promises were given to — to the White Army, Saddam Hussein, Hitler and royal Italy. They will inevitably act in their own interests and not according to their promises.

to Yugoslavia which was created by the Anglo-Saxons themselves.¹ Italian Prime Minister Orlando, as a sign of protest against the 'cut down victory', slammed the door at the Versailles conference, but it was too late.

All of this happened after the war had ended, and to begin with, it was necessary to join it in the right and accurate way. At first, Italy stood aside, and this was popular with the whole population. Nearly all echelons of Italian society were against the war. Neutrality was also demanded by Italian socialists. On 29 July, 1914, even before the war, the heads of the Italian socialist party signed an anti-war manifesto which condemned any attempt to engage Italy in capitalist military conflict: 'The Italian proletariat... must now be prepared to stop Italy from being pushed into the abyss of this atrocious fraud.'2 Among the people who were most active in demanding neutrality was a member of the Executive Committee of the party, a member of the Milan City Council and the editor of Avanti, Benito Mussolini. Even Pope Benedict XV, who came to power in August 1914, made his contribution towards retaining peace through appealing to Italy to keep neutrality. Standing aside when most powerful political players are mutually exhausting each other, is very profitable and provides a lot of prospects. Why would Italy not get someone to pull the chestnuts out of the fire for her?

But standing aside was England's privilege. Tens of millions men from all countries at war have been drafted into the army — a nationwide mobilisation has been declared everywhere. *Everywhere, but not in Britain*. Its army still consists of volunteers. So, when Russia and France sent millions of soldiers to the German front, Britain only sent tens of thousands. It sent all it had. Why not introduce general compulsory military service then and later on universal mobilisation? Because it would not have been possible to shed hardly any blood: it would have been impossible to stand aside, waiting

<sup>&</sup>lt;sup>1</sup> Yugoslavia was made up of Serbia and Slavic regions of Austria-Hungary and was under full control of London. This should be considered to understand Yugoslavia's behaviour during World War II. And in order to understand the character of British policy, you need to remember what happened to London's loyal ally in our times. Who tore Yugoslavia apart? Are you surprised? Anglo-Saxons have no permanent allies, only permanent interests. This should be taken into consideration by everyone who is beginning to be 'friends' with the USA and England and who is expecting this friendship to last forever. They will betray and sell you on the first occasion.

<sup>&</sup>lt;sup>2</sup> Collier R. 'Duce!' A biography of Benito Mussolini. — New York: Viking. 1971.

for the mutual weakening of the Germans and Russians. No one would have been left to protect the Bank of England and the Federal Reserve System of the USA that had just been created. $^{\rm 1}$ 

Did the Russians or the French ask to change this strange situation? Certainly. And Britain meets their requests — parliamentary debates begin. This gives the English a chance to postpone passing a very simple but fundamental bill for nearly two years. It is hard to believe but the bill on universal compulsory military service was only passed in London in May 1916.<sup>2</sup> That is twenty-one years after the war had started! Does this not remind you of the situation of lingering around opening the Second Front during World War II?

The English did not want to fight themselves. There were a lot of reasons for that — their desire to save energy and power to then dictate its conditions at the end of the war, the necessity to keep the situation inside the country stable and not to undermine it with a wave of casualties and high expenditures on a big army. That means that someone was to fight for them. It was necessary to convince Rome to act on the Entente's side, betraying its former allies to 'replace' the English in the trenches of the First World War. The means of conviction for the Italian officials was obvious — money and promised lands. The Bank of England made money out of nothing and it did not cost London a single penny. As for the territories, as we have said, one can always break one's promises.<sup>3</sup> The secret treaty on Rome's willingness to fight was signed in London as early as 4–5 September 1914, that is a month after the beginning of the war. In theory, the Italian government agreed to the war, but to make it happen it was necessary to prepare the public. This last point is very serious. In order to join a war, a reason is required. Reasonable people will never want to risk their lives. To encourage

Pay attention to this 'coincidence': the Fed was founded in December 1913, and World War I started in August 1914. It is not by chance that the Russian revolution was sponsored by American bankers, and it was from the USA that Trotsky and other future 'heroes' of our revolution arrived.

<sup>&</sup>lt;sup>2</sup> http://adelanta.info/encyclopaedia/politics/george\_five.

When Rome entered the war, England gave Italy a loan of 50 million pounds. Please note that even today Anglo-Saxons act similarly in 99% of cases: they do not give money but lend it! And debts need to be paid back. If one has nothing to pay with, one has to 'forget' about the territories that have been promised. Debtors never give orders to creditors, while creditors always control the debtors.

them to do it, really strong reasons are needed. If one has been attacked, one has to defend oneself. That means that the country needs to feel like it has been the victim of aggression. Provocation has always been used for this purpose. Thus, the terrible attack on 11 September, 2001 convinced modern-day Americans that they needed to fight in Iraq and Afghanistan, and after the Pearl Harbour attack, millions of their grandfathers voluntarily joined the army. But if one wants to attack, one has to explain to the people why it is needed and to create at least the illusion that this is the right thing to do. This rule is universal. And this is what Italy had problems with: technically, it was still a member of the Triple Alliance and remained Germany and Austria-Hungary's ally. It was not fighting for them but it was still their ally. Any offensive operation on their side was out of question. The only way to enter the World War against Berlin and Vienna was promoting the war inside the country. It was necessary to overcome the opinion of Italians regarding the war, and to make them want to fight. It was necessary to find a public figure capable of such a revolution inside his compatriots' minds. Or at least of creating an illusion, of creating the right background of information. The only way to involve Italy in the war on the Allies' side was to present the war against Germany as a revolutionary war. For that, a demagogue was needed, who knew all the phraseology of the revolutionaries and could speak the language of the masses. Such a person was found in Benito Mussolini<sup>2</sup>

At first, nothing forbade a rapid change in Mussolini's views. Even in *late August 1914* he was still raging against the war in *Avanti*: 'We want to remain faithful to the most fundamental of our socialist and international ideals.' And then, suddenly, on *18 October, 1914 Avanti,* of he was in charge, published a front-page article with an innocent title *'From Absolute Neutrality* 

<sup>&</sup>lt;sup>1</sup> The terrorist attacks in the USA were organised by American special services. For more information about it see: *Starikov N.* Chercher la Oil. Why Our Stabilizing Fund is Placed There?', St. Petersburg: Piter, 2009. As for the Japanese attack, the US had been actively provoking Japan by freezing its bank accounts and halting the sale of petroleum to the country. During the attack itself the most valuable ships — aircraft carriers — 'accidentally' turned out to be out of the harbour and were not damaged.

<sup>&</sup>lt;sup>2</sup> Balabanoff A. My life as a fight: A Russian socialist's memoirs. 1897–1938. Moscow: Centrpoligraph, 2007. P. 127.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 127.

to Active and Efficacious Neutrality'. This article shocked the leaders of the Italian socialist party. In this article Mussolini all of a sudden demanded that *Italy should join the war*! The arguments put forward in the article would be repeated by the future *Duce* hundreds of times both during demonstrations and in his other articles. He called Germans 'European pirates' and Austrians 'the executors of the Italian people'. According to Mussolini, by following the Kaiser, the German proletariat ruined the International and thus liberated Italian workers from their obligation to join the war. And neutrality, essentially, is nothing but open selfishness. Italian soldiers should join the battle. They would fight for the ideals of liberty which the Prussian military wanted to smash with its jackboot. Refusing to see the difference between one war and another and let oneself be opposed to all wars in general — is a sign of stupidity bordering idiocy.' Here, the letter kills the spirit. Germany's victory would mean the end of freedom in Europe. It is necessary that our country should take a position advantageous for France' 1 — this was what socialists read on the front page of their own newspaper and could not believe their eyes. This would be similar to Brezhnev's Pravda publishing a manifesto in favour of private property on its front page. This is not possible even in theory! But, nevertheless, it was published and read by everyone with a strange mixture of astonishment and horror...

It is rather simple to predict the reaction of the Italian socialist party to such a political trick. Mussolini was ousted from the party and dismissed from his position of editor. All of his career went to waste in one single moment. Mussolini did not tell any of his friends why he had written such an article: 'Throughout the session he did not say a single word in explanation, even when they insisted.'

What could have made Mussolini risk the well-being he had just achieved? By 1914 the Italian socialist party had become a rather promising employer. At the national elections in 1913 it got one million votes and 53 seats in Parliament. This success was to a large extent due to *Avanti*, and

<sup>&</sup>lt;sup>1</sup> Aliev A. Definition of Fascism (http://www.proza.ru/2006/05/09-235).

<sup>&</sup>lt;sup>2</sup> 'How could you? — his comrades ask — Why did you not resign? Is this the same Mussolini who inspired the workers of Romagna against the war in Africa?' (*Balabanoff A.* My life as a fight: A Russian socialist's memoirs. 1897–1938. Moscow: Centrpoligraph, 2007. P. 134–135).

therefore a seat in Parliament was practically guaranteed for Mussolini.¹ And for the salary that he had working as chief editor, Mussolini could have bought a villa.² By leaving the party, he lost everything and had to start from scratch. And the beginning of a new career was rather dubious. Not only did Mussolini change his point of view, but he also made an exhibition of all Italian socialists. After this any political career was out of the question. Who would hire an editor who betrays his own employer and his own party in his articles? No one. But Mussolini knew what he was doing. 'Back then we did not even suspect that he had been bribed,' says Angelica Balabanoff.

But she underestimated Mussolini: he exchanged his position in the socialist party not for money but for a promising career. He was just one of many socialists when he supported neutrality. And he was the first one to support the war. At *Avanti* he was chief editor who had to consult Balabanoff. Now he had a new newspaper where he was the only authority. This was his own newspaper.<sup>4</sup> Just a month after the scandalous article in *Avanti*, on *15 November*, *1914* the first issue of *Popolo d'Italia (The People of Italy)* was published. There were two quotations under the bold logo: The one who has steel has bread' (Blanchi) and 'Revolution is the idea that finds bayonets' (Napoleon).

In just over a month Mussolini had exchanged his ideas for completely opposite ones. Benito's newspaper was at first called 'daily and socialist' but it was actually aimed against the socialists. In one of the first issues

<sup>&</sup>lt;sup>1</sup> Smith D. M. Mussolini. Knopf, 1982.

<sup>&</sup>lt;sup>2</sup> 'For the money that Mussolini earned in the first few months his wife bought a family home for them — Villa Carpena'. The chief editor of the socialist newspaper had quite a salary, it seems! (Неплохая зарплата была у главреда социалистической газеты! (*Mussolini R*. Ana Stojanovic (trans.) (2006). My Father, 'Il Duce': A Memoir by Mussolini's Son. San Diego, CA: Kales Press.)

<sup>&</sup>lt;sup>3</sup> Balabanoff A. My life as a fight: A Russian socialist's memoirs. 1897–1938. Moscow: Centrpoligraph, 2007. P. 134.

<sup>&</sup>lt;sup>4</sup> Just one tiny detail: while working for Avanti, Mussolini was a hired editor, whereas in Popolo d'Italia he was not only the editor-in-chief and main writer but also publisher. In other words, he was the owner of the newspaper. And that makes a big difference.

a caricature of a man trampling a red flag was published.¹ The newspaper promoted the war in a rather cunning way — it claimed that through a war it was possible to advance a revolution and make Italy a great nation. 'Our intervention,' as Mussolini clarified his position, 'has a double meaning: both national and international. It is aimed at the collapse of the Austro-Hungarian monarchy, which might be followed by revolution in Germany and, as an inevitable reaction, Russian revolution. Briefly speaking, this is a step towards freedom and revolution.'

This was nothing but words. Yet because of them hundreds of thousands of young Italians lost their lives. And Italy did not gain any more freedom from the collapse of two empires caused by revolutions in Russia and Germany. After the war, the situation in Italy would be so bad that the only way to rescue the country from the chaos would be to bring the person who had pushed the nation into the atrocities of war with his beautiful speeches. When today you hear beautiful words about fighting for freedom and new life which will start as soon as the political system is changed, you should keep in mind that you will be fooled just as Italians were...

Mussolini was working like mad to make his motherland join the war. He started travelling all over the country and making speeches. He was urging, urging and urging. These meetings would sometimes end with a fight and then he would come back home in clothes torn to pieces. But this was of no significance: the important thing was that he was making progress. Mussolini's activities in propaganda of the war were gaining speed. As Mussolini was the first to speak of the necessity to enter the war openly and on a daily basis, he soon became famous and had rather fanatical followers. The circulation of his new daily newspaper *Popolo d'Italia* grew very quickly and four months later reached one hundred thousand issues. At the same time, Mussolini started organising a union of interventionalists — 'Fasci di Azione Revoluzionaria'. *Fasci* were a **bundle of rods** carried by Roman lictors; another meaning was 'troops'. The word 'fascism' derives from these units, and later on Mussolini would model real fascist units on them. But at that point they were nothing but fanatics of the idea introduced to society.

Balabanoff A. My life as a fight: A Russian socialist's memoirs. 1897–1938. Moscow: Centrpoligraph, 2007. P. 136.

<sup>&</sup>lt;sup>2</sup> Ustryalov N. The History of Italian Fascism (http://www.italyproject.ru/history\_fascismo.htm).

They were devoted to it whole-heartedly: war! In January 1915, that is after over three months of active propaganda, the 'Fasci' had over five thousand members.<sup>1</sup>

One thing that we can be certain about is that publishing a newspaper with such a circulation required a lot of money. The previous newspaper was sponsored by the socialist party. Where did the money come from now? Mussolini's biographers unanimously repeated after Balabanoff: Interested in Italy's joining the war, the French governmental money-issuers gave him a subsidy. Now let us pause and think. There is no doubt that Mussolini received money from the French and the English. Otherwise, the future *Duce*'s behaviour was simply idiotic. Mussolini received some guarantees from them: they promised to help him start a new newspaper, protect him from any difficulties, but he was supposed to show himself. He was to make Italians ask the king to start a war and then he would become famous. Because he would be the person who forced Italy to start the war. This would make him a figure of national importance. He did not need to worry about money; he was promised as much as was needed...

What do you call an organisation that carries out various activities within a different country aimed at involving this country in a war? Special services. It turns out that in the autumn of 1914 Benito Mussolini started cooperating with the British and (or) French intelligence. And it was the foreign intelligence that provided him with a newspaper, a stand and made him famous. To satisfy their own needs, obviously. And it was not only the future *Duce* who was given the money: 'All over Italy groups that demanded interference with international affairs who and saw Mussolini as their mouthpiece were forming.' Advocates of the war, like cockroaches, were coming out of every hole. But Mussolini was the first and, apparently, the most talented, too. The result of his activities was genuinely triumphant. It was Mussolini who presented Italy to the British. It was he who managed to turn the tide and finally solve the issue of Italy's participation in the war.

It was Benito Mussolini who involved Italy in the war on Britain's side which cost hundreds of thousands of his compatriots' lives and which

<sup>&</sup>lt;sup>1</sup> Ustryalov N. The History of Italian Fascism (http://www.italyproject.ru/history\_fascismo.htm).

<sup>&</sup>lt;sup>2</sup> Collier R. 'Duce!' A biography of Benito Mussolini. — New York: Viking. 1971.

<sup>&</sup>lt;sup>3</sup> Ibid.

brought Italy practically nothing. The chronology of this is as follows. The Italian government, having declared its neutrality, started secret negotiations not only in London but also in Berlin. The thing is that the situation was developing in the following manner: Germany and Austria-Hungary were willing to give Italy WITHOUT ANY WAR parts of their territories promised by the British. And they did not even demand that Italy should participate in the war on their side. Berlin and Vienna found themselves in such a difficult position that they were willing to buy the continued neutrality of their frivolous Italian allies. In such a situation there was no sense in joining the war on England's side. But Italy was being dragged to the slaughter.

On *26 April, 1915* a secret treaty with London was signed which obliged Italy to declare war on Austria-Hungary within a month.

On  $3\,May$ , 1915 Italy withdraws from the Triple Alliance treaty. Realising what it meant, Germany took an unprecedented measure. The Germans literally forced Austrians to agree to give their territories inhabited by Italians to Italy.

On 9 May, 1915 Germany announced the news to the leader of the pro-German party of 'neutralists', Giovanni Giolitti. He immediately left for Rome, where 320 out of 508 members of Parliament gave him their business cards, which meant their support. Relying on this majority in Italian Parliament, Giolitti told the king and the Prime Minister Antonio Salandra that he was opposed to the London treaty. The Prime Minister resigned. It seemed that the pro-German party had won and Italy had been stopped from joining the war.

At this decisive moment Mussolini organised huge demonstrations next to the Parliament building demanding that Italy should join the war on Entente's side.<sup>2</sup> Mussolini appealed to the public with his determination and straightforwardness on the pages of his newspaper: I am more and more convinced that it would do Italy a load of good to execute a dozen MPs and send to jail at least some former ministers... The Italian Parliament is like plague, infesting the nation's blood. It has to be eradicated.<sup>3</sup>

¹ http://dic.academic.ru/dic.nsf/dic\_diplomatic/778/ЛОНДОНСКИЙ.

Information from the website 'History of Diplomacy' (http://www.diphis.ru/index.php?option=content&task=view&id=111#3).

<sup>&</sup>lt;sup>3</sup> Smith D. M. Mussolini. Knopf, 1982.

These words are often quoted. They are presented either as proof of his totalitarian nature or as proof of determination — depending on the attitude towards the *Duce*. But no one ever explains when and why Mussolini wrote this. 'Eradication' was literally understood in those circumstances.1 There was a crowd of infuriated people by the Parliament, and newspapers urged people to execute without trial. What was it? This was an orange revolution. The scenario at the beginning of the 20th century was similar to that at the beginning of the 21st century. The authorities of the country were being forced to do something which was needed by a different country, which organised the riots using talented rogues. One can organise a third round of elections or join a war. Under pressure from the manifestations, the situation gradually changed. But the king was still hesitating. And then Mussolini published an article which ended with a direct threat to the monarchy: 'The nation's dignity and future are in danger; the nation is at a terrible crossroads in its history. The people should decide! It is either the war, or a republic!' 2

What would you have done if you were the Italian monarch? Would you have stood your ground, risking causing a mutiny? Knowing that an 'anarchist' could shoot you? The king decided in favour of the Entente. He did not accept Salandra's resignation. Following this, the members of Parliament also 'changed their minds'.

On *20 May, 1915* Italian Parliament voted for joining the war (407 votes for, 74 against and 1 abstained).

On 22 May, 1915 Italy declared general mobilisation.

<sup>&</sup>lt;sup>1</sup> In order to understand the role that the demonstration pressure had, organised by Mussolini together with the British intelligence, one should remember that less that year before that, in June 1914, Italy was very close to a revolution. Over a million of people went into the streets. The king and members of Parliament remembered everything too well. (*Smith D. M.* Mussolini. Knopf, 1982). They also remembered that on 29 July, 1900 an anarchist called Gaetano Bresci killed King Umberto I. In a similar way, anarchists kept assassinating US presidents who got in the way of launching a copy of the Bank of England in the USA, that is a private money-printing machine. More about this in the next chapter.

<sup>&</sup>lt;sup>2</sup> Popolo d'Italia of 15 May, 1915 (http://www.italyproject.ru/history\_fascismo. htm).

On 24 May, 1915 Prime Minister Salandra declared war on Austria-Hungary without declaring war on Germany. That was it. Benito Mussolini had involved his country in World War I. And thus did the money-printing machine a great favour. How could this clever young man be left unnoticed?

Benito Mussolini was to be rewarded only after the war. And the reward was his further career and the connections with foreign special services that he now had. And for now he had to put on military uniform. Just as imprisonment is strictly mandatory for a revolutionary, a nationalist must take part in the war that he has been inciting. The war ended for Benito Mussolini on 23 February, 1917 when he was wounded by an exploded Austrian shell. Doctors found forty-four fragments of shrapnel in his body. Over a month Mussolini had twenty-seven operations, of which twenty-five were without anaesthesia.<sup>2</sup> Having come back home, the future *Duce* became involved in much zealous political activity. In March 1919 he created the first real fascist units called 'Fascio di Combattimento' (Italian league of combatants). Italy was drowned in war and post-war crisis, and under the conditions of universal recession and depression his *Popolo d'Italia* still had a very high circulation of sixty thousand issues. And it was still unclear where the funds were coming from. What do writers and historians do when they cannot find an explanation? They make something up or copy facts from one another

<sup>&</sup>lt;sup>1</sup> Italy was at war with the Austrians while being formally at peace with Germany until 28 August, 1916, which is over a year. This shows to us how nominal all diplomatic formalities are. By the way, during World War II such 'peculiarities' took place again. Bulgaria, for example, never declared war on the USSR. The Soviet Embassy kept operating in Sofia throughout the war until on 5 September, 1944 at 19:00 the USSR declared war on Bulgaria. In just 3 hours and 40 minutes (at 0:40) Bulgaria asked for a truce. On 8 September, 1944 at 11 a.m. advanced forces of the 3<sup>rd</sup> Ukrainian front crossed the border with Bulgaria and an hour later, at noon on the same day, the Bulgarian government declared war on Germany. Thus, technically, the USSR and Bulgaria were at war for less than three days. During World War II Great Britain in turn was technically not at war with Finland, which the USSR was fighting.

<sup>&</sup>lt;sup>2</sup> The various versions of the story of Duce's injury are very different. The one above is taken from the book by Collier (Collier R. 'Duce!' A biography of Benito Mussolini. — New York: Viking. 1971). A book written by another Englishman, D.M. Smith (*Smith D. M.* Mussolini. Knopf, 1982) says that he was wounded as a result of an involuntary explosion of a grenade launcher during a training session.

not trying and not knowing how to explain them. And the financial issue is the most important and most delicate one for any political activity. No one has ever succeeded in coming to power without money. Mussolini did it very quickly though — in 1922. Where did he get the funds for fascist units, ammunition and a newspaper?

From the end of 1917 he received a lot of advertising orders from certain large military companies, which increased the newspaper's income by nearly eight times. How touching. The world war ended in November 1918. And from the end of 1917 large military companies' published adverts in *Poppolo d'Italia*. What can a military company advertise? Shells? Excellent gas masks for an affordable price? The sale of grenades and rifles? New British tanks on credit and leasing schemes? Today, in our hyper-advertising times, do you see any military adverts in newspapers? Whereas in Italy of 1917, there was no need even to advertise military service, as everyone was drafted as it was, within the general mobilisation. Why was Mussolini funded then? Because the man proved his usefulness in action. To whom? To Great Britain which managed to put off mass conscription of its own citizens and sent Italians to fight and die instead.

They went to war to fight for Austrian territories that Austria-Hungary had already agreed to give to Rome under pressure from Berlin for nothing, just for remaining neutral! And now Benito Mussolini was forming a new political movement. Its core was fighting Marxism. This could be very useful in post-war unstable Europe. And he was provided with money 'for advertising'. If the funds had been provided by large Italian companies, there would have been no need to keep their names secret. But you will not find any names in any book. The authors will always be abstract about it — 'certain' companies, or, slightly more specific, 'money sacks'.

Life is indeed rather unpredictable. What am I talking about? No, I am not referring to the successful career of an Italian man with a determined chin and bright eyes. Hardly had I finished working on this chapter, when some fascinating information magically appeared on the Internet: Fascist dictator Benito Mussolini, according to certain sources, worked for the British special services during World War I. According to Peter Martland, 'MI5 records show that British intelligence paid the agent known as 'Il Duce'

<sup>&</sup>lt;sup>1</sup> Smith D. M. Mussolini. Knopf, 1982.

100 pounds per week, about 5,000 today, to spread pro-war propaganda via his newspaper.'  $^{\!1}$ 

Where was this published? On a dubious website? No, this information was published by the BBC, that is the official mass media of the British Government. Even the English themselves do not deny that Mussolini worked for them. They claim, however, that the agreement with Mussolini was reached in 1917 when the Bolsheviks came to power in Russia. Fearing Italy's defeat in the war, Britain sent a group of 100 agents to the country whose task was to inspire Italian workers. One of the ways to conceal the truth is to tell just part of it. This is one of the examples. I hope that after reading this chapter you will have no doubts that Mussolini started working for the British crown not in 1917 but at least three years earlier. His 'Poppolo d'Italia' organised 'all of a sudden' and mass demonstrations by the Parliament are enough — such activities require a lot of money even today. And those who have read the BBC article may come to the conclusion that the English decided to 'inspire Italian workers' only in 1917. We will, however, thank the journalists working for this 'friendly' source of information even for this half-truth. They have provided a lot of food for thought and evoked so many questions. Did they by any chance send 100 agents to Russia in February-October 1917? Or, maybe, considering the size of the country, many more agents were sent to Petrograd. And they 'inspired' Russian workers so well that soon nothing was left of Russia. Here is how one can start studying the life of an Italian dictator and suddenly realise where the February and October revolutions come from...<sup>3</sup>

This article also evokes some questions regarding Italy. 'This worked, the money was spent efficiently. At the time Mussolini was doing what Britain needed.'4 Why did the English historians decide that Mussolini never worked for England AGAIN? That his friendship with the British special services ended in the same 1917? Why did they decide that he did nothing for England in 1925 or 1938 when he had already become the head of the country? And no one could remind him of any favours he owed? This is

<sup>1</sup> http://news.bbc.co.uk/2/hi/uk\_news/8306475.stm.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> For more details of this 'inspiration' see: *Starikov N.* 1917. The Mystery of the Russian' Revolution Solved. Moscow: Yauza, 2010.

<sup>4</sup> http://news.bbc.co.uk/2/hi/uk\_news/8306475.stm.

impossible. Ties with the intelligence are ties for life. But the English historian and the BBC cannot go further than to state the evident truth (that Mussolini received money in 1917). Not that they would want to. Otherwise the whole story of the Second World War will have some sinister tint to it. That is why he uses a phrase which hardly makes any sense to any normal person: 'As for the conversion of the *Duce* from a journalist to a fascist dictator, this was 'pure opportunism'.'

No, this was not opportunism, this was simple logic. The person who had proved himself was helped to come to power in Italy in order to guide the country's policy in the right direction. After making sure that he was capable of changing the mind of a whole country regarding a vital issue and had the required charisma. Mussolini came to power in 1919 and spent nearly twenty years in tight and mutual cooperation with Great Britain. If we take this point of view, the whole story of his rapid coming to power will become clear.

Let us study the brightest moment in the *Duce*'s biography.

On 23 May, 1919 Mussolini founded the movement that two years later became fascist. In November 1919 this movement was defeated in elections. The *Duce* was abandoned by nearly all his supporters.<sup>2</sup> He even considered emigration. He had no money, as everything had been spent on the elections. Catastrophe was lying ahead. But in just a few days Mussolini regained his usual confidence.<sup>3</sup> Why would he? Because it was then that his newspaper found some sponsors. Have you seen many sponsors who invest money in a project that has just been defeated in elections?<sup>4</sup>

In *May 1921* Mussolini was elected to the Italian Parliament. The funds of his unknown friends turned out to be very useful. But apart from financial assistance he also received organisational support. During the elections Mussolini joined the coalition consisting of... liberals and socialists. Socialists! Those whom he had betrayed in a most cynical manner. And he was accepted into this coalition. Who helped him organise it? There was no

<sup>&</sup>lt;sup>1</sup> http://news.bbc.co.uk/2/hi/uk\_news/8306475.stml.

<sup>&</sup>lt;sup>2</sup> Smith D. M. Mussolini. Knopf, 1982.

<sup>&</sup>lt;sup>3</sup> Smith D. M. Mussolini. Knopf, 1982.

<sup>4</sup> This story is identical to that of Hitler's NSDAP, which somehow found 'sponsors' at its most critical moments.

other way Mussolini could have become an MP — his party, had it been on its own, would have lost the elections again.

On 27–28 October, 1922 the famous March on Rome took place. Fascists went to the capital of Italy. The army could have stopped the riot in a matter of hours, but nothing was done. As a result, on 29 October, 1922 the king appointed Mussolini as Prime Minister. This is to do with the common belief that Mussolini was a dictator. He was no more a dictator than Churchill or Roosevelt. The head of state, in accordance with the legislation, appointed him Prime Minister. And how was Mussolini overthrown in 1943? Easily: the same head of the state, the king, told him that his services as Prime Minister, were no longer needed. He simply dismissed the *Duce*. And at the exit Mussolini was arrested in a very elegant manner. He was approached by the captain of the *carabinieri* and told that he had an order to guarantee Mussolini's security because, allegedly, he was in danger. And the puzzled 'dictator' was put into... an ambulance and arrested. End of story.

And Anglo-Saxons keep using the term *dictator* for all those whom they dislike and who are in opposition to them. For example, Alexander Lukashenko or Hugo Chávez. Mussolini, too, only became a dictator when he decided to act against Britain. And while he obeyed, Churchill spoke of

<sup>&</sup>lt;sup>1</sup> 'General Puglidze suggested a scheme of counter-measures as early as a month ago, but being afraid of coup d'état attempt, the Prime Minister did not even look through it. The opinion expressed by the 47-year-old general Pietro Badoglio, head of the Army Staff, was also neglected: 'Five minutes of small arms fire will be enough to scatter this riff-raff!' (*Collier R.* 'Duce!' A biography of Benito Mussolini. — New York: Viking. 1971).

Mussolini, as the head of the state, did a lot, including some good things. He was a socialist and an atheist, and signed some of his articles as 'Genuine heretic'. Yet after becoming the head of the country in 1929, the Duce managed to solve the Roman Question, which no one before him had been able to deal with. Mussolini made peace with the Catholic Church, or with its leader, to be exact. It was the Duce who established the Vatican as a state in exchange for official recognition of the kingdom of Italy by the Pope, who had been refusing to recognise it since 1870. Few people know that the famous statue of Christ in Rio was given to Brazil by Benito Mussolini.

This might sound incredible but it is true: Mussolini had enough time to write and publish his memoirs including a detailed description of how he had been dismissed and many other fascinating things. They are quite easy to find on the Internet.

him as of a 'great person and a wise ruler' and the English king awarded him with the Order of the Bath, one of the the most honourable British orders.<sup>1</sup>

On *30 November*, *1923* Italian Prime Minister Benito Mussolini declared that Italy recognised the USSR.<sup>2</sup> But it actually did it as late as 7 February, 1924. Why did he linger then? Because he was waiting for the 'boss' to do it first. And the 'boss' was Great Britain. It recognised the Soviet Union on 1 February, 1924. Now Italy could follow suit.<sup>3</sup> Was this a coincidence? No. Only after London's recognition, a whole chain of similar actions followed, where Mussolini took the honourable second place. On 13 February, 1924 the USSR was recognised by Norway, on 25 February by Austria, on 8 March by Greece, on 15 March by Sweden, on 18 June by Denmark, on 6 July Albania, on 19 July by China, on 1 August by Mexico, on 28 October 1924 by France. Japan was the last in this row — on 20 January, 1925. And the USA only did so in 1933.

The leader of Italy, Benito Mussolini, always pursued a policy agreed upon with London. Judge for yourself: this is the list of things that the *Duce* did and were not at all condemned by Britain:

- ☐ Italy attacked Abyssinia Ethiopia (4 October, 1935);<sup>4</sup>
- ☐ Italy helped the Spanish putchist, general Franco (18 July, 1936);<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Trukhanovsky V. G. Winston Churchill. Moscow: Mezhdunarodnye otnoshenia, 1982. P. 222.

<sup>&</sup>lt;sup>2</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 230.

<sup>&</sup>lt;sup>3</sup> The English waited for Lenin to (21.01.1924) and only after that recognised the Soviet Union. They intentionally did not recognise the country until the person who created it died. Lenin fooled the English and accepted their help in organising a unified country instead of destroying it once and for all.

<sup>&</sup>lt;sup>4</sup> Italians used poisonous gases against Ethiopians. But the British government declined all suggestions of a naval embargo of Italy and closing the Suez canal to its ships. Mussolini used the canal, which belonged to England, to transfer his troops and cargo to Africa.

<sup>&</sup>lt;sup>5</sup> General Franco flew on board a foreign aircraft with a foreign crew. Can you guess who owned the aircraft? Well done! The plane was English and was called Dragon Rapide. It was flown by a British pilot, Captain Bebb. Is this not amusing? And there are so many similar facts. For example, in September 1939 Franco's Spain asked for a loan in order to restore the country. Where? In Great Britain. (*Thomas H.* The Spanish Civil War. 1931–1939 Penguin Books, Limited (UK); 4<sup>th</sup> edition (October 2003)).

- ☐ Italy recognised the *Anschluss*, that is the annexation of Austria to Nazi Germany (although the *Duce* had always been vehemently opposed to it) (*March 1938*);<sup>1</sup>
- □ It was Mussolini who initiated the international meeting designed to resolve the German and Czech disputes, the so-called Munich Pact, which resulted in handing half of Czechoslovakia over to Hitler. The Munich documents were signed by France, Great Britain, Italy and Germany no consent of the Czechs was needed (29–30 September, 1938).²

But on 22 May, 1939 Italy and Germany signed an alliance treaty, the so-called Pact of Steel. Did Hitler have an ally in Italy? Did the *Duce* betray the English? No, he did not. Let us remember the history. On 1 September, 1939 Germany attacked Poland, on 3 September, 1939 England and France declared war on the Reich. And what did Italy do? Nothing. It kept living its peaceful life. When Hitler found himself in conflict with England, Mussolini did not provide any support. Fighting with his patrons was the last thing the *Duce* wanted. Do you remember when Italy joined the Second World War? Nine months after it began! On 10 June, 1940. On that day Italy declared war on France and Great Britain. Cautious Mussolini lingered as long as he could and entered the big game only when he made sure that Hitler was able to defeat France on his own and expel the English from the continent.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Here is an interesting fact about the ideological proximity of Italian fascists and German Nazis, which was practically non-existent. In 1926 Hitler, being just the head of the Nazi Party, sent a letter to Rome asking for a photo of the Duce with a signature. 'We would like you to thank the aforementioned gentleman for the feelings expressed' — was the response. The Italian ambassador in Berlin was asked to inform the future Führer 'in a manner you will find appropriate that the Duce finds satisfying this request untimely'.

On 12 April, 1938 England recognised Germany within its new borders. And never expressed any discontent whatsoever up to 3 September, 1939, that is until the beginning of the war between England and Germany.

<sup>&</sup>lt;sup>3</sup> For your reference: France signed the capitulation on 22 June, 1940. The German offensive operation against France started on 10 May, 1940. That means that the 'loyal ally' Il Duce first waited for eight months from the beginning of the war and then another month after Germany invaded France. He waited until the last moment and only having made sure that the balance of power in the world had shifted, he made up his mind. And he was wrong.

The end of Mussolini's life was as mysterious as his life and the story of his coming into power. The most common story is as follows: on 27 April, 1945 the *Duce* was going with a German military convoy towards the Swiss border. The convoy was stopped by the partisans, Mussolini was recognised and 'confiscated'. The next day, on 28 April, 1945 he was killed. His corpse, together with the corpse of his mistress, Claretta Petacci, was hung upside down in Milan. Seemingly, it was all simple. But actually, there are nineteen different versions of this story in history. It is still unclear what happened in reality. As a result, in 2006 a criminal case was opened in Italy against Mussolini's murderers.

'The prosecution office of Como in the north of Italy started an investigation of Benito Mussolini's death. As the lawyer of the *Duce*'s grandson, Luciano Randazzo, told RIA Novosti on Friday, he possesses a documentary from a private American archive about the dictator's last two days. This documentary has an episode with Mussolini's execution, where one can clearly see who shot him,' said the lawyer. In early September the fascist dictator's grandson Guido Mussolini, 69, addressed the prosecution office of Como with a demand to exhume his grandfather's remains in order to define the real reasons of his death... Among other things, there was testimony of a certain medical expert who was allegedly present at the examination of Mussolini and Petacci's corpses, who claimed that the bullet holes in the clothes and bodies were not the same. This made him conclude that they had been killed at night while naked, and before that they had been tortured and smothered.'<sup>3</sup>

Why was Mussolini executed so hastily? Why was there no trial of the fascist dictator? Nothing was in the way after all. Is this not clear? Remember the classic of Soviet cinematography, the film called 'Diamond arm.' There is an amazing quote from this film: 'As a late friend of mine used to say, I knew far too much.' Benito Mussolini could have started talking. His story would have been enough for a hundred scandalous global scoops, he could have provided new answers not only to some of the mysteries of World

<sup>&</sup>lt;sup>1</sup> It seems that Claretta Petacci's feelings were genuine. Not only did she refuse to leave Mussolini at the worst moments but even covered his body with hers during the execution. (*Smith D. M.* Mussolini. Knopf, 1982).

<sup>&</sup>lt;sup>2</sup> http://www.rian.ru/society/20060908/53662645.html.

<sup>&</sup>lt;sup>3</sup> http://www.rian.ru/society/20060908/53662645.html.

War II but even World War I. Many authors say that the *Duce* had a pack of letters on him, including his correspondence with Winston Churchill. Other addressees are not named. But surely Mussolini cannot have written to Churchill alone!

Benito Mussolini's life story is quite educative. First of all, not even for those who aspire to become politicians, willing to sell their soul to the money-printing machine, but for ordinary people. One cannot believe beautiful speeches. One must not believe loud slogans, however attractive they seem, if they lead to the country's participation in military activities, if they incite the people to start a civil war and a wave of violence. This would never do the country any good. It would only be a third party that would make profit, the third party that always uses those ambitious people, materialists and fools willing to involve their motherland in the orbit of influence of the money-printing machine for a career, for money or a false idea. These fools would be willing to make their people pull the chestnuts out of the fire for them. And if a political figure of today suddenly exchanges their point of view for the opposite one, it is worth remembering the miraculous transition of Benito Mussolini from an advocate of peace to a supporter of a war. It is worth remembering why this metamorphosis took place. As they say, iust watch the hands...

Mussolini was never to speak. And he was killed. It should be noted that it did not happen straight away but only the next day. The time that he spent under arrest was needed to pass the information that the *Duce* had been arrested and to receive the order for his liquidation. Who ordered to shoot the *Duce* is still a mystery. Just as a lot is in the stories of assassinations of US presidents...

<sup>&</sup>lt;sup>1</sup> Mussolini's wife received his remains (officially) from the Italian authorities on 29 August, 1957, that is twelve years after he was murdered! (*Mussolini R.* Ana Stojanovic (trans.) (2006). My Father Il Duce: A Memoir by Mussolini's Son. San Diego, CA: Kales Press).

## 7

## How bankers conquered the USA and what was removed from the dollar bill

There are three faithful friends — an old wife, an old dog, and ready money.

Benjamin Franklin

If you want to hide something, put it somewhere where everyone can see it. No one will notice and no one will find it simply because no one will look for it in such an obvious place. Similarly, the truth about the contemporary financial system is not at all hidden. No one notices it though. We do not read what is written on our money, do we? Who cares what banknotes say if they are accepted everywhere? And yet, studying such inscription is very good for developing one's one intelligence and broadening the scope of one's knowledge.

In Russia, there are fewer people who have held British pounds in their hands than those who have held roubles or dollars. Which is a shame. Those who are particularly curious would find the following on twenty-pound notes, for example: 'I promise to pay the bearer on demand the sum of twenty pounds.' The Bank of England guarantees the bearer of the note that they will receive the same amount in the same British pounds! But it does not make sense! Owing to the conventionalism of the English, the

 $<sup>^{1}\ \</sup> http://www.bankofengland.co.uk/banknotes/about/history.htm.$ 

inscription on the currency has remained unchanged through centuries and tells us that the paper notes issued by the Bank of England were not considered 'fully-fledged' money at first. Therefore it was needed to write 'a legal means of payment' on them and write that the bearer was entitled to receive the same amount of real gold (traditional) pounds from the Bank of England, which was stated on banknotes. Later on everyone got used to it. And no one has exchanged paper pounds for gold pounds for ages. Yet the inscription has remained.

Studying the inscription on American dollars is even more fascinating. The Fed decided not to make the same mistake and carefully got rid of any mention of the original 'deficiency' of their bills through several stages. But before we carefully read the main reserve currency of the world, we need to do some further research of US history. When the States were a British colony, all the money turnover of the American continent was done with English pounds. After the War of Independence, Americans decided to have their own currency. In 1785 the US Congress announced the dollar as the national currency.1 This immediately restricted the areas of use of the pound and deprived the Bank of England of a part of its 'market'. Bankers just had to try and restore the former control over the US financial system. The military way did not work out and England lost the War of Independence. There was only one way left — through intrigues and conspiracies. A new intervention was not required to restore control over the US financial system. It was enough to create a copy of the Bank of England in America. The new money-printing machine was to belong to the same bankers as the old one. Gaining control over money emission in the US would inevitably lead to gaining control over the country itself.

The history of 'conquering' Great Britain was to be repeated by the bankers overseas. The only difference was that in England they needed to negotiate (and keep the arrangement) with one monarch and in the Republic of the US they had to find a common means of getting on with Presidents and Congressmen who changed every four years. It simultaneously made the task more and less difficult. The 'turnover' did not let them put the right man at the helm once and for all, but it helped solve the problem in case of mistakes.

 $<sup>^{\</sup>rm 1}~$  http://www.newmoney.gov/newmoney/files/5\_Materials/translated/Milestones\_ru\_v\_2.pdf.

Bribing, blackmail, murder — the methods of forcing necessary decisions have always been the same. A lot of mysteries of American history will become quite clear if one looks at the events considering the constant attempts of the bankers to establish the same system of money emission in the USA as they had established in Great Britain. The task was difficult — they wanted to conquer the country which had just become free. And 'the Founding Fathers were so sceptical about issuing fiduciary money (which means money which is predetermined to cost less than its value) that in 1787 included an article prohibiting any payments in the States in anything but gold and silver coins as the legal payment method into the Constitution.'¹ It would seem that they managed to put a reliable barrier in the way of the idea itself of deriving wealth out of nothing and the possibility to print tenfold more money than one actually has.

Nevertheless, three years after the American Constitution was signed, in 1790, the first Secretary of the Treasury, Alexander Hamilton, submitted a bill about a new private central bank to Congress.<sup>2</sup> In 1791 after agitated debates, Congress passed it. This ancestor of the US FRB is known as the First Bank of the United States. It was chartered for a term of twenty years, provided with headquarters in Philadelphia and a unique right to issue the American currency. The principle of the 'printing machine' was identical to that of the Bank of England in 1694: 80% of its shares were to belong to private investors, and 20% were given to the Government.<sup>3</sup>

A tricky question now. Who controls the company? The person who has 80% or the one who has 20? The answer is obvious. And any objections that the 80% are distributed among DIFFERENT investors are not accepted. In an affair as delicate as establishing a Central Bank and control over money emission there cannot be any random investors. You probably remember that during the subscription to a loan at the time of establishment of the Bank of England the list of subscribers was ready in ten days and those mysterious subscribers formed a 'privileged company': 4 the same story hap-

<sup>&</sup>lt;sup>1</sup> *Sobolev M. B.* The US Bank System: from its origins to establishment of the Federal Reserve System // http://www.xserver.ru/user/bssozdofrs.

 $<sup>^2\</sup> http://www.federal reserveed ucation.org/about \%2D the \%2D fed/history.$ 

<sup>&</sup>lt;sup>3</sup> Information from Wikipedia (http://en.wikipedia.org/wiki/First\_Bank\_of\_the\_ United\_States).

<sup>&</sup>lt;sup>4</sup> *Green J. R.* History of the English people. IndyPublish, 2008.

pened when the First Bank of the United States was being established. The subscribers-shareholders were all exceptionally 'proper'. Just as the winners of the loans-for-shares auctions in Yeltsin's Russia.<sup>1</sup> Only a complete fool could believe that rules are observed and everything is done in an honest manner when issues of global importance are resolved. Another detail deserves your attention: there was no industry hyper-rich people in the USA of the time; all of this would appear much later. Who were those mysterious investors in the established money-printing machine then? Who had the money at the end of 18th — beginning of the 19th century? Even as powerful a ruler as Napoleon Bonaparte had to sell the French territories in North America to the United States because he had run out of money! And the cunning Corsican brought John Law's idea back to life on French soil and in 1800 founded the Bank of France using the Bank of England as a model. But switching the printing machine to full capacity takes time. One needs to make people used to the paper bills. And, most importantly, in order to have your printing machine working at full capacity, you need to shut off the air to any other machine. And this is what Napoleon was trying to do, hence the endless war with Britain. But this war required some immediate funding — Great Britain kept forming and paying for anti-French coalitions.<sup>2</sup>

Loans-for-shares auctions, where the government sold the best parts of Russian industry in 1995, were rather ridiculous things. To begin with, the government deposited a loan on a bank's accounts, so basically, lent some money to the bank. After that, the government borrowed some money from the same bank on security of a stock of shares of a certain company. At the end of a certain arranged period of time the government was to pay the loans back and in case of a loan default, the state stocks of shares are handed over to the banks. To make it look decent, some sort of auction was organised between banks, and the state 'chose' a partner for the transaction under the best possible conditions. I do not know it is worth mentioning that the winner was known from the very beginning, as well as that the state never managed to pay the loan back and the property always ended up belonging to the right people. What was sold this way? OJSC 'YUKOS,' 'Norilsk Nickel' and 'Gazprom Neft'. Deputy Prime Minister Anatoly Chubais was in charge of this 'market' scheme.

These were unfortunately joined by Russia, too. Why? Because Paul I was murdered as a result of a plot paid for by the English straight after he sent Platov's Cossacks to India. Alexander I participated in the plot against his father and the first decree he published as a monarch brought the Cossacks back. And then the new Russian emperor persistently fought for the interests of England until

Therefore in 1803 US President Jefferson and Napoleon made a deal, and as a result France received three million dollars in gold for Louisiana. The US territory doubled after this purchase. So, who could these 'private investors' who bought 80% of shares of the First US Bank have been?

Alexander Hamilton was immortalised for founding a private emission centre in the USA on the ten-dollar bill.² You can admire his profile next time you hold one in your hands. Meanwhile, in 1811 the licence of the First Bank expired. A bill regarding its prolongation was submitted to Congress. The problem was that Americans were far too freedom-loving and were very careful in matters of the financial sphere. And if the Bank of England was founded to last for centuries, in the USA the money-printing machine was restricted by expiry dates. The licence was not prolonged. What was the reaction of the banking underworld? It was rather predictable — five months later England attacked the USA and the War of 1812 broke out which resulted in the taking of Washington and burning it down. In American historiography it is known as the Second War of Independence. The first building to be restored and painted white was the residence of the US president, the White House. Hence the name...

In 1815 Napoleonic wars ended. Having defeated their main nemesis at the time, the bankers felt more relaxed. And they made another attempt to take money emission in the USA under their control using legislative measures. In 1816 the political climate was once again inclined towards the idea of a central bank.<sup>3</sup> The Second Bank of the United States was established, which was an exact copy of the first. It was also private and had

Napoleon was completely defeated. I could not understand why he was doing it and was amazed until I read that his nanny was English. And his spiritual advisor was an anglophile. One's upbringing defines everything. This is why sending the elite's children to Oxbridge is acceptable. But before you do that, do tell them, as a preventive injection, what role England played in the history of Russia and the whole world.

Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 108.

Only three people who were never presidents can be found on dollar bills: Alexander Hamilton (ten dollars), Benjamin Franklin (hundred dollars) and Salmon Chase (ten thousand dollars).

<sup>&</sup>lt;sup>3</sup> http://www.federalreserveeducation.org/about%2Dthe%2Dfed/history.

a licence for the same period of twenty years. And we can only guess how this 'climate' had been made milder. The fight did not stop at this point. We should do justice to the Americans and say that they did struggle against the money-printing machine persistently. Among the American elite there was always someone who led the others and covered up the clique. In 1832, when four years remained until the licence of the Second Bank was to expire, the bankers 'convinced' the congressmen to prolong the licence in advance. They were not in a hurry for nothing — Andrew Jackson was the President at the time and he was openly eager to eliminate private money-issuing. Congress submitted the bill to the President. Andrew Jackson vetoed it. In his message to the Senate the President was utterly straightforward: 'It is not our own citizens only who are to receive the bounty of our Government. More than eight millions of the stock of this bank are held by foreigners... Is there no danger to our liberty and independence in a bank that in its nature has so little to bind it to our country? ... Controlling our currency, receiving our public monies, and holding thousands of our citizens in dependence, it would be more formidable and dangerous than the naval and military power of the enemy.'2

This veto was not to be overcome. What is more, Andrew Jackson used his fight against the Bank for his new election campaign with the motto 'Jackson and no Central Bank!' He became president. It was obvious that there would be no changes in his attitude towards bankers, and decisive measures needed to be taken. Then the first attempted assassination of a US president in history took place.<sup>3</sup> For nearly fifty years no one had thought to try to assassinate the head of this North American country. But as soon as Andrew Jackson took a resolute stance against the private 'money-printing machine', the score of assassination attempts was opened. On 30 January, 1835 an artist Richard Lawrence fired two pistols at the president at a distance of two metres but both misfired.<sup>4</sup> *Please note that the attempt to assassinate Jackson was made before the licence of the Bank was to expire in 1836.* And we are left with the following curious fact: all assassinations of

Second Bank of the United States; article in Wikipedia: http://en.wikipedia.org/ wiki/Second\_Bank\_of\_the\_United\_States.

 $<sup>^2\</sup> http://avalon.law.yale.edu/19th\_century/ajveto01.asp.$ 

<sup>&</sup>lt;sup>3</sup> http://www.svobodanews.ru/content/article/1564498.html.

<sup>&</sup>lt;sup>4</sup> He was recognised as mentally ill.

US presidents have always been attempted by deranged people or anarchists. This tradition has lasted until these days: a mentally-ill Massimo Tartaglia from Milan threw a statue at Italian Prime Minister Silvio Berlusconi...<sup>1</sup>

President Jackson survived and pushed the matter through — the licence expired and the Second Bank of the United States was shut down. But what happened next is difficult to imagine if one is a sensible person. No state unified emission centre was established instead of the unified private one. It would seem that having no possibility of withstanding the idea of eradicating the Second Bank, the bankers managed to implant the absurd idea of absolute freedom of money issuing. Creating a problem to then offer a solution. 'State-chartered banks and unchartered 'free banks' took hold during this period, issuing their own notes, redeemable in gold or specie,' as written on the official website of the Federal Reserve.

In the history of money all this mess is called the Free Banking Era. Paper money was issued by states, cities, counties, private banks and railway companies. And even shops, individuals and religious organisations. The government was unable to control this process. One can find different but equally amazing figures in different sources: in the 50–60s of the 19th century in the USA, according to different estimates, from five up to ten thousand types of bills issued by various institutions were in circulation.<sup>3</sup> This is why collecting all American paper money is practically impossible for numismatists. Thick reference books containing information on 'which notes were still in circulation, which notes could be accepted with a discount and which were no longer solvent due to bankruptcy of their issuer'4 were published to help people make sense out of the circulating money. You can imagine the state economy in a country where thousands of different types of dollars are in circulation! The amount of forged money was growing, too, and the centralised circulation was falling apart. Surprisingly, it was a civil war that put an end to this turmoil.

In order to become an instrument of expansion, the American currency needed to be unified. It needed to be unified. Control over emission is logi-

<sup>&</sup>lt;sup>1</sup> http://www.rian.ru/photolents/20100111/203865058.html.

 $<sup>^2\</sup> http://www.federal reserveed ucation.org/about \%2D the \%2D fed/history.$ 

<sup>&</sup>lt;sup>3</sup> http://www.agentura.ru/dossier/usa/secret.

<sup>&</sup>lt;sup>4</sup> Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 6.

cal and indispensable. The question is who was going to control it. Another copy of the Bank of England or the State Treasury? The decision was to be made by Congressmen and the US President. The Civil War started in the USA in 1861 and already by 1862 the Legal Tender Act had been passed. The first paper money with an inscription, United States Notes or Legal Tender Notes, appeared from printing machines. These notes were issued by the state and they became the first state money of the USA after many years of circulation of private money. This trend was rather dangerous for those who wanted to open a private 'printing machine' in the USA. 'The Department of the Treasury issued the notes directly into circulation and they are an obligation of the United States Government. The total amount of these notes is restricted by Congress. According to the legislation, the total amount issued was limited to 300 million dollars.'

Western media like simplifying everything — a modern American seems to be unable to remember a nine-digit number. If we want to be exact, the amount of *Legal Tender Notes* in official circulation, according to the law, was to be 346 681 016 US dollars.<sup>2</sup> This law is still in force, which explains why even several years after the Fed was founded not only its private *Federal Reserve Notes* but also the state *United States Notes* could be found in circulation.

The idea behind the innovation was simple — the amount of money was to become finite. The idea of unrestricted power based on unrestrained printing of money collapsed. But it was not the end. In 1863 another law was passed; it was called the National Banking Act. It would seem that the pendulum swayed towards private money-printing once again. According to the new law, a new category of banks was introduced — the National Bank. The main difference from the Free Banking Era was that National banks were only allowed to issue the currency if chartered by the federal government. The official explanation to justify this measure was an attempt to protect society from rogues who could issue notes which would then go down in value and leave the bearer with nothing. The US currency issued according to the new rules was called *National Banknotes* or the *National Currency*. The new national notes were backed by the Treasury, which meant that the

<sup>&</sup>lt;sup>1</sup> http://www.ustreas.gov/education/faq/currency/legal-tender.shtml#q3.

Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 7.

issuer's bankruptcy would not cause any problems.<sup>1</sup> 'In 1863 the Federal Government put an end... to the universal currency freedom by introducing a 10% tax on all notes in circulation... Thus, the US Government secured itself with a monopoly on issuing money...<sup>2</sup>

The Government made issuing money unprofitable for bankers. They had to pay a 10% tax and, most importantly, they were not allowed to issue money with no limit and no backing. It was clear that the bankers were going to cheat, therefore a controller was appointed. It was state officials called Controllers of the Currency who were to make sure that the new law was observed.3 What changed in the US monetary system? The decisions that had been made sealed the situation which was not acceptable for bankers. There were two new types of US dollars. One of them — *United States Notes* (Legal Tender Notes) — was directly governmental, while the other — National Banknotes — could only be issued with the Government's consent and under its control. The legislation fixed another important detail: all issued banknotes were from now on to be backed by state securities. In order to issue money, private banks needed to buy public bonds and deposit them in the Treasury. If there were no bonds and the country was not increasing its debt there was no possibility to issue dollars in private banks. And that means that the choice of the type of dollars to be issued was now GIVEN TO THE GOVERNMENT AND THE PRESIDENT OF THE USA. Bankers could not take the country under control, issuing money and, consequently, power was getting out of their hands anyway. Either dollars were to be issued by the state, or the state was to decide who was going to issue them. And the Government did decide — it distributed the emission of National Banknotes among a mass of banks. Thus, the government destroyed the bank monopoly which was the indispensible condition of making money out of nothing.4 No 'independent' Central Bank was in the way.

What do you think was to happen to the president whose administration passed such legislative acts? It is easy to guess — he was to be killed. There was simply no other way out if we correctly understand the cause and effect

<sup>&</sup>lt;sup>1</sup> http://www.us-dollar.ru/vidy-valiuty-usa/7/26.html.

Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 6.

<sup>&</sup>lt;sup>3</sup> http://pcxpert.net.ru/content/view/141/31/1/30.

 $<sup>^4</sup>$  National Banknotes were issued by 14 000 different banks authorised by the state.

relations of American history. Make an effort — go online. Look up who was the President of the US in 1863. I will give you a clue — you most certainly know his name. And now you know that he was killed. America built a luxurious memorial in honour of this president in its capital. It echoes a classic Greek temple, vaguely evoking the Parthenon. The rectangular building is supported by thirty-eight large Doric columns made of white marble. The building contains a huge sculpture of the president himself. At night the memorial is floodlit, and every year on 12 February, his birthday, wreaths are laid here. The river Potomac carries its waters nearby.

This president was called Abraham Lincoln. He ruled the USA from 1861–1865. On 14 April, 1865, 41 days after the beginning of his second term, Abraham Lincoln was assassinated. It happened at Ford's Theatre in Washington. And there were many strange things to do with this assassination.

Commanding General of the Army of the north, General Ulysses S. Grant, had been invited to see the comedy by Tom Taylor Our American Cousin together with the head of the White House (in the President's box), but for 'personal reasons' he could not make it. That means that neither his guards nor his military escort were there to strengthen the President's security.<sup>1</sup>

- **2.** The box where Lincoln was sitting was only guarded by one (!) person his bodyguard Joe Parker.<sup>2</sup> He did not leave the president once during the play. But when the assassin entered Lincoln's box he was... away. Before the beginning of the third act Parker, allegedly, asked for permission to go to the theatre café. And left.<sup>3</sup>
- **4.** This is when an unemployed actor John Booth simply entered the box and fired at Lincoln at point-blank range, mortally wounding the President. The bullet went through his head and got stuck around his right eye socket.
- **5.** After that the assassin jumped down off the barrier of the President's Box, caught an American flag with his spur and lost balance. He fell down straight on the stage but immediately jumped up and shouted 'Death to tyrants!' brandishing his dagger. He broke his leg in his fall and yet he ran (!) behind the curtain to the emergency exit and escaped on a horse.

 $<sup>^{\</sup>scriptscriptstyle 1}\,$  General Ulysses Grant is on the 50-dollar bill. Might this be a reward?

<sup>&</sup>lt;sup>2</sup> http://www.mrlincolnswhitehouse.org/inside.asp?ID=63&subjectID=2.

 $<sup>^{3}\</sup> http://america-xix.org.ru/civilwar/reconstruction/conspiracy.php.$ 

The fact that this was not a single person's crime but a whole plot was clear to investigators straight away.

- 6. While the assassination was taking place at the theatre, two men on horseback called Lewis Powell and David Herold approached the house of Secretary of State William Seward. Powell knocked on the door and told the butler that he had brought a medicine prescribed to Mr Seward, who was recovering from a bad carriage accident, by the doctor. The butler refused to let the stranger in. Then he just pushed the servant aside and burst into the house. The Secretary's son Frederick appeared upon hearing the noise and was twice hit on the head with the gun. The next hindrance on the assassin's way was Seward's bodyguard and nurse George Robinson. He was stabbed. Powell burst into the bedroom and started stabbing the Secretary of State with his knife. After several blows he thought that his business was over and Seward was dead. Together with Herold, who was waiting for him outside, Powell mounted his horse and left. Herold dashed after Booth and caught up with him around midnight.<sup>1</sup>
- 7. Ten days later Booth and Herold were found. They had been hiding at their friend's farm. When soldiers surrounded the barn and offered the men to surrender, Herold was the only one who did. Lincoln's assassin remained in the barn. *Booth knew too much*. The barn where he was hiding was for some reason set on fire and then in the following turmoil, President Lincoln's assassin was mortally wounded by a stray bullet and died very quickly...
- 8. Eight people were found guilty in President Lincoln's assassination. During the investigation it was discovered, of course, that the late John Booth was the organiser and the mastermind of the conspiracy. One of the main pieces of evidence that proved this conclusion was his diary which was, allegedly, found in his pocket. Please note that for unknown reasons this diary was never presented during the trial.

This whole story is very similar to September 11, is it not? When the aeroplanes crashed into the towers, nothing was left of the people, nothing was left of the luggage. And yet one of the hijackers' passports remained intact and was found in the ruins...

...Three conspirators were hanged, one was acquitted, three of them were sentenced to life imprisonment and one to six years in prison. But quite soon the three remaining conspirators (one of them died while in prison) were

http://america-xix.org.ru/civilwar/reconstruction/conspiracy.php.

amnestied (consider the life imprisonment!) and released after just four years of their terms in 1869. Do you not find it suspicious and strange that a president's assassins are granted pardon by another president?

Four US presidents have been assassinated in American history.

Abraham Lincoln's assassination in 1865 has just been studied.

On 4 June, 1963 **President John Kennedy** signed executive order 11110. This order delegated to the Secretary of the Treasury the President's authority to issue dollar notes backed by the silver available in the treasury. Kennedy authorised the Department of the Treasury to issue two and fivedollar notes bypassing the FRB, with an inscription *United States Notes*. This money was printed. Kennedy did the same thing as Lincoln. And he shared the same fate. Less than after five months after the law fatal to the Federal Reserve System was signed, on 22 November, 1963, President Kennedy was shot for making an attempt to resume the issuing of 'state' dollars.<sup>3</sup>

Five years after the infamous act was published, on the same day, 4 June, 1968, the assassinated president's brother Robert Kennedy was killed, too. This happened straight after his victory in the presidential primaries in California, which made him the Democrat candidate in the following Presidential elections. Robert Kennedy was assassinated under rather strange circumstances.

**William McKinley** became the third US president who was killed. His story is very similar to that of Lincoln's. He was elected for a second term in 1900. On 6 September, 1901, during his speech at the Pan-American Exposition in Buffalo, New York, an anarchist Leon Czolgosz, of Polish

http://america-xix.org.ru/civilwar/reconstruction/conspiracy.php.

<sup>&</sup>lt;sup>2</sup> Another type of dollars, the so-called Silver Certificates, was issued under security of silver available at the Department of the Treasury. On 4 June, 1963 the Congress passed a law which cancelled the Silver Certificate Act. The idea of this decision was to entitle the Fed to issue the dollar notes in the lowest denomination of one and two dollars, which used to continue to be printed as United States Notes and Silver Certificates as Federal Reserve Notes. 'In July 1963 after the silver Cetificate was cancelled, a Federal Reserve Note in the denomination of one dollar was issued' (Notes and Coins of the US Federal Reserve System. Moscow: InterKrimpress, 2007. P. 35). And after this decision, which completely withdrew all types of dollars except for the FRB production out of circulation, Kennedy ordered to resume the issue of state dollars. What were they to do with him?

<sup>&</sup>lt;sup>3</sup> For the details and peculiarities of Kennedy's assassination which made the motives and conspirators of his murder quite obvious see: *Starikov N. Crisis*. How it is organised. St. Petersburg: Piter, 2010.

origin, fired twice at the president.¹ The first bullet of the assassin, who was literally a metre away from the president, bounced off a button on McKinley's jacket leaving him intact. But the second one struck him in the abdomen, injured some organs and got stuck in his spine (it was not found during the post-mortem!) Despite the timely operation and initial improvement, eight days later McKinley died of gangrene of the internal organs around the wound.²

Why was McKinley assassinated? His presidency was the peak of imperialism. In 1898 the United States was pursuing a war with Spain which ended in the invasion of Cuba and soon after that of the Philippines and Puerto-Rico. Hawaii was also annexed and the US denial of isolationism (Monroe Doctrine) was proclaimed. The USA started its expansion into the Eastern hemisphere. McKinley's successor Theodore Roosevelt occupied the Panama Canal, yet survived. This is because the reason for McKinley's assassination was in the financial sphere and not in the field of foreign policy.

In an attempt to take revenge, the bankers 'paid' for creating a new political idea in the USA. '...Representatives of the agricultural industry of the west and the south supported by industrial centres in the east of the USA demanded that silver coins should be issued without restrictions. They were convinced that their poor condition was caused by the lack of cash in the country, whereas an increase in monetary stock would be able to increase prices for farm produce and wages in manufacture and give them an opportunity to pay their debts back.'<sup>3</sup>

The advocates of 'silver money' (that is unrestricted emission) proposed William Jennings Brian as a candidate for presidency in 1896. But they lost

<sup>&</sup>lt;sup>1</sup> For those who have forgotten why the Labour Day is celebrated on 1 May: it is rooted in this period of American history. On 1 May, 1866 the 'blood-thirsty and oppressive regime' of the USA shot at a labour demonstration in Chicago. The infamous Haymarket Massacre took place as a result of a conflict between the striking workers and the police. The workers were demanding an eight-hour working day. One of the demonstrators threw a bomb at the police, and they started shooting at the crowd. It is the memory of those events that is celebrated on 1 May.

<sup>&</sup>lt;sup>2</sup> http://www.c-cafe.ru/days/bio/29/045\_29.php.

<sup>&</sup>lt;sup>3</sup> http://www.4uth.gov.ua/usa/russian/society/history/ch6.htm.

and William McKinley won. 'The populist party was defeated. In future, however, the majority of the populists and agricultural democrats' suggestions entered legislation, except for the 'cheap' money.¹ It was during McKinley's administration that in the act of 1900 the gold standard was officially introduced in the USA and the gold content was set at 1.50463 grams. Unrestricted emission was put off again. But only twelve years later the FRB was founded and the way to it lay via the corpse of another stubborn head of the White House.

... Three deaths of three American presidents. The total number of dead presidents is four. I will be honest with you and admit that I have not found an excuse for the elimination of President Garfield; he is dead president number four. But even if we presume that his death was not connected to the 'printing machine', even in this case, 75% of assassinations of American presidents were caused by their struggle with the bankers. Some of you, dear readers, may shed some light on the reasons of James Garfield's assassination. His death is fantastic in many ways and resembles the death of other US presidents, which requires a rather scrupulous examination.

**James Garfield** possessed unique skills. When he was writing in Latin with his right hand he was able to write in Greek with his left hand at the same time. He managed to offer alternative proof of Pythagoras's theory. And this exceptionally gifted person was president for less than half a year. On 2 July, 1881 he was at Washington railway station when he was wounded in his back by a man called Charles Guito. James Garfield survived although the wound was grave. 'One bullet went through his shoulder, and the other one shattered his rib and got stuck near the pancreas. One could live with such a wound. Twenty years later Garfield would have been saved for sure. But the medicine does not always keep the same pace as the patients. The first doctor was only able to offer the president some ammonia and brandy. To secure a wounded person a normal life, the bullet needed to be taken out. And in order to take the bullet out, it needed to be found. One of the best doctors in Washington, Doctor Bliss, who came over to the president, tried to find the bullet using a metallic probe, but scraped one of the ribs and caused acute pain. Then he tried taking the bullet out with his fingers but did not succeed either. Then a brigade of as many as sixteen doctors

<sup>1</sup> Ibid.

tried solving the problem, and each of them fumbled with the wound not complying, as they say, with any elementary standards of hygiene.'

Do you get it? The US president was operated on with violation of norms of hygiene. *That means that the doctors did not wash their hands*! Indeed, soap was expensive, why waste it? As for the president, another one could be elected. It was the doctors who got the infection inside the wounded man's body. As a result, eleven weeks after the assassination attempt, on 19 September, 1881, James Garfield died in hospital. He died of a heart attack caused by his body's reaction to a bad purulent inflammation. The doctors worked without gloves and there was no sign of disinfection.<sup>2</sup> Please note that President McKinley was not hopelessly wounded but died of an infection of internal organs, just as President Garfield did. The path to establishment of the Bank of England lay via the murders and deaths of kings and their heirs, whereas the path to establishment of the Fed in 1913 lay via the deaths of presidents.

It is now high time that we looked at the dollar once again. Or at dollars, to be more accurate, because there are so many varieties of this currency. And by that I mean dollars that look identical. They all have the same portraits on them, they are of the same shape and colour. But the notes are completely different. This is the cunning part of it, that the Federal Reserve System changed the whole essence of money, exchanged state paper money backed by the Department of the Treasury with exactly the same notes but with a different inscription. Who would notice such a difference if it is only a phrase in fine print and the colour of the stamp on the note that have been changed? And if all the notes that have been issued since 1861 officially remain a means of payment and are to be accepted? We will go back to this 'remaining a means of payment' a bit later. And for now let us have a closer look. Be patient.

A total of twelve main types of notes have been issued in the USA since 1861.<sup>3</sup>

**Demand Notes**. They were issued in 1861 with a value of five, ten and twenty dollars.

 $<sup>^{1}\</sup> http://liberea.gerodot.ru/neoglot/garfild.htm.$ 

<sup>&</sup>lt;sup>2</sup> http://uspresidents.ru/?p=41.

<sup>&</sup>lt;sup>3</sup> All the information on types of dollar notes and their names is taken from: Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007.

**Compound Interest Treasury Notes.** These were issued in 1863–1864 with a value of ten, twenty, fifty, hundred, five hundred and thousand dollars.

**Interest Bearing Notes**. They were issued in 1863–1865 with a value of ten, twenty, fifty, hundred, five hundred, thousand and five thousand dollars.

**Refunding Certificates**. They were issued in 1879 with a value of ten dollars.

**National Gold Bank Notes**. They were issued in 1870–1878 with a value of ten, twenty, fifty, hundred and five hundred dollars.

**Treasury Notes or Coin Notes**. They were issued in 1890–1891 with a value of one, two, five, ten, twenty, fifty, hundred and thousand dollars.

**United States Notes** — **Legal Tender Notes**. They were issued in 1862–1969 with a value of one, two, five and hundred dollars. Their typical feature was a stamp and a serial number in red.

**Silver Certificates**. They were issued in 1878–1963 with a value of one, five and ten dollars. Their typical feature was a stamp and a serial number in blue.

**Gold Certificates**. They were issued in 1865–1934 with a value of ten, twenty, fifty, hundred, five hundred, thousand, ten thousand and hundred thousand dollars. Their typical feature was a stamp and a serial number in orange.

**National Bank Notes**. They were issued in 1863–1935 with a value of five, ten, twenty, fifty and hundred dollars. Their typical feature was a stamp and a serial number in brown.

**Federal Reserve Bank Notes**. They were issued in 1915, 1918 and 1933 with a value of one, two, five, ten, twenty, fifty and hundred dollars. Their typical feature was a stamp and a serial number in brown.

**Federal Reserve Notes**. These notes were issued in accordance with the Federal Reserve Act of 23.12.1913. The first issue was in 1914. Notes of five, ten, twenty, fifty and hundred dollars were issued in 1914; five hundred, thousand and ten thousand dollars — in 1918. After the silver certificates were cancelled, one-dollar notes were only issued as Federal Reserve notes. Two-dollar Federal Reserve notes designed to replace identical US notes were first issued on 13 April, 1976.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The law passed by the US Congress on 4 June, 1963 (P.L. 88–36), apart from abolishing the laws on purchasing silver and the related taxes on transfers of silver bullion, made amendments to Section 16 of the Law on FRB which provided for

It is high time we mopped our brow. I think any reader has already understood that without preliminary preparation it is practically impossible to remember all the types of dollar notes, let alone understand what is what. The waters of American money emission are very muddy. And you can only guess what happens in muddy waters. This is why I am not going to mention colour particularities of the 'FRB products'. Any of you can take a one-hundred-dollar note and will certainly have a Federal Reserve note. Why? Because over the years that have passed since 1914 the Fed has changed the essence having left the appearance unchanged. 'The basis of cash circulation in the USA is currently made up of Federal Reserve notes (over 99% of the total money stock).'¹ All the other types of dollar notes have evaporated somewhere.

Where and why? All it takes to understand why the bankers needed to replace one type of dollar with another, is to 'read' these dollar notes. But we are mostly interested in the US state money and this is why we are going to follow the metamorphosis of inscriptions of those notes in particular. And what is an inscription on notes? It is not just the name of a country or the Central Bank and the serial number, like it is today. It is the obligation of the issuer to the bearer of the note.

United States Notes had the following inscription on them: 'This note is a legal tender at its face value for all debts public and private except duties on imports and interest on the public debt'. But in 1933 the text of the obligation was shortened: 'This note is a legal tender at its face value for all

issuing notes in the denomination of one and two dollars. Before this amendment the law restricted the issue of Federal Reserve Notes in the denomination of five dollars and more. After that the Fed started issuing its own notes in the most popular denomination: one dollar. But before that President John Kennedy had to be killed. (http://www.us-dollar.ru/vidy-valiuty-usa.html?start=6).

Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 10.

This inscription and all the following ones are taken from the reference: Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 6–10.

<sup>&</sup>lt;sup>3</sup> In 1933 Roosevelt came to power and the Great Depression came to an end. For the details of how this president satisfied the bankers see: *Starikov N. Crisis*. How it is organised. St. Petersburg: Piter, 2010.

debts public and private'. In 1963¹ the text was altered again: 'This note is a legal tender for all debts public and private'.

The phrase about the state debt disappeared from the notes because it has been a while since it stopped being paid in money in the USA. The inscription on state money is simplified. Why? So that it would not differ from that on the Federal Reserve notes. Then no one would notice the difference. Then no one would notice anything at all.

The inscription on the first Federal Reserve notes reads: 'This note is receivable by all national and member banks and Federal Reserve Banks and for all taxes, customs and other public dues. It is redeemable in gold on demand at the Treasury Department of the United States in the city of Washington, District of Columbia or in gold or lawful money at any Federal Reserve Bank'.

Do you remember the inscription which is still on British pounds? I promise to pay the bearer on demand a certain amount of pounds. The inscription on the first Federal Reserve notes had the same meaning: the note could be redeemed in gold or lawful money. So, the inscription told us that the Federal Reserve note was some sort of imitation of real lawful money, that is the state money, the *United States Notes*. Time passed, the FRB grew stronger, money emission was handed over to private banks which inevitably led to transferring of power over the state to the bankers. Money can buy even politicians. In 1934 the inscription on the Federal Reserve note changed again: 'This note is legal tender for all debts, public and private, and is redeemable in lawful money at the United States Treasury, or at any Federal Reserve Bank'. And finally, in the same 1963 the inscription changed yet again and looks exactly like the one on the United States notes: 'This note is legal tender for all debts, public and private'.

Finally, the bankers, people who owned the 'money-printing machine' reached their goal — the difference between private and state money had been eliminated completely. The same inscription was now on both types of notes. It was followed by complete cessation of issuing of state money. 'Both types of notes — the United States Notes and the Federal Reserve Notes — are a part of our national currency and lawful money. They equally circulate as money'2 — this is what we can read on the website of

<sup>&</sup>lt;sup>1</sup> The year when Kennedy was assassinated.

 $<sup>^2\</sup> http://www.ustreas.gov/education/faq/currency/legal-tender.shtml\#q3.$ 

the American Department of the Treasury. Why did you, dear founders of the FRB, need to issue your private notes if there were perfectly good state notes in the country? You will find the answer on the same website: 'Because United States Notes serve no function that is not already adequately served by Federal Reserve Notes, their issuance was discontinued, and none have been placed in circulation since January 21, 1971.'

Issuing of United States Notes — that is of the state money — was discontinued. Before that the law which required mandatory presence of United States Notes in circulation had been observed. Do you remember? Nearly 346 million dollars. For the world's circulation it is nothing. But the Fed was obliged to keep this amount in circulation. And together with that, all the other types of money which had been issued since 1861. Why attract attention and alter legislation when notes can just be withdrawn from circulation? And United States Notes are just another reminder; they is evidence. And evidence should be destroyed. State money is no longer issued in the USA; they are practically non-existent in real circulation. But the law is observed through 'at least in writing, retaining 100-dollar notes with a red stamp in 'circulation'."

346 million such dollars remain in of the rooms of the Department of the Treasury and are formally considered in circulation...

...Later on this was followed by alteration to the look of the dollar, which happened in 1996. And the memory of state money in the USA was completely destroyed. Only numismatists and very few experts would know about it. Bankers are not hiding the truth. But one has to try really hard to see it. The money-printing machine does not curse its enemies. It privatises them and uses them for its own needs. It praises them and celebrates their wisdom and courage. It devaluates their resistance and turns everything into a mockery. Lincoln? It is not only a person today but also a thing. It is an automobile brand. And this is not the only case. What is a Pontiac? It is an automobile brand, too. And who is Pontiac? Few people know it but Pontiac was the chief of an Indian tribe called Ottawa. He led the largest rebellion against the English in the middle of the 18th century. Pontiac urged

Notes and Coins of the US Federal Reserve System. Moscow: InterKrim-press, 2007. P. 7.

the Indians to rise and cleanse their native lands of 'the English, of these dogs dressed in red furs'.  $^{\rm 1}$ 

And now he has been turned into a car.

Why should we care about the history of a different country, though, if we hardly know the heroes of our own...?

 $<sup>^{\</sup>rm 1}~$  The uniform of the English soldiers was red; http://www.mesoamerica.ru/indians/north/pontiac.html.

### 8

# How Comrade Stalin appreciated and cherished the 'Chubais' of his time and what came out of it

In European issues we are guided by England.

Maxim Litvinov1

In the history of our country there are people whom everyone knows while they are still alive but who are very soon forgotten after their death. It happens because the part they play is so peculiar that it is better not to mention them in order to avoid saying something wrong. Studying the biographies of such characters, however, can tell us a lot about the politics of today. Politics is the same in all ages really. The most important thing is to make others to what you need. And revolutionaries are indispensable in this matter. To begin with, they will overthrow a rival country, and then they will lead the new regime in the destroyed country and do whatever is asked by the sponsors of their activities on destroying the rival country. You cannot be lucky each time and have someone like Gorbatchev in power in the country which is on the way of the money-printing machine to world hegemony. Someone who destroys their country on their own without any assistance. Yeltsin, for example, needed correctly educated and brought-up 'advisors'. They were needed to present the law on the Central Bank of Russia at the

<sup>&</sup>lt;sup>1</sup> From his speech at the conference in Genoa in May 1922.

right moment which hardly did less damage than a whole army of invaders in making Russia lose its sovereignty.

If we understand the past, the present will become easier to understand, too. Who is the most controversial figure in today's Russia? Without any doubt it is Anatoly Chubais. It is very difficult to realise the scale of his importance simply by studying the size of his salary, the interest on his profit or the Megawatts of energy. Another measure is needed here — the measure of a historical scale. Everything will become clearer if we manage to find in the depths of Russian history a character who would be suitable for comparison.

Such a figure exists and I have already written about him. As questions about Chubais keep arising and coming as if from the horn of plenty, I have decided to come back to describing his predecessor in Russian history, as well as expand and complete the description. I want every Russian citizen to understand on their own why Anatoly Chubais gets yet another important post and yet another award for his birthday. Without any cause-and-effect relation to his activities...

There is a whole literary genre for biographies of famous people. It is called memoirs. Either the celebrities themselves write about their memories or someone narrates them. People who take important positions in a state normally leave memoirs after themselves. They try to do it, so that the most important events of the historical period would not be cast into obscurity. So that future historians and researchers would have some material for analysis and conclusion. Are there any professions that prevent people from writing memoirs and telling others about their activities? Writers and poets write about themselves and their famous friends. Ordinary people who had some amazing experiences try to leave them in writing. There are literally stacks of memoirs written by Marshalls and Generals from various countries. Politicians do not lag behind. They do not reach the highest positions in the state but it does not stop them from being frank through thousands of copies with potential voters. Heads of state write memoirs, without revealing any state secrets, of course, and presenting themselves as the dove of peace. Revolutionaries and counterrevolutionaries share their thoughts and memories, too. Investigators and heads of law enforcement institutions produce hundreds of books, as do former spies. Under one condition, though, they either failed or changed sides. And, again, part of the information does not get published.

Honestly, I cannot think of a profession which could stop people from making their contribution to the collection of memoirs. Diplomats, too, leave books behind. Yet the distinguished state figure, diplomat and revolutionary Maxim Litvinov did not leave any memoirs. 1 What is more, he did not want to write any. He said rather peculiar things on this matter: 'Alexandra Kollontai often reproached Litvinov for not writing memoirs. She believed that the history of Litvinov's revolutionary and diplomatic activities would be very important for the following generations and for their upbringing in the traditions of Lenin's party. Many other fellow party members addressed Litvinov with a request to start on his memoirs. He either remained silent or came up with very short comments, saying that he was not used to writing.'2 Meanwhile, he was a diplomat who had made speeches at dozens of international conferences and who was one of the most eloquent speakers of the UN's predecessor — The League of Nations. He had written and dictated plenty of speeches... 'In summer 1950 an old friend of Litvinov, Andrew Rotstein, came to Moscow from London...

Why are you not writing memoirs? — Rotstein asked him.

And again, Litvinov replied very briefly:

It is not the right time to write one's memories.' 3

Of course, it is not. It is too early. In 1950 Litvinov was only seventy four. He was retired. A year and a half later he would pass away. When does 'the right time' to write come? After eighty? At the age of ninety-one? Realising that one of the most precious witnesses of the era could pass away any moment, restless madam Kollontai asked him again and insisted on his writing the memoirs. The polite diplomat replied: '... Alas, I am physically unable to write, as since the Revolution I have not written a single thing by hand and got used to dictating things to my secretary. And now I have no one to dictate to. Therefore, I cannot follow your advice for this reason, let alone *more serious ones...*'4

<sup>&</sup>lt;sup>1</sup> Our character's real name was Meyer-Genokh Vallakh.

<sup>&</sup>lt;sup>2</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 428.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 428.

<sup>&</sup>lt;sup>4</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 428.

That means that there were more serious reasons why Maxim Litvinov would not write anything and share his experience. He did tell one of his closest friends that he was writing in the morning and tearing everything apart in the evening. And all that 'unable to write' and 'not the right time' are nothing but excuses. Half a year before his death he was asked again: 'Maxim Maximovich, surely, you are writing memoirs, aren't you?' Litvinov smiled sarcastically and replied: 'I am not insane enough to write memoirs.' And he had children who would later have their heirs...

Comrade Litvinov started fighting against the Russian authorities when he was still very young. At the age of twenty-five, at the end of April 1901, he was arrested together with the rest of the Kiev committee of the Russian Social Democratic Labour Party and found himself behind bars. A revolutionary without an arrest or without a term in jail or at a forced labour camp is like an ice-hockey goal keeper who spent all his life on the bench. A revolutionary needs to be regarded as a martyr, as a prisoner of conscience. When you read, however, how political prisoners lived in Russia, this idyllic image fades away, whereas the reasons for the future collapse of the Russian Empire become clearer. This was not a prison but a resort. When we were in prison we received newspapers and even foreign illegal books using various sources' 2, said Maxim Litvinov later. Revolutionaries themselves, when they came to power, brought such discipline and order to prisons and labour camps as the Tsarist guards could not even dream of. Can you imagine a prisoner receiving 'illegal foreign books' under Stalin or Brezhnev? How exactly these illegal books were sent to prisons, the authors of books on revolutionaries usually do not mention, otherwise we would laugh and there would be nothing left of their reputation as martyrs. Being a revolutionary was fascinating, romantic, profitable and not that dangerous. Similarly, participants of various protest demonstrations under arrest beam with their happy faces from police buses. They know that nothing serious awaits them. They are cheerful; they wave at their friends, sing songs, chant enthusiastically and laugh.

How did the revolutionaries who fought against the Tsarist Russia pass illegal materials even in exile or in prison? They copied articles from forbidden issues and sent them to the addressee in a recorded letter by post.

<sup>&</sup>lt;sup>1</sup> Ibid. P. 430.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 23.

Back then the postal service had to pay a fine of ten roubles for an undelivered recorded letter — it was quite a considerable amount. <sup>1</sup> *Therefore, even the letters opened by censors or the police were still delivered to the addressees.* <sup>2</sup> Even to those who were in exile or in prison! And it did not occur to anyone to amend the regulations about deliveries, so that in the case of the letter containing any conspiratory materials the post would not have to pay anything.

After spending about a year in prison Litvinov escaped. The way he did it was rather telling. A group of prisoners filed a petition asking to let them walk around the hospital yard and not the prison yard or prolong the time of their walks until twilight. The reason was that waste was carried across the prison yard, which disturbed their revolutionary sense of smell. You will probably laugh but the prison governor actually allowed the political prisoners to walk around the hospital yard until twilight. And the trick was that the wall at this spot was adjacent to the street. In the jumble that the prison was at the time, the revolutionaries were given an iron hook. One day, when it got dark, the convicts attacked the only (!) guard and pushed him to the ground, covering his head with a duvet. Those who were not trying to escape were holding the guard while the others threw the hook with a rope ladder onto the wall and climbed over. Those who were holding the guard let him go and went to their cells as if nothing had happened. It was 1902...

But let us go back to the story of wonderful Bolshevik Maxim Litvinov. What is the main problem of revolutionaries of all ages? They always need money. This is the main hindrance in the way of revolution. And, vice versa, an influx of cash facilitates and speeds up the transition to the bright future. In 1903 the Russian revolutionaries received a rather modest allowance from foreign intelligence services. But they did. Otherwise the revolutionary swamp would have dried out without the vital financial injections. Being a grown-up person, it is quite easy to answer the question of how these injections should be organised. Give each separate revolutionary their own allowance or choose one 'cashier' and only work with them? It is obvious that one or two revolutionaries are more reliable in keeping the secret of the source of this vital stream than two or three hundred. Finding

<sup>&</sup>lt;sup>1</sup> Yakov Sverdlov, for example, lived in exile on 10–12 roubles per month.

<sup>&</sup>lt;sup>2</sup> Gorodetsky Y., Sharapov Y. Sverdlov. Moscow: Molodaya Gvardia, 1971. P. 112.

one responsible person is easier, too. Similarly, the owner of a company does not try to give the salary out to all the employees on his own but hires a financial director instead. Maxim Litvinov was such a financial director for the Bolsheviks. And it looks like it was not the central committee of the party that appointed him but the power that provided the Bolsheviks with money. We agree to sponsor your party but the financial stream will go through our own person. He is reliable and we trust him. You can address him with all money-related questions. He will contact everyone and sort everything out. Is everything clear? Excellent, Comrade Lenin (Kamenev, Martov, Dzerzhinsky etc.). Meet your new employee and a member of the Central Committee. He will be in charge of finances in your party...

Years will pass. The murky financial streams designed to sponsor the revolution will be drained. How many streams like this were there in the history of our country? And in other countries? But the sources of funds, the channels used for these injections and the names of the treasurers are still kept secret. **This is because the main mystery of any revolution is the money that was used to make it happen.** Maxim Litvinov spent all his working life not just in politics. He was allowed into the *sancta sanctorum* — to deal with the money of the revolution. This is why he believed that writing memoirs was unacceptable, since he had a wife, children and grandchildren...

In 1903 little money was allocated to the fight against Russia. And it was spent on propaganda. The ground needed to be prepared, and a lot of effort was needed to make Russian workers hate their country. Propaganda was the most important key revolutionary activity at the beginning of the 20th century. And Litvinov, who had just escaped from Russian prison and who had not done anything special to earn any particular reputation, was immediately put in charge of two extremely important affairs. Or two parts of the same affair, to be exact — he was entrusted with the money for issuing *Iskra*, the newspaper of the Russian Socialist Democratic Labour Party and with delivering it to Russia.

Where was the newspaper printed? In autumn 1902 it was printed in London. <sup>1</sup> The funding was scant. There was a surge of money later, in 1905, when the revolutionaries were 'suddenly' able to buy weapons and send them

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 30.

to Russia by ship. And for now everything was stagnant: 'The publishers of *Iskra* did not have money. Russian workers sent the meagre amount of money they had earned from labouring for their newspaper. Sometimes the German Social Democrats would help them. Occasionally, some funds were received from other friends from abroad who strived to help the Russian revolutionary movement'. <sup>1</sup>

How very touching — 'friends from abroad'! Just as in Mussolini's story. He also received assistance from his friends in the British intelligence. By the way, nothing has changed today. The same 'friends from abroad' provide money for undermining activities inside Russia once more. And it does not matter what flag is used in the fight. Anything will do: nationalism, religious extremism, separatism, fighting against the tyranny of the corrupt police, mistrust of the 'prostitute authorities', fighting against the dominance of immigrants. The essence is the same — they are aiming to destabilise and create problems inside Russia. The paradox is that the mottos 'Russia for Russians!' and 'Away with Russians!' are paid for by the same source. And they are pursuing the same goal...

It was this source of funding that appointed Litvinov to *Iskra* and not Lenin. It is openly written in Litvinov's biography: 'Vladimir Lenin developed the project of a transport organisation for *Iskra*. According to Lenin's plan, this transport organisation was to be in charge of delivering *Iskra* and other materials published by *Iskra* to Russia, as well as with activities of party members. Soon a meeting of *Iskra* agents was organised abroad (most likely it was in Geneva). As a result of the meeting, Maxim Litvinov was unanimously elected Secretary of Foreign Transport Groups. *Vladimir Lenin was informed about this decision*.<sup>2</sup>

Please note, Lenin developed the project and drafted all the plans. And then a certain 'meeting of *Iskra* agents' which gathered no one knows where appointed Litvinov to control this process. And the leader of the global Proletariat was simply informed about this decision. And he did not object. Why? What if he had a different opinion of the matter? Lenin had a rather quarrelsome character; he liked and knew how to argue even about less important issues. And on this occasion he kept silent. Why? Because the *Iskra* project required money. And the organisation

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 31.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 30.

that was providing the money was entitled to appoint the person who would control the funds. And there is nothing to argue about. Since then, all Litvinov's activities were related to two aspects: the most important issues of the revolutionary movement and the money allocated to these important affairs. Maxim Litvinov became the treasurer of the party. This was a real status and real power. Look at the Russian government of our times. Can you name the Minister of Transport? Or the Minister of Communication? Or the person responsible for Agriculture? You may be able to name them but you will definitely remember who the Minister of Finance is. All ministers seem to be equal but the Minister of Finance is always more equal than the others.

The next stage of Maxim Litvinov's revolutionary activity was working as a Central Committee agent. It is rather difficult to explain what the term means; the phrase 'professional revolutionary' is probably the most accurate to describe this work. A professional fighter against the Russian Empire for the money of 'friends from abroad', Litvinov was a delegate of the Third Assembly of the Russian Socialist Democratic Labour Party. Where did the Assembly take place? And where could it have taken place? Who could host a group of people desperately fighting against the Russian government? Only another country which is Russia's enemy. Therefore you do not need to know where revolutionary assemblies take place; you just need to know the capital of Russia's main adversary. And your answer will almost certainly be correct — it was in London.

'The Third Assembly of the Russian Socialist Democratic Labour Party has recognised that organising the Proletariat for fighting against the absolute monarchy by means of an armed rebellion is one of the most important and urgent tasks on the party's agenda at this revolutionary moment,' proclaimed the resolution of the assembly. Such people are worth any money. They are prepared to organise an armed riot inside their own country. And immediately after that, all the financial problems of the revolutionaries vanished as if by magic. If Litvinov used to count every coin received from abroad, he was now entrusted with buying weapons for the Proletariat. He was buying them in batches, and then he would buy whole ships of weapons, which clearly indicates that there were no financial problems by then.

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 41.

Where did the money for weapons come from? Did the workers pay more contributions? If so, their salaries must have increased if they were capable of donating more to the beloved party. What were they unsatisfied with, then, if their salaries were growing and were enough not only to provide for their families but also for the revolutionary loafers abroad? Were the workers' donations big enough to pay for ships packed with weapons? The assumption that the revolutionaries and terrorists were living using the money of party members is devoid of logic. But the source of their funds was always abroad. And this source not only provided them with money but also directed the activities of the funded organisation in the way that they needed.

Therefore, even before the Third Assembly which passed the resolution to start military actions in Russia, the Bolsheviks had ALREADY received some money. And they even ordered a batch of weapons BEFORE the Assembly. They ordered them at the same place as they received the money — in London. How convenient — you can organise an assembly and then order some weapons on the spot. And Litvinov was at the centre of activity. It was he whom the Central Committee entrusted with buying the cargo and sending it to Russia. Only Litvinov had the connections required to buy such particular goods. Do you not believe me? Then go to London and trying purchasing the smallest batch of rifles, at least a couple of hundred.

And buying the weapons is not the most important thing. The most difficult part is delivering them to Russia. And Maxim Litvinov was a master of delivery. Not weapons, though, but the *Iskra* newspaper. There is a difference after all. But Lenin highly appreciated Litvinov, according to his biographers. And Lenin himself is quoted to say in one of his letters, **There will be transport as long as we have the Daddy**. And Lenin was right. Litvinov was their connection with the British special services. It is through him that the money was supplied. He purchased the weapons and could provide transport. If another person were in his position, there would be no transport. And while they had Daddy, everything worked out for the revolutionaries. Under one condition though — that they were fighting against Russia...

<sup>&</sup>lt;sup>1</sup> Max Vallakh had a lot pseudonyms: Daddy, Count, Nitz, Luvinie, Kuznetsov, Latyshev, Felix, Teophilia, Maximovich, Garrison, Kasimir. But in history he is known as Litvinov.

The range of Litvinov's activities was stunning. A bureau was opened in Paris at the beginning of 1906 which Litvinov used as a cover for placing orders for weapons at European factories. 'He decided to order several thousand Mauser and Mannlicher rifles, a sufficient quantity of ammunition as well as machine guns and smaller weapons.' Litvinov bought a yacht to transfer the weapons. And then, as his biographer says, 'there was an issue of a financial nature'. A report filed by an undercover agent of the Russian police tells us how decisive Maxim Vallach could be when it was required: Litvinov is here now. He has had a misunderstanding with the Central Committee. The Central Committee spent 40,000 roubles and will not give it back. Therefore Litvinov sent two Georgians to the Central Committee demanding the money be given back, otherwise the Georgians will do in someone from the Committee. The Georgians themselves are raging. They will most likely receive the money but for now there is a delay.' 2

Litvinov is prepared to top his comrades from the Central Committee in order to fulfil... a task from the Central Committee. This is somewhat weird. No, the truth is that the Central Committee is not an authority for him. Another power ordered their man in the Bolshevik party, and it did not care that the irresponsible social democrats could not cope with their great mission of destroying the Russian Empire. Let us remember — Litvinov is not afraid of anyone. And it is not due to his over-strict principles. It is because Bolshevism for him is just a disguise serving to fulfil his bosses' tasks. In a game as big as this slashing a couple of lazy fellow party members is not a big deal. The leaders of the party will turn a blind eye to anything. Lenin knows: 'There will be transport as long as we have the Daddy'... <sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 52.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 59.

Litvinov was not following the party's will. Otherwise, how do you explain the following fact: both vessels that he loaded with weapons did not reach Russia. And in the same way: the yacht went aground near Odessa and John Grafton went aground off the Finnish shores. Weapons sank or were captured by the local authorities. Only the minimal part reached the barricades and the guerrillas. Yet there were no reproaches made to Litvinov although he failed at his main duty and left the revolutionaries without weapons. A logical question arises: who needed the end of the revolution which was inevitable without weapons? Great Britain. The war between Russia and Japan that we were forced into was needed by England... to

After the end of the first Russian revolution Litvinov was put in charge of another delicate affair related to finances. He was to break the money obtained by robbing a bank collector carriage in Tiflis. The problem was that they had stolen five-hundred notes and all the numbers had been copied and distributed around all banks. It was impossible to break the notes inside Russia. What did Lenin do? He put Litvinov in charge of the problem, the person who had specific connections and was responsible for all the party's funds. During the operation that Litvinov planned himself, he was arrested in France on 4 January, 1908. The case was purely criminal. Russia insisted on extradition of the criminal. But what happened next is so amazing that it is worth a separate story. **The French decided to deport Litvinov... to Great Britain!** And this is not even the most astonishing thing. Sentenced to deportation, Litvinov refused to go to London. Explaining his decision to the French authorities he gave a 'very serious reason': Thave not got a single coin. I need to earn my trip over the English Channel'.

Can you imagine such impertinence? Instead of thanking them for not deporting him to Russia, he laid down conditions. I cannot go today. I have no money for the ticket. This reminds me of Zheglov's behaviour in the famous Soviet film 'The Meeting Place Cannot Be Changed'. In the episode where policemen Zheglov and Sharapov were arresting a criminal in the theatre, Zheglov spoke to the administrator of the theatre in a very rude way. He behaved like this because he knew for sure that all the power of the law enforcement structures and the need to capture the criminal were on his side. And it would cause him no trouble if the administrator complained

improve the relations with St. Petersburg. In order to create Entente. This was a passing move. Russia's defeat meant that it would be stuck between allied England and Japan. Unrest in the country itself was needed for our defeat and that is why they started funding the revolutionaries. To lift the riots to a considerable scale, weapons were needed and Litvinov was out in charge of the purchasing. And the staff of European plants must have been wondering why so many machine guns were being purchased. But then the situation changed. In August 1905 Russia signed a truce with Japan. There was no need for further escalation of tensions. And in autumn 1905 both vessels with the weapons went aground. And Great Britain offered Russia friendship and alliance. In 1907 the Tsar agreed to it. And immediately after that two events took place: the revolution of 1905–1907 came to an end and the Entente was established. And Litvinov proceeded with his career.

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 77.

about him. This is how Litvinov behaved. And he was convinced that his request would be satisfied. What is this power behind him? Whose support did he feel? The Bolshevist party could hardly influence the French system of justice. What would be a normal reaction of a French court to a statement like this, anyway? The person would probably be reminded that he could be kindly deported to Russia, as well. And in this case he would not need any money because this service would be free of charge, including the convoy and the transport. Therefore, he had better quickly board a ferry and immediately leave for London. Not to mention the fact that in order to deport someone unwanted the state always buys them a ticket.

What happened in real life? The French authorities granted Litvinov permission to stay in Paris for a bit longer! Why he needed it is unknown. But definitely not to earn money, as his rather dishonest biographer is trying to convince us of: Litvinov found a job with a shoemaker and after two weeks of mending shoes and boots for Parisians, managed to earn some money.' We are all grown-up people and we understand that a person who tried to break a huge amount of money at a bank and who used to buy batches of weapons a couple of years before that, would almost certainly find enough money for a ticket. His friends are free after all, and could lend Litvinov a dozen francs. We are told, however, that Litvinov found a job with a shoemaker. He was allegedly mending shoes to earn some money for a ticket to London. This is the idyllic image that we get from his biography. But immediately, just a line later, the author lets out the truth: Litvinov also had a small operation in one of Parisian hospitals. What can I say? Shoemakers must make fortunes in Paris if the wages are enough even for an operation...<sup>2</sup>

He spent as many as ten years in London: from 1908 until 1918. How does he earn his living? The answer is quite predictable: His English friends

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 72.

<sup>&</sup>lt;sup>2</sup> It must have been due to Litvinov's health problems that his curators helped him stay in Paris because several days after the operation he left for London.

Maybe, it is the mercy of the British Government and the monarch's kind heart that provide the migrants with a shelter in Britain? But the English authorities seem to be very selective — they are so selective that there is no sign of kindness. They only accept those who fight against the authorities and Britain does not care about anyone else in the slightest. It is easy to check if you look at places where Russian immigrants after the Russian revolution settled. At the end of

helped him. <sup>1</sup> To begin with, Litvinov taught Russian and then started working for the 'Williams and Norgate' publishing house, then he worked at a tourist agency, then sold farming machinery. I am convinced that these are nothing but a cover. Litvinov remained in charge of the money and continued to be the party's treasurer.

What makes an honest researcher? An honest researcher openly tells everything that they have discovered even if they do not understand what it is that they have discovered. Litvinov's biographer, Zinovy Sheinis, is just like that. Tell me, who forced him to write the following: 'The party's financial affairs in London as well as Lenin and Krupskaya's modest earnings for their literary works were also controlled by Litvinov and he was the one who used them according to Lenin's instructions.<sup>2</sup> Let me clarify, Lenin lived in Switzerland and before that in Austria-Hungary. Why would he give his private funds to Litvinov who was living in London? If Lenin had little money then there would hardly have been any profit. The distance would have caused nothing but problems. And if Lenin had a lot of money, why did he entrust Litvinov with it? And, finally, how could the leader of the revolutionary movement have a lot of money while in exile? Why did he write that in 1968? This issue was not being discussed and no one raised this question. But the honest author laid out the complete truth. But, thankfully, no one in the USSR read books about passionate revolutionaries. Zinovy Sheinis wrote what he had been told by a certain veteran. And he wrote it honestly, exactly as he had heard it. Litvinov was in charge of Lenin's money. This is how reliable a friend he was. Lenin himself trusted him and appreciated him. Meanwhile he accidentally told us part of the truth, and

<sup>1927</sup> the White Guard magazine Russky Golos (Russian voice) issued in New York published the results of a 'census' among immigrants. The statistics was: Germany — 446,654 people, France — 389,450 people, Poland — 90,000 people, China — 76,000 people, Yugoslavia — 38,675, Lithuania — Spain — Bulgaria — Czechoslovakia — 20,000–30,000 each. (*Andriyanov V., Moscalenko A.* The Sagebush of Foreign Land. Moscow: Pravda, 1987. P. 9). Great Britain is not in the list at all, this is how negligibly few emigrants found shelter there. Also note that the majority of Russians were accepted not by the allies in the First World War but the enemy — Germany. This is very telling.

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 80.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 102.

indicated who actually provided Lenin with money. *It was not Vladimir Lenin who gave money to Litvinov, it was Litvinov who funded the party as a whole and Lenin in particular.* 

We should thank Litvinov's biographer for this information. Without realising it, he wrote the true story of our revolution. I highly recommend reading it to everyone who is interested in Anatoly Chubais. Then you will get a clear understand of what was happening back then and, maybe, of what is happening now. Meanwhile, we are going back to London, where the main character of our story took root for as many as ten years. No tensions in world politics would disturb the regularity and frequency of the 'miracles' made by the British Government for Maxim Litvinov. The stories that happened to him in London can be told as jokes. Unless, of course, you understand their actual meaning. But, first of all, here is a question.

Who should Britain love and cherish more: the revolutionaries from Russia who were hiding in Britain or Russia itself which was fighting in the First World War against Germany together with Britain?

The answer would seem obvious. But not in politics.

#### Anecdote number one

After the First World War broke out, the Russian Government, being one of Britain's allies, demanded from Britain to send the Russian citizens who were in Britain at that moment to Russia in order to be commissioned by the army. The British military authorities ordered all Russian immigrants to appear at recruiting stations. Litvinov was summoned. An English officer asked him a lot of questions on his life and other affairs. He was about to open a file on his name in order to send him to Russia but having realised what threats it would imply, he let him go.' The author is trying to convince us that a sympathetic British officer did not send a Russian revolutionary home because an awful fate awaited him there: to go and fight for his motherland. So, an English soldier would have to die on a battlefield instead of this immigrant? Is this really a British officer's logic? Let us put Litvinov aside. No Russian immigrants were sent from England to Russia in

<sup>&</sup>lt;sup>1</sup> http://militera.lib.ru/bio/sheinis\_zs01/index.html.

<sup>&</sup>lt;sup>2</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 96–97.

**order to join the army**. You cannot conceive the English logic? It is actually rather simple: who would organise a revolution if all this revolutionary cohort went to fight in the war? And they had been trained and prepared for decades. They were valuable staff and needed to be cared for. One Russian revolutionary is way more useful for Britain than one British soldier. And if a choice has to be made, let the Russian revolutionary live.

Why did the Russian Government put up with such activities of the English? Because there were no decent politicians at the helm. There was a very simple solution to the problem. The Tsar should have sent a cable to London, to his cousin, the King, and made something very clear: the Russian army is preparing an offensive operation. It is planned that the attack should be led by the five hundred people who are currently in London. No advances can be made without them as they are very passionate and active. Such people should be at the front line; they should lead the Russian firing lines. The second row of the army is complete; the third one is in order, whereas the first is lacking exactly five hundred people. Therefore, the Russian army cannot start the offensive until these people arrive from London. And at the end, best regards, Nicolas, by the Grace of God... etc.

### Anecdote number two

Bolshevik Chicherin was also in London during the war. Later on he would become the People's Commissar for Foreign Affairs of young Soviet Russia, and Litvinov would be his deputy. On request of a representative of the Provisional Government he was arrested in London<sup>2</sup>... for propaganda of defeatism. But how he was arrested is most fascinating! An agent of the British secret service came over to Chicherin and informed him... that he was under arrest. But he did not take the arrested man with him. It all happened on Friday. Realising that Chicherin had nowhere to go, the secret

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 96–97.

<sup>&</sup>lt;sup>2</sup> Kadet Nabokov, the writer's father, was a trustee of the Provisional Government. By the way, emigrants started getting allowances from the funds of the embassy after what happened in February. That means that the Provisional Government supported those in London who would overthrow it half a year later.

service acted like 'proper gentlemen'. They did not want to 'spoil' Chicherin's weekend and gave him three days to do away with all his unfinished business and told him to come to prison on Monday.' Do you remember the story about Walter Schellenberg arresting an English agent, head of the German intelligence Admiral Kanaris? He said he would go out for half an hour and would wait. Just half an hour. What is it when an arrest is put off by two days, when one is given not half an hour but as much as two days to cover one's tracks? It means that one is being indulged, helped, assisted. *How else* can you explain such behaviour of the British secret services during the world war on their territory towards suspicious subjects? And most importantly, ask yourself, WHY? So, who did the British authorities love and cherish more? Their ally Russia or those who wanted to tear it apart, to weaken and destroy it? Yet the secret services are nothing but hands. And they only do what they are told to do by the leaders of the country, that is, its brain. And this brain was trying to drag out the war in order to aggravate the situation in Russia and Germany and provoke revolutions in those countries. Yet none of this concerns forty-year-old Maxim Litvinov. He did not go to the front and did not suffer shellings and famine.

#### Anecdote number three

In 1916 Litvinov's life changed for the better. While being in London he married Ivy Lowe, a young English writer. Looking ahead, I will note straight away that Litvinov's spouse never abandoned her British citizenship. What does it mean? It means that...

From 1930 until 1939 the foreign minister in Stalin's government was a man married to an English woman. Either Litvinov had special status in Stalin's eyes, or there were no purges in Stalin's USSR. It would mean that 1937 or the two following years never happened and marshals and members of the Central Committee were never executed as foreign spies and conspirators. But we know that the purges did take place. It is a fact. Why and how they took place is a different story and it is out of scope of this book. But the fact that Litvinov had an English wife and was disliked by Stalin, yet did not suffer at all during the purges, is quite telling.

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 112.

But we will turn to Stalin and Litvinov's relationship later. For now let us go back to London. Maxim Litvinov kept living in the British capital until on 3 January, 1918, listening to a programme on the Petrograd Radio, he found out that he had been appointed authorised representative of Soviet Russia in England. This was a brilliant and very cunning idea of Lenin's. Do you remember his words 'We will have transport as long as we have the Daddy'? Vladimir Lenin appointed someone who had lived in London for ten years as ambassador. He chose a person who had connections in powerful institutions and secret services, someone who had a lot to talk about with English friends'. Litvinov was appointed ambassador. But who appointed him? A usurper of power, Lenin, who executed the democratically elected Constituent Assembly in the same January 1918. If England respects the principles of freedom and democracy, it should not recognise Lenin's government and is simply obliged to deport the fraudulent ambassador out of the country. There was a legitimate ambassador of Russia in London, after all, Kadet Nabokov. What did the British do? They accepted the note about Litvinov's appointment but the Foreign Minister did not meet him himself. A special diplomat was appointed for communications with him. As a result, there were two Russian ambassadors in London. Not even two, three. There was also the General Consul and the military buying committee of Tsarist Russia. Litvinov writes to the Bank of England and demands that the money stored there belonging to the Tsarist Embassy and mission should be seized. Those who know who Litvinov was and what the Bank of England was will not be surprised: the money was seized. And Litvinov himself was invited to official receptions. Instead of isolation or deportation this is what happened: newspapers interrupted each other in publishing interviews with him. But on 30 August, 1918 the honeymoon between Lenin and the English came to an end. Social Revolutionaries shot at Lenin and assassinated in Petrograd the head of the All-Russian Extraordinary Commission, Solomon Uritsky. <sup>1</sup> In response, the Bolsheviks broke into the British consulate in Petrograd and searched it. A conspiracy was uncovered. 2 It is known in history as the

<sup>&</sup>lt;sup>1</sup> The Socialist Revolutionary party was the favourite and the bloodiest project of the British intelligence. For more information see: *Starikov N.* Who funds Russia's collapse? St. Petersburg: Piter, 2010.

One of the main conspirators, English spy Sidney Reilly, arrived in Soviet Russia from London with... a recommendation letter from Maxim Litvinov. And he was even employed at the Extraordinary Commission.

Lokhart Conspiracy or the Conspiracy of the three ambassadors. The British Ambassador Robert Bruce Lokhart was arrested on 1 September, 1918. In response, the English arrested the Soviet ambassador. The cell that Litvinov was put into had a very indicative sign, 'Guest of His Majesty'.

But the hero of our story did not spend a long time in jail; ten days later he was released. London and Moscow agreed to exchange the arrested diplomats. Maxim Litvinov found himself in Russia. But he had no time to waste; important business was awaiting him. It was money again. And diamonds. The Bolsheviks were beginning to pay back the banking underworld the money allocated to the revolution in Russia. They paid back via Scandinavia. This is why Litvinov went to Copenhagen. His task was to secure fast outflow of gold and jewellery from Russia. As an excuse, Moscow bought a thousand steam trains in Sweden. The amount of money exported exceeded the cost of the purchased engines multiple times. Basically, the Bolsheviks sent to Sweden a quarter of the country's gold reserves!

'Steam engines were a vital necessity. And they needed to be paid for with gold. Litvinov was out in charge of transferring this gold to Sweden. The whole operation was kept top-secret. No one knew of it except for a very few people whom Litvinov trusted like himself. And when everything had been counted and checked again and again, on the arranged day gold in boxes was loaded onto ships and sent to Sweden. And later on Litvinov sent gold to France, Switzerland and other countries'.

We will do him justice if we note that Litvinov was not the only one who sent Russian gold abroad. He was not the only agent of the British special forces and the banking underworld who appeared in Soviet Russia. There were plenty of them. And the scale of work was enormous — they needed to efficiently and quickly take a lot of valuables out of Russia and take control over its natural resources. The Bolshevik top officials 'all of a sudden'

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 133.

All researchers of Lenin's money unanimously agree that all the money went through Scandinavian banks. It came back via the same route.

<sup>&</sup>lt;sup>3</sup> For more information on purchases of 'gold engines' see: *Starikov N. Crisis*. How it is organised. St. Petersburg: Piter, 2010.

<sup>&</sup>lt;sup>4</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 181.

started getting frequent strange visitors. I will only mention one. His name was Sebald Rutgers, a social democrat and an engineer who worked in the Dutch East Indies (Indonesia now) as the executive director for railway and bridge construction. In 1915–1918 he worked in New York as a representative of the Dutch Indian railway company. On 23 September, 1918 this Dutchman suddenly came over to see Yakov Sverdlov. As if Sebald Rutgers did not have enough work in New York. He decided to go somewhere else and establish a new company. During the Civil War and the First World War. Through Siberia and across all Russia in the grip of unrest, the Dutchman came to Moscow. Do you believe this? 'Rutgers and his co-travellers were arrested on suspicion in Czechoslovakia, then in Samara, then by the Red Guards... And finally Rutgers found himself in the office of the Chairman of the All-Russian Central Executive Committee... All he wanted was to ask the Soviet Republic to use his experience in hydro construction'.

Just imagine. It is the time of the Civil War, the Red Terror was announced three weeks ago, Lenin is still recovering from the assassination attempt by 'Fanny Kaplan'. And a certain Sebald Rutgers has come all the way through Siberia to see you. He has got recommendation letters from American and Japanese social democrats. And he is asking you to use his experience. What would you do in Sverdlov's position? And Yakov Sverdlov immediately appointed the 'newcomer' the first Soviet General Inspector of water routes. You do not think it is a high enough position? Water routes include bridges and dams. These are a part of the strategic infrastructure. 'I am sending over comrade Rutgers, a good friend of ours, — says Sverdlov in a note. — Give him an opportunity to get acquainted with the activities of the Committee of State Constructions.' Let us not consider Sverdlov, who had connections with the international underworld, a half-wit. He knew perfectly well who was in front of him. In Nazi Germany any spy would turn into a zealous Nazi and in Soviet Russia he would pretend to be a communist — this is just mimicry and a way of adjusting to the circumstances. A way of fulfilling one's task. All of Rutgers's further life story speaks for that. This 'engineer'

<sup>&</sup>lt;sup>1</sup> Gorodetsky Y., Sharapov Y. Sverdlov. Moscow: Molodaya Gvardiya, 1971. P. 372.

Most likely, it was not Kaplan who fired at Lenin, and she was just a scapegoat. This is a very dark story.

<sup>&</sup>lt;sup>3</sup> Gorodetsky Y., Sharapov Y. Sverdlov. Moscow: Molodaya Gvardiya, 1971. P. 372.

did not spend too long collecting strategic information and 'inspecting' Russian water routes.

But the rules of the game were observed, and he joined the Bolshevic party. Then he set off to Europe. 'In October 1919 the Communist International founded two secret organisations in Western Europe in order to encourage the spreading of revolution: the Western European Secretariat in Berlin and the Western Bureau in Amsterdam. The Berlin organisation was headed by Yakov Reich (pseudonym — comrade Thomas), and the Western Bureau in Amsterdam was headed by Sebald Rutgers. Lenin himself chose these candidates, having preferred them to better-known German and Dutch communists... He met each of them in person and instructed them on their secret task, finances and contacts for the first period of time.' Only a year after his arrival our 'engineer' ended up in charge of a spy network. Who told us about it? A deserter from the KGB Oleg Gordievsky. He betrayed his motherland and fled to the English. And then he wrote a book and published it abroad. And no one so far has tried to refute his information. On the contrary, the British Queen herself awarded him.

The rest of Rutgers's life is just as fascinating. In May 1921 he went to the Urals and Siberia in order to investigate the possibility of using the resources of the Kuznetsk coal basin 'for developing the Ural industries'. The envoys of the 'money-printing machine' were actually travelling across the country and finding out the best ways to exploit it. On 22 June, 1921 the Council of Labour and Defence, the supreme governing body of Soviet Russia, published a decree on American industrial emigration. Its first article was: 'To recognise as advisable to develop certain industrial plants or groups of plants through letting them to groups of American workers and industrially developed farmers on a contract basis, which would provide them with a certain degree of autonomy'. In December 1921 Sebald Rutgers also executed a contract with the Soviet authorities. The Kuzbass American industrial colony was established, which later on (for

<sup>&</sup>lt;sup>1</sup> Andrew C., Gordievsky O. KGB. The History of foreign political operations from Lenin to Gorbathev. Moscow: Nota Bene, 1992. (http://www.fictionbook.ru/author/yendryu\_kristofer/kgb\_istoriya\_vneshnepoliticheskih\_operac/read\_online. html?page=7).

With Lenin at heart: A Collection of documents and materials. Kemerovo, 1976. P. 40.

mimicry again) would be called the Kuzbass Autonomour industrial colony. Председатель правления AIC for short. The chief executive officer was our dear foreign friend.

Pay attention to the date when the AIC was founded — December 1921. You are going to understand why it is important. Normally the necessity of concessions and handing over a part of the industries to foreigners is due to the fact that the industries are restored through this temporary use. The reality was quite the opposite. The industries were restored with a lot of effort and only then pompously handed over to the foreigners.

'In May 1921 the Council of Labour and Defence passed a decree signed by V.I.Lenin which proclaimed Prokopiev and Kiselev mines, Kolchugino-Prokopievks railway and Kemerovo and Gurievo plants shock-work constructions... Equipment was urgently sent to these sites from across the whole country... Construction of the Kolchugino-Prokopievsk railway took five months of hard work... V.I. Lenin carefully watched the construction process... The economy of the region gradually started improving. Mines were being restored and reconstructed.' <sup>1</sup>

May is the fifth month of year. Five more months of hard work make it October. So, by October 1921 the economy had generally got on the right track. And in December 1921 'all of a sudden' Lenin himself handed everything over to Sebald Rutgers. He gave everything that had been reconstructed with so much effort away: 'The AIC included Kemerovo, Prokopievo, Kiselev and Kolchugino mines, the chemical plant under construction in Kemerovo, Gurievo iron and steel plant and a 10-thousand-hectare plot of land. The Colony was subject to the Council of Labour and Defence'. Ten thousand hectares, plants and mines. And yet the Kuzbass AIC, unlike other Soviet complexes, was not accountable to the Supreme Council of National Economy or the local authorities. Reviewers were not allowed into Sebald Rutgers's domain under the excuse of the 'autonomy'

<sup>&</sup>lt;sup>1</sup> Katsuba D. V. History of Kuzbass. Kemerovo, 1983. http://sadisibiri.hop.ru/istkuz. html.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Those who have read my book 'Crisis. How it is organised' will probably remember the Lena Goldfields company. And they will be right — the scenario was the same. By the way, Litvinov was also a member of the Concession committee and let everything which was valuable to capitalists for nothing.

granted by the Kremlin. Why was it necessary? To make it easier to take gold out of Russia. Millions of golden roubles flowed abroad without any customs duties, allegedly, as interest for the capital invested by European bankers. Despite the fact that their investments were not vast at all — the majority of the equipment at the plants and mines, as we know, had already been here and had been in operation. You should not think that before the Revolutions there had been no mines or plants in Russia. And the famous engineer from Kemerovo, I. Lokhansky said that the utility of the AIC was disproportionate compared to the investments in it. <sup>1</sup>

This disorder lasted for five years. It was only on 22 December, 1926 that the Council of Labour and Defence of the USSR unilaterally terminated the contract with the Kuzbass AIC. 2 Stalin was taking more and more control over the country. Industrialisation was beginning. And this time it was real, so the little offshore zone in Kuzbass was shut down. And what happened to the hero of our story? He found himself out of work. In 1930-1938 (with breaks) Sebald Rutgers worked as a consultant on expert evaluation of large construction projects in the USSR, at the Agricultural Institute, was a member of the board on foreign specialists' affairs at the Workers-& Peasants' Inspectorate. He was also a member of the editorial board of the English-speaking *Moscow News*. So many various activities! But in 1938 Sebald Rutgers went back to Holland. And his return was very well-timed, apparently. During the purges, dozens of such 'ardent friends' of the Soviet authorities went to jail for espionage. As for Kemerovo, there is still a memorial exhibition of Sebald Rutgers and a street named after him...3

But Maxim Litvinov was an incomparably larger figure than all other passionate revolutionaries. He remained faithful not to the international Proletariat but to the global banking underworld by securing gold flows after the collapse of Russia into the right direction. Are you doubtful? Here is what Litvinov himself said about it: 'On 21 April, 1921 I was the chief

<sup>&</sup>lt;sup>1</sup> http://www.polpoint.ru/press/Tainy\_sebalda\_rutgersa\_pocemu.html.

<sup>&</sup>lt;sup>2</sup> Shtyrbul A. Autonomous industrial colony Kuzbass. Experience of industrial self-administration and international cooperation of the Proletariat (1922–1926) in 1920s. // http://kulak.boom.ru/statya/kolonist.htm.

<sup>&</sup>lt;sup>3</sup> http://www.redhill-kemerovo.ru/Ekspozitsiya\_vistavki\_\_Memorialnaya\_vistavka\_Sebald\_Rutgers.htm).

commissioner of the Council of People's Commissars for currency transactions and sales of our gold abroad... Several hundred million [roubles] of our gold went through my hands and was sold abroad. I sold the majority of this gold directly or through various intermediaries to large French companies which remelted this gold either in France or in Switzerland, and then this gold went to its final destination in storage at the American Reserve bank.'

Litvinov honestly fulfilled all his tasks. He printed the newspaper and delivered the weapons. He 'did not deliver' it when it was needed. He helped the Bolsheviks, providing them with money and did not take a penny for himself. 2 His career was marching on. A bit later Litvinov became the 'authorised representative of bankers — owners of the FRB, the Bank of England and Soviet Russia'. You can say — the agent of the British influence, a mason, or think of another name. It does not change the meaning. Did Stalin know about it? He certainly knew who Litvinov was and what powers he represented. And Stalin was happy with it. Litvinov was a working communication channel with those in power. And this communication was needed. Therefore, Daddy the Bolshevik was awarded and feted according to all the traditions and rules. He was awarded with Order of Lenin and Order of the Red Banner of Labour. All of those who were outraged by Anatoly Chubais's award should know about it and keep it in mind. The help from the west was indispensable for the industrialisation. All the main industrial giants of the first five-year plans were built in the USSR with the help of western engineers and western technologies. It was later that our industries were capable of doing everything on their own. But this is how the foundation was laid. Similar to the foundation of scientific research. By

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 182.

<sup>&</sup>lt;sup>2</sup> Daddy's stinginess was legendary.

<sup>&</sup>lt;sup>3</sup> An unknown power always helped Litvinov when it was needed. For example, in Switzerland where he came to participate in negotiations, security became an issue. Members of the White Guard had recently killed Soviet diplomats Voikov and Vorovsky. And the Soviet delegation which had just arrived all of a sudden had a group of unknown security guards. It turned out, Litvinov's biographer says, that Litvinov 'had arranged it with the Swiss friends'. And they guarded the Bolsheviks around the clock. What kind of friends were they?

the end of the 30s the scientists of the USSR had made a lot of ideas come true. We had the best tanks in the world, good aircraft, machinery, mortar and machine guns and other arms. We started manufacturing cars. But in 1929-1930 there was no sign of it yet. The USSR did not produce any tanks or planes or any other machinery. And it was the 'telephone' connected to the bankers of the Fed and the Bank of England that helped Stalin improve the connections. Litvinov was this phone. Today it is Anatoly Chubais who plays this role.

Only if you understand who Litvinov really was will you be able to understand his relationship with Stalin. It was quite peculiar. For Litvinov, Stalin was not a leader or a boss but simply Comrade Stalin. Just a colleague. Someone who could not do anything to Litvinov. Even when Litvinov started being openly rude to Stalin, he was still utterly patient towards this man. This will seem totally inexplicable if you forget who Litvinov really was.

These are several situations described by Litvinov's biography.

'I remember the following episode, it was in 1935. I was walking in the Kremlin together with Litvinov towards the government building. All of a sudden Stalin, who was walking in our direction, appeared in our way. Litvinov did not show any sign of anxiety or nervousness, his gait or scanty gestures did not change in the slightest. Stalin approached us. They greeted each other.' Litvinov introduced the person who saved this episode for history to Stalin. Another couple of words and Stalin and Litvinov said goodbye and walked off in opposite directions. Not a sign of anxiety; scant gestures. It is just Stalin after all, big deal...

'In 1937–1938 nearly all Litvinov's deputies were arrested. The first deputy Krestinsky was accused as part of the so-called 'Right Trotskyist bloc' process and was executed by firing squad. The same happened to Karakhan. One of Litvinov's closest friends was arrested, Boris Stomonyakov'. Litvinov

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 349–350.

It was a magnificent opportunity for Stalin to get rid of the rebellious Leninist Litvinov! Litvinov's deputies were charged with crimes with the potential for the death penalty, his wife was English — it would take nothing to find him guilty. But Stalin never did it. Because Litvinov's status in the underworld is so high that it guaranteed his immunity. Otherwise we would have to admit that Stalin was a nice and kind old man. The best word to describe Litvinov and Chubais's

had just come back from abroad and after calling Stalin had a meeting with him. 'Comrade Stalin, I can vouch for Stomonyakov, — he said. — I have known him since the beginning of the century and we have fulfilled the most difficult tasks of the Central Committee and Lenin.' Stalin stopped next to Litvinov, looked him in the eyes and said: 'Comrade Litvinov, you can only vouch for yourself...'

Do you get what Stalin meant? You are the only... exception, comrade Litvinov.

'Not long before the end of the war Stalin arrived at a reception at the English embassy. Many Soviet diplomats including Litvinov were present at the reception. Stalin suddenly approached Litvinov, greeted him a friendly way and suggested that they should drink brotherhood. Everyone froze. Litvinov replied:

- Comrade Stalin, I do not drink. The doctors have forbidden it.
- Never mind, Stalin replied, consider that he have drunk brotherhood.  $^{1}$

Just imagine that Stalin has approached you and offered to drink with him. And you actually cannot drink. The doctors have indeed forbidden it. Would you say it in the same rude manner as Litvinov did? Or you would have a sip and then reply that actually you are not allowed to drink but with you, I will gladly have a sip? There are plenty of ways to refuse politely after all.

Litvinov was the head of Soviet diplomacy for nearly nine years. And his curators and masters could sleep peacefully. The USSR could not sign any contracts without their sanction. Its international policy was entirely controlled by the Anglo-Saxons. Litvinov was still in this position in the key period of 1939 when Adolf Hitler started making his first timid steps towards improving relations with the USSR. A friendship between Russia and Germany has been a nightmare for the Anglo-Saxons at all times, under all political regimes. Obviously, when the Soviet Foreign Ministry was headed by an envoy of the 'money-printing machine', basically, an authorised representative of the Anglo-Saxons in Soviet Russia, no arrangements could

functions would be a 'telephone'. This was a communication channel with the powerful of the world (*Sheynis Z. S.* Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 350).

<sup>&</sup>lt;sup>1</sup> Ibid. P. 419-420.

be made on this matter. Credit where credit is due, Stalin only dismissed Litvinov when he had made sure that England was leading the global policy to setting Germany and Russia against each other. And Litvinov, like a spring bird, was still singing about peace in the whole world. And he would have kept singing about the possibility to stop the aggressor with joint forces. Stalin decided to 'cut off' the connection and dismiss Litvinov from the Foreign Ministry. It happened on **3 May**, **1939**. Molotov was appointed the People's Commissar on Foreign Affairs. It is on that day that the Soviet Union started moving towards signing the non-aggression treaty with Germany in August 1939.

Was it necessary to get rid of Litvinov? It was. You should understand that it was a sign. Not to Hitler, as historians say, referring to the Jewish origins of the dismissed minister. It was a sign to Great Britain, a sign to the high and mighty. Your representative has been dismissed. We should be treated as equals now. Russia will not be the scapegoat of the west. Stalin's address to London was pretty clear and straightforward. Just as his response to Churchill's Sinews of Peace when the head of the USSR spoke of the ultimatum which was not mentioned in Sir Winston's address. The decree on Litvinov's dismissal from the position clearly stated that he 'had taken the wrong stance in assessing the policies in England and France'.

The date of Litvinov's dismissal is important from another point of view. This was a milestone. **Stalin gained total control over his own country only on 3 May, 1939**. Not in 1929–1930 when he sent Trotsky into exile and then got rid of him. And not in 1937 when he started eliminating agents of influence and conspirators. But as late as May 1939 when he dismissed the puppet of the banking underworld from the position of the foreign minister. When you have questions about someone not doing something, just remember this date. Just remember that Josef Stalin took Russia under control only fifteen years after he started fighting for this control. The fight which was seemingly against his associates, with other ardent revolutionaries, with Lenin's Guard...

Litvinov's dismissal was like a proper detective story. On the night of 3–4 May 1939, the building of the Foreign Ministry was surrounded by the troops of the People's Commissariat of Internal Affairs. Why? A minister was being dismissed whose staff did not carry any weapons. What could they have done? Beat the new minister Molotov with folders? But Stalin

knew perfectly well the importance of what he was doing. And apart from Molotov, he also sent Beria and Malenkov to the 'nest'. In the morning all three of them informed Litvinov of his dismissal. After that he was sent off to his dacha where he was awaited by a security platoon from the People's Commissariat of Internal Affairs. The governmental line was disconnected. This was like a quiet coup. After that Molotov and Beria 'made acquaintances with the personnel of the People's Commissariat'. The majority of Litvinov's deputies and the heads of the ministry's departments, as well as the group of his closest employees were arrested immediately. <sup>2</sup> Please note, Stalin arrested the deputies but Litvinov was spared. Litvinov was exterritorial. He was not to be touched. These are the rules of the underworld game. Do you now understand why Anatoly Chubais is beyond criticism, 'time and space'? But the dismissed minister had aides, deputies, secretaries, drivers and other members of staff. These are the covers that spies and illegal subjects always take. And I hope that you now have no doubts that Litvinov was bound to be surrounded by a whole crowd of suspicious people.

On 3 May, 1939 the USSR retrieved its diplomatic sovereignty. But Litvinov was not to be punished. He was at his dacha. Taking rest. The 'telephone', that is Litvinov himself, was not broken. It was just switched off. And wherever Litvinov went he would always be followed by people in plain clothes.<sup>3</sup> Security guards? No, not security guards but a convoy. An honorary convoy that looks like bodyguards but does not listen to your orders...

Could a dismissal change Litvinov's attitude towards Stalin? Could it change his opinion? No. Stalin had outplayed him but Stalin was still just Stalin. And Litvinov's rude manners did not disappear but became worse.

In 1940 Litvinov made a speech at a plenary session of the Central Committee.  $^4$  He was speaking about his views of politics. That the USSR should

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 363.

<sup>&</sup>lt;sup>2</sup> http://www.hrono.ru/biograf/bio\_l/litvinov\_mm.php.

<sup>&</sup>lt;sup>3</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 11.

<sup>&</sup>lt;sup>4</sup> In many sources this speech is dated May 1939. But this is not true — he made the speech a year after his dismissal. And for all the people surrounding him he remained a 'faithful Leninist'.

be making friends with England, not with Germany: 'Litvinov's speech lasted for ten minutes in complete silence. It was only occasionally interrupted by Molotov's remarks, who was trying to stop Litvinov. Stalin was puffing his pipe and slowly striding along the presidium. As soon as Litvinov finished, Stalin started speaking. He sharply refuted everything that Litvinov had said. When Stalin finished his speech, Litvinov asked him directly:

Do you consider me a people's enemy then?

Stalin stopped. He said very slowly, stretching the words:

We do not consider you a people's enemy, we consider Daddy an honest revolutionary...'  $^{\rm 1}$ 

June 1841. On 22 June, immediately after Germany's attack, Litvinov wrote to Molotov. He asked for some work saying that he wanted to help his country at a difficult moment. As a real communist and a patriot, this is how his biographers see this. Molotov, who was in Litvinov's place, as you remember, replied and several days later Litvinov was in his office. What should a real patriot and communist say at the end of June 1941? I am ready to serve Motherland and Party in any position in these hard times for the country. Or something along those lines. What did Litvinov say? Molotov asked him what position he had been thinking of. Litvinov replied: 'Yours only'.'

The conversation did not work out. How could it have done? Was Molotov supposed to leave his post and leave the die-hard Leninist instead? In my opinion, such behaviour does not show independence, it is simply rude.

June 1941. Several days after the conversation with Molotov, Litvinov was summoned by Stalin to take part in a meeting with the English who had arrived: 'Soon the Kremlin called. Stalin asked him to come as there would be a meeting with foreign diplomats. Litvinov arrived in the fleece he had been wearing in the last years... The reception started straight away. Stalin greeted Litvinov, looked at his fleece and asked:

— Why are you not wearing a black suit?

Litvinov replied calmly:

It has been eaten by moths.'3

<sup>&</sup>lt;sup>1</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 367.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 371.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 371-372.

Stalin had the patience of an angel. But not because he was meek and spineless but because he needed Litvinov. When the USSR was struggling, Litvinov was appointed ambassador to the USA. As a representative of the bankers in Russia and an influence agent of the Anglo-Saxons, he found himself in the right position. This was a repetition of Lenin's trick of 1918, when Lenin appointed Litvinov authorised representative of Soviet Russia in London. But in 1941 the real help could come not from London but from Washington. And this is where Litvinov was sent. <sup>1</sup> And Stalin was right. Litvinov's arrival considerably sped up the negotiations with the Anglo-Saxons. 'Americans would not take any obligations and without refusing to supply, confined to promises. After Litvinov arrived in the US, the situation improved. Soon we received a loan of a billion dollars, <sup>2</sup> — these are the words of Anastas Mikoyan.

Having used Litvinov as an intensive therapy treatment, Stalin stopped taking 'the medicine' when it became clear that the USSR was going to win the war. In the summer of 1943 on the pretext of his considerable age the sixty-seven year-old diplomat was called off from Washington. Young Andrey Gromyko replaced him in the American capital. In the many articles on Litvinov that are abundant on the Internet you will read that Stalin and Molotov did not appreciate their ambassador in Washington, whereas President Roosevelt did. This is unprecedented in the world's diplomacy. The receiving party appreciating an ambassador more than the sending party?! Try to think of another example and you will not succeed. But in the book by Zinovy Sheynis you will read the following: 'Roosevelt often invited the Soviet diplomat to come over in the evening. Litvinov would come and they would talk in Roosevelt's office. Alone. Without anyone else. Without advisors or interpreters'.'

Stalin did not want to use Litvinov and appeal to the banking underworld that had organised the world war in the first place for help until the very last moment. He only addressed them when the Germans were close to Moscow. Interestingly, Stalin was not going to leave the 'telephone' to Hitler or simply lose it and Litvinov, like an exhibit from a museum, was evacuated to Kuibyshev in advance. And it was from there that he was brought to the capital and sent to the USA.

<sup>&</sup>lt;sup>2</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 8.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 409.

What did they have in common? The president of a capitalist country and an ardent revolutionary. But they worked on the same business and faithfully served the same master. One of them had pumped gold for bankers out of Russia, the other one was pumping gold for the owners of the FRB from the population of the USA. <sup>1</sup>

You can hear Litvinov's voice even today. <sup>2</sup> Just listen to him and think whether Max Vallakh, known as Daddy, was such a great public speaker or his success at negotiations was based on something different. 'The Soviet ambassador could call the White House at any time and the President would see him immediately.'

Who was Maxim Litvinov after all if President Roosevelt dropped everything and saw him at his residence? All it took was a phone call. Now, this is real AUTHORITY...

...When did the USSR start losing its sovereignty? When did the road into the abyss begin? It is difficult to answer this question. But one milestone is definite: on 22 December, 1987 in Moscow, a memorial plaque was put in 2/6 Khoromny dead-end, on the small house where people's commissar of Foreign Affairs M. Litvinov lived.

If servants of a different money-printing machine become heroes, nothing good can happen to the country.

Even if they are sincerely wrong and involuntarily contribute to the destruction of their own country...

One of the main milestones in the history of the global money printing machine was Roosevelt's activity. Hardly had he become President when he published a law in 1933 that obliged all the population of the USA to hand over all their gold to the FRB in exchange for paper money. This led to replacement of the gold with the dollar, first, on the scale of the country, and after World War II — globally.

Here you can download an interview with Litvinov which he gave in 1932: http://www.sovmusic.ru/download.php?fname=intervyu.

<sup>&</sup>lt;sup>3</sup> Sheynis Z. S. Maxim Litvinov: Revolutionary, Diplomat, Human. Moscow: IPL, 1989. P. 409.

## 9

# Why a square in Washington is named after the Academic, Sakharov

A great classic means a man whom one can praise without having read.

Gilbert Chesterton

Would you like a square to be named after you? Ask anybody and the answer will be different. One will answer 'No'; a self-assured person will say 'Yes'. A clever person will give a sharper answer, 'If I deserved it, I would not mind it'. The Roman politician Cato did not want a memorial at all, and his reasoning was original: 'I would much rather have men ask why I have no statue, than why I have one'. What if not a monument, but a memorial tablet and red letters on the map are offered? There may be many opinions, but certainly any citizen is honoured if his or her name appears in the map of his native city.

What should be done for a square in the capital city to be named after you? It must be something really important for the country, something like winning an important battle or saving the Motherland. In this case the historical input should be grand and obvious. And what should be done so that a square in a foreign capital city is named after you? When asked this question, people normally give a cunning smile, though there is nothing in it. To cross borders one must be the greatest public official in his or her

state, or invent or discover something which is important to humanity in general. He or she can also do something for a foreign country personally. Then nobody will be surprised that a street in a foreign capital city is named after him or her.

For instance, remember Paris, which the Russian tourists enjoy. There is a street named after Peter the Great (Rue Pierre le Grand) there. A wonderful park on the site of a former bastion in the western outskirts of the French capital has been named after Lev Tolstoy since 1934. Street signs show the names of Balanchin, Chagall, and Prokofiev. In 1994 one of the Parisian streets was named after the sculptor Osip Tzadkin, who provided pieces of his work to decorate the French capital.

What should you do so that the main enemy of your country would name a square in his capital after you? Is it not hard to answer or even just to imagine? This question, however, is not the last. What should be done so that the main enemy of your country would name a square in his capital after you, WHILE YOU ARE STILL ALIVE? For the life of me, I can only think of treachery. In my opinion, it is a sinister tradition to erect monuments or name squares after somebody who has not died yet, but when an enemy does so, I get confused. Can you imagine a marketplace in Carthage named after a Roman senator, even the most decent and fair person, releasing his slaves and giving bread to hungry children? Surely, you cannot. It would never have crossed the mind of any Carthaginian.

Now, why have we been asking all these questions? Who is it we mean? Who is the person so awkwardly exposed by mettlesome followers from a foreign state?

In August 1984 one of the squares in glorious city of Washington, D.C. was renamed and became 'Sakharov Plaza'. This was clearly done with a view to impress. The renamed square housed the Soviet Embassy (which now is the Russian Embassy). The street sign 'Sakharov Plaza' was not just placed on that square, but near the Embassy of the Country's main rival. It was done so that diplomats from the USSR saw the name of the disgraced Academic Sakharov every day; so that marchers saw it

<sup>1 &#</sup>x27;We managed to take a picture of Sakharov at the USSR Embassy under the street sign 'Sakharov Plaza" (*Sakharov A.* Worries and Hopes. M.: Inter-Verso, 1990. P. 313).

and diplomats of other countries did not forget about it. At the same time a 'Sakharov's Canton' appeared in NewYork, at the crossroads of 67<sup>th</sup> Street and 3<sup>rd</sup> Avenue, which was called 'Sakharov-Bonner Corner'. It is fair to say that the USA did not have as many Sakharov's cantons as the Motherland of the proletarian revolution had ones of Lenin. However, the academic was a favourite of the Western astronomers: in 1979 an asteroid was named after Sakharov A.D. Why did the Americans like the Russian scientist that much? What did he do for humanity?

At first let's check what he has done for his Motherland. If we analyse the long working life of the Academic Sakharov, we will be astonished to discover that his only invention was the thermo-nuclear weapon, the hydrogen bomb. Furthermore, it was a bomb designed to fight against the USA. Surely, the Academic Sakharov must have been a smart and serene person, and belonged to the elite of the Russian science. In 1942 he graduated from university cum laude. As the War was going on, Andrey Sakharov refused to go in for postgraduate studies and was assigned to the ammunitions factory in Ulyanovsk, where he invented his first device, a unit to control the tempering of armour-piercing cores.<sup>2</sup> There in the factory Sakharov met his first wife, Claudia. However, marital stability could not distract Sakharov from his main concern, physics, which was in his nature. In 1943–1944 he composed some articles and sent them to the Physical Institute of Lebedev, to Igor E. Tamm, the Head of the Theoretical department. The latter praised these articles highly. Since 1945 (since he was 24! - N. S.) I have been a postgraduate student of the Physical Institute of Lebedev... in 1948 I was part of the scientific research group developing the thermonuclear weapon... For the next 20 years I was working permanently under top-secret conditions and high stress, first in Moscow, then in a special secret scientific research centre', Sakharov explains about himself.3

Sakharov was not exaggerating the nuclear bomb project. Stalin entrusted this extremely important national task to a person who was usually entrusted with the most critical of tasks, namely Laurenty P. Beria.<sup>4</sup> Beria knew his

<sup>&</sup>lt;sup>1</sup> Elena Bonner was the second of Sakharov's wives.

<sup>&</sup>lt;sup>2</sup> http://www.warheroes.ru/hero/hero.asp?Hero\_id=10476.

<sup>&</sup>lt;sup>3</sup> Sakharov A. Worries and Hopes. M.: Inter-Verso, 1990. P. 8.

<sup>&</sup>lt;sup>4</sup> The name of Beria has been belied against Khrushchev's order even more than the name of Stalin. All the crimes have been assigned to him. He is still being accused

part well, and the USSR got the bomb. This was the most important thing. At that time the USA was truly considering the possibility of a nuclear strike on the USSR. A certain number of nuclear devices was necessary to destroy the economic potential of our country. The USA did not have enough devices, so the USSR got some time to create its own bomb. The bomb was made, and thus nuclear war was averted. The Russian nuclear bomb was tested on 29 August, 1949 in Polygon no. 2 (170 kilometres to the west of Semipalatinsk).<sup>1</sup>

The USA had more devices, but in 1950 Stalin managed to distract and immobilise Washington, having involved it in the Korean War.<sup>2</sup> They had no time for us any longer. American generals started seriously considering a nuclear strike not on the USSR, but on China, with which Stalin tied up the USA and Korea.<sup>3</sup> Having fought for about three years, the USA remained

of repressions. However, mere factual analysis makes one acknowledge that after Beria had joined the NKVD in 1938, the repressions were ceased, many people were released, and the slaughterer Ezhov and his cohorts were executed. Before the war Beria had resigned from the NKVD. He returned to the senior post only in spring 1953 and immediately pursued an amnesty. Afterwards he was arrested by Khrushchev's allies, swiftly convicted and executed. It is likely that Laurenty Beria didn't survive to hear the conviction and was murdered during the apprehension.

<sup>&</sup>lt;sup>1</sup> http://wsyachina.narod.ru/history/rds\_1.html#gl16.

 $<sup>^{\</sup>rm 2}~$  The war lasted from 25 June, 1950 to July 27 July, 1953.

<sup>&</sup>lt;sup>3</sup> To disguise the doubtful quality of their army the USA corrupts or blacks out the data about their losses. For instance, the official number of American soldiers killed during the Korean War hasn't been announced yet. Only the number of missing soldiers is known; it is 8 thousand people. The figure given in history books is 52 thousand people. Curiously enough, the USA has announced its losses in Vietnam, which are 58 thousand killed and 2 thousand missing. Thus, it is 29 Yanks killed per 1 missing. If this figure is used as a basis, we can define the approximate losses of the USA during the Korean War. To do so we shall multiply 8 thousand missing soldiers by 29 to get the result of 232 thousand killed. This value matches the Second World War, where the States lost about 400 thousand soldiers. Now let's see what Russia (the USSR) lost during the Korean War. It lost about several hundred of its councillors and airmen. So, was the Korean War successful for Stalin or not? However, most historians don't understand the policy and the true aims of the main Parties, so they consider the Korean War to be unsuccessful for us, whereas the main point of it was to weaken the USA. It was the first 'Vietnam' for Washington, provided by Stalin (http://dic.academic.ru/dic.nsf/ruwiki/113145).

at the same line they had first confronted the Chinese. The American army was often defeated by the poorly armed and badly managed soldiers of Mao Zedong. The Commander of the 1st Marine Corps division, General Smith O.P., later told journalists about fighting in the blockade: 'Retreat Hell! We have been just attacking in another direction.'

While the innumerable Chinese troubled American generals, young Andrey Sakharov comprehended the importance of his job and helped his Motherland to obtain a nuclear bomb. It was indeed a race for speed and for survival. If the States obtained the H-bomb before the USSR, they might have used it. Those who mistrust it should just visit Japan and see Hiroshima and Nagasaki, which in August 1945 were turned to smoke and ashes. Only five years had passed since then. Who could have guaranteed the humanity of the USA, who had already used nuclear weapons twice against Japanese cities?<sup>3</sup>

The first Soviet nuclear bomb was successfully tested on 12 August, 1953. For his input the Motherland awarded Andrey Sakharov with an entire cascade of prizes. He was titled a Hero of Socialist Labour, given a medal of Lenin and a golden 'Sickle and Hammer' medal. In the same year, in 1953 (when he was 32!) he became an academic of the Science Academy of the USSR. He continued his scientific activities, profitable for his country. New awards were assigned to him. On 20 June, 1956 Andrey Sakharov got a second golden 'Sickle and Hammer' medal, and on 7 March, 1962 he was given a third.

He was three time Hero of the Soviet Union and a Russian physicist working confidentially. Would the citizens of the USA have put tablets bearing

¹ 'The Chinese-American conflict in Korea finished with nothing. The warfare ended almost where it had been started in June 1950.' (Stueck W. Rethinking the Korean War. M.: AST, 2002. P. 599). However, the Chinese leader Mao Zedong paid a fair price during this war. His son Mao Anying went to the frontline as an interpreter of the Russian language (!). On 25 November, 1950 he died, when Americans delivered napalm bombs to Chinese locations. Mao Zedong's son was buried in Korea (The General knowledge about the history of China, Beijing, 2006. P. 241).

<sup>&</sup>lt;sup>2</sup> Stueck W. Rethinking the Korean War. M.: AST, 2002. P. 223.

Losses of Japan due to bomb attacks: 1. Killed: regular — 198,961 people, nuclear — 109,328 people. 2. Hurt: regular — 271,617 people, nuclear — 78,488 people;
 Missing: regular — 8064 people, nuclear — 15,971 people (*Horikoshi J, Okumiya M*. Kaidin M. Japanese Aircraft of the II World War. M.: AST, 2003. P. 416).

his name on their buildings? Would they have rewarded him with Nobel Prize in 1975 for the design of the dreadful weapon? Was the square in the American capital named after him because of his especially scientific and complicated research on plasma physics, controlled fusion, hydromagnetics, astrophysics and gravity?

Surely, this was not the reason. He got all of it when he became... a humanist.

'His works show us how a person should act to survive and to live a worthy, free and fair life. Andrey Sakharov deeply and precisely defined the situation in his country and the World, and he managed to solve the very dramatic problems which seemed to be irresolvable. He addressed his works towards governments, nations and each of us.'

Let us read Sakharov's works. Thereby we will learn what he has been addressing 'to each of us' and we will clearly understand why the United States of America liked the Soviet nuclear physicist so much. However, let us start with the Nobel Peace prize. In autumn 1975 the Prize was handed to Sakharov's wife, who was undergoing treatment abroad, as the recipient himself was not allowed to go abroad. This was because of his attitude, which had changed greatly lately. The nuclear physicist suddenly decided to fight for global peace. That was the very essence of Sakharov's ideas. He was against war. He was all for peace. Though, who would not agree with his ideas in the USSR in 1975? Soviet people often said, 'Come what may, just let there be no war'. Let there be no sausage, but there was no war for almost thirty years. Having paid with 27 million lives for a victory over Hitler, our people did not want any more fighting. However, not all Soviet citizens were awarded with the Peace Prize, were they?

The Nobel Committee explained their choice of recipient, our Academic, in the following words: 'For the fearless support of the fundamental principles of peace among people and courageous struggle against abuse of power and any suppression of human dignity'. So what was Sakharov awarded with the Peace Prize for? How did he support the 'fundamental principles of peace among people'? How did he 'courageously' struggle against ' abuse of power and any suppression of human dignity'? Here is his own answer, 'Since the late fifties the collective might of the military

Note from the publisher / Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 3.

industrial system has become more and more visible. My position allowed me to know and see lots of things, which made me feel responsible, and at the same time I could see this entire wicked system from the side. All of it led me to think about global troubles and problems of humanity, especially about nuclear war and its consequences.'1

'In 1968 I was close to acknowledge that I should make a speech in public about major contemporary problems. I took a decisive step and appeared with an article 'Progress, peaceful coexistence and intellectual freedom.'2

'Protecting the victims of outlawry and cruelty, I tried to reflect all my grieving, concern, indignation and express my desire to help those suffering.'

And this is what happened. One of the smartest scientists of the Soviet Union was remorseful. 'Taking part in the preparation and execution of nuclear tests was accompanied by acute comprehension of the consequent moral problems.'4 The scientist became concerned for the planet's sake. Scientists like him could easily have killed the planet with their discoveries, so it was he who had to save the planet then. He appeared in public offering to cease or limit the nuclear tests. In 1961 this led to a conflict with Khrushchev.<sup>5</sup> The Government tolerated and comprehended the scientist's eccentricity: moreover, the Soviet Union was itself offering peaceful initiatives, following the desire of its citizens to live in peace. In 1963 a Moscow Agreement was signed, prohibiting tests within three spheres. Signing of this agreement was partially initiated by Sakharov. 6 In 1968 he composed his first article 'Progress, peaceful coexistence and intellectual freedom', which was spread by the underground press all over the country, though there was nothing revolutionary in it. It was a long article, though only two statements were announced in it.

1. The dissociation of mankind threatens it with destruction. When I was a Soviet school-boy, I saw scary posters in class about primary military training (NVP), which in a basic way explained how one should

<sup>&</sup>lt;sup>1</sup> Foreword to the collection 'Sakharov Speaks', New-York, 1974, http://www.sakharov-archive.ru.

<sup>&</sup>lt;sup>2</sup> Sakharov A. Memoirs. V. 1. P. 388 // http://www.sakharov-archive.ru.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 873.

<sup>&</sup>lt;sup>4</sup> Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 8.

<sup>5</sup> Ibid. P. 9.

<sup>&</sup>lt;sup>6</sup> Meaning in the atmosphere, water and space.

act in case of nuclear explosion. We, the kids, were afraid of nuclear war, not all the time, but sometimes, for sure. Was Sakharov not right? He was. Then he continues with other pertinent statements, which sound extremely topical today: 'Civilisation is imperiled by a global thermonuclear war, disastrous hunger for most of mankind, stupefaction under the influence of the 'mass culture' drug and due to bureaucratic dogmatism; spreading of mass myths that make entire nations and continents stay under the power of cruel and treacherous demagogues, and destruction or degeneration due to unforeseeable consequences of swift changes in the living conditions on our planet'.

Time has passed, and if we ignore the date, when Sakharov composed his article, his words do in fact reproach... the United States of America. If you are in doubt, see the next phrase:

'In the face of these perils any action increasing the dissociation of mankind, any paroemia about the incompatibility of world ideologies and nations is insane and illegal.' Who has recently been waging war and imposing its ideology and civilisation, since the USSR collapsed? It is the USA. According to Sakharov, this was insanity and a crime. Many millions and even billions of people would agree with that. However, legal advocates never criticise this country, especially in public.

Actually, the more Sakharov you read, the more you become sure that any legal advocates awarded with the prize 'for intellectual liberty' named after Sakharov have never read his articles.

'The number of countries in Central and Eastern Europe which entered the European Union proves that Sakharov did not struggle in vain', said the Director of the advocacy centre 'Memorial' Oleg Orlov. The famous physicist was the first Head of 'Memorial', established in 1989.<sup>3</sup>

No matter how many times I reread Sakharov's articles, I could not find anything about the European Union or about his desire to unite the many countries of Central and Eastern Europe. It is not surprising, as politicians could not imagine the modern European Union even in their wildest dreams. Only the global and unconditional surrender of Gorbachev at all

<sup>&</sup>lt;sup>1</sup> Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 13.

<sup>&</sup>lt;sup>2</sup> Ibid. P. 13.

<sup>&</sup>lt;sup>3</sup> http://www.inosmi.ru/social/20091215/157020538.html.

points, starting with ceasing support of Nelson Mandela in the RSA1 and finishing with the one-side dissolution of the Warsaw block, led to the European Union with its unique currency at our borders. 'The European Union is a convergence project, so initially the EU institutions were designed to be similar to the Soviet ones, so that they would match each other. It is a dead-end project for Europe. It is a matter of time before the EU collapses just like its prototype. Before 1985 both Moscow and European countries were against the common market and the further integration of Europe', says a notable dissident Vladimir Bukovsky, the 'ruffian' exchanged for *Luis Corvalán.* While Bukovsky was in prison, the Academician Sakharov spoke out for his release as early as 1972. The USSR, however, was governed by pragmatists until, in the mid-eighties idiots came to power, later replaced by a group of people who consciously (!) dismantled the country. That is why Bukovsky, who hated Russia — the USSR — with his heart and soul, was not just released, but was 'exchanged' for the Head of the Chilean communist party, who was under arrest.2

Sakharov never wrote or spoke about the European Union or the inevitability of European integration. He just could not do it, because at that moment only fantasy writers were mentioning that. Does the Director of the advocacy centre 'Memorial' Oleg Orlov not know these simple things about Sakharov? Is it possible that those claiming to be the allies and associates of the Academic have never read his works? It appears to be so. Otherwise, like fair associates of the Academician, they would have to argue against the expansion of the American NDM (National Missile Defence) in Europe, as

Now it is seldom mentioned, but Gorbachev has devalued and nullified expenses (many billions) of the USSR, spent over many years to support allies all over the world. It wasn't money spent in vain. The RSA is quite remarkable. The USSR supported the movement against the apartheid. As soon as the apartheid regime in the RSA collapsed, those helped by us came to power. It was the time to get minefields, to supply military machines and civil products, to make our plants work, to build military bases in Africa, and to do everything Anglo-Saxons do. Though, right before Mandela and his party won, Gorbachev directed to leave the RSA, and the Americans came there. They got everything we should have got despite the fact that the USA had always supported the losing side. What is this kind of policy called? I assume it is the treachery of national interests.

<sup>&</sup>lt;sup>2</sup> A bright example, the header of the interview, where the previous quotation from Bukovsky is taken, 'V. Bukovsky: Russia is going to dissociate, and the European Union is going to collapse'.

Sakharov was absolutely against it. To make sure, one can once again read the same article, 'Progress, peaceful coexistence and intellectual freedom'.

'In the opinion of many people, an opinion shared by the author, a diplomatic formulation of this mutually comprehended situation (for example, in the form of a moratorium on the construction of missile defence systems (NDM) — N. S.) would be a useful demonstration of the Soviet Union and the United States' wish to preserve the status quo and not to expand the arms race to include unreasonably expensive missile defence systems. It would be a demonstration of a desire to cooperate, not to fight'.

Russia is not reinforcing its missile defence system, whereas the USA constantly announces new variations of the NDM system expansion. Sakharov wrote: 'I am sure that the agreements of real, not symbolic importance should include ... a prohibition to expand and modernize strategic missile defence systems... I consider these demands to be realistic, as these systems are only starting to be developed now. It is necessary to abandon these systems both due to their extreme expense (it was stated before that NDM was four times more expensive than the opposing attacking system), and because their realisation may cause strategic instability, as each of the parties might be tempted to strike first and to obtain the crucial advantage.'

Sakharov was clearly against the development of the missile defence systems. In his opinion if one party had a missile defence system, it tempted this party to strike the other with a nuclear weapon, to be able to answer the counter attack. Do the Heads of the Russian Government not discuss it when they protest against the plans of the USA? Why do 'Memorial' and other right protecting organisations praising Sakharov not reply to that vehemently? Are you not irate, dear ideological supporters and devotees of Sakharov?

The second statement of Sakharov's earliest article is also both pertinent and contemporary.

**2.** 'Intellectual freedom is essential to human society' — the freedom to obtain and distribute information, freedom for open-minded and fearless debates, and freedom from the pressure of authority and prejudice. Such

<sup>&</sup>lt;sup>1</sup> http://www.sakharov-center.ru/sakharov/works/razmyshleniya.php.

<sup>&</sup>lt;sup>2</sup> About the country and peace / Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 124.

a triple freedom of thought is the only guarantee against an infection of people by mass myths, which if at the hands of treacherous hypocrites and demagogues can transform into bloody dictatorship.'

In 1967 this expression was directed at the inaccessibility of information in the USSR. However, if we read further, Sakharov's thought once again shines with contemporary meaning:

'Though, freedom of thought is threatened thrice in the modern society — with the deliberate opium of 'mass culture', with the cowardly and egotistical philistine ideology, and with the stiff dogmatism of the bureaucratic oligarchy and its favourite weapon, ideological censorship.'2 Many years have passed, and the USSR has long since perished, the 'bandit nineties' have passed, and the 'fertile' 2000s did, and still these ideas are current, and not only in relation to Russia. On the Internet you can find opinions of many people from different countries who think that freedom of thought is endangered in their society. Ask an American, a German and a Frenchman if they are worried that mass culture, the philistine ideology and bureaucrats endangering freedom and they will answer that they are. What is the conclusion? There is nothing to conclude.

'Andrey Dmitrievitch was an idealist', says Elena Bonner in the afterword to his book. It is true; that's how it was. He was a nuclear physicist with an exacerbated conscience. The USSR reacted softly to this sudden 'exacerbation' as Sakharov's first political article was naive and detached from reality. Any person who has seen the cartoon about Leopold the Cat, understands Sakharov's message, which is 'Guys, let's live in peace'. Otherwise the entire planet will perish. As a physicist, Sakharov understands it especially well: he provides the quantitative data about megatons and number of devices. 'For the humanity to step back from the edge of the abyss means to overcome dissociation,' says the Academician. Is it wrong? No, it is not. Though how can this dissociation be overcome?

Sakharov kept answering this question until the last days of his life, 'Convergence (rapprochement) of the social and capitalistic systems, accompanied by counter-pluralistic processes within the economic, social, cultural and ideological spheres, is the exclusive way to the radical elimina-

<sup>&</sup>lt;sup>1</sup> http://www.sakharov-center.ru/sakharov/works/razmyshleniya.php.

<sup>&</sup>lt;sup>2</sup> Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 14.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 17.

tion of the risk of humanity's destruction by thermonuclear or ecological catastrophe.' Who remembers the term 'convergence' now? Whom does the USA, the unique Super-State remaining, approach? Nobody. They do what they want in the world, spitting upon international laws. Does this match Sakharov's ideas? Instead of the rapprochement, the convergence, our country has been surrendered to its geopolitical enemy. Neither this enemy, nor the humanists, nor the politicians could have expected such a scenario. That is why in 1989 Sakharov was writing not about the unavoidability of the capitalist development of Russia, which modern liberals would later name as the unavoidability of 'the freedom victor'; no: the Academician was calling to carry out a 'democratic triumph', when we have socialism and they have capitalism. However, who among the liberals reads Sakharov? Never has Sakharov described a unique correct model of the humanity development.

'International politics should be pervaded by scientific methodology and the democratic spirit', wrote Andrey Sakharov. It is concinnous, though how is it related to real life and real politics? When have the politicians ever been pervaded with 'scientific methodology and the democratic spirit'? May the scary USSR have prevented them all from doing so? Well, it has perished. And still the politics is all about mire, deceit and fearful secrets, even in the most democratic countries. The USA and Britain intruded on Iraq, supposedly having been informed that Saddam Hussein acquired the ABC weapon. What was that? It was pure aggression, which was not too far removed from the actions of Adolf Hitler. The Führer said that the Poles had attacked Germany, so to protect his country he ordered the crossing of the Polish border on 1 September, 1939. To protect itself from Saddam Hussein, the USA attacked Iraq. Most curiously, no chemical, bacteriological or nuclear weapons were found in Iraq. Where is the global response? Why do those praising Sakharov's principles remain silent?

The West acts more accurately. Sakharov is privatised, and nobody reads his books, but the Anglo-Saxons use his name, just like they did with Lincoln's. It is their weapon now. How would Sakharov comment on the USA's invasion of Afghanistan, under the guise of protection from terror-

The autobiography and the pre-election thesis of the candidate for the people's deputy of the USSR Sakharov A. January, 1989 // http://www.sakharov-archive. ru.

ists? Sakharov said, 'An extremely cruel war, causing tremendous suffering, has been going on in Afghanistan for over seven years. The Soviet army must immediately leave Afghanistan, so that the Afghan people may solve their problems on their own.' That was clear and precise. Many years have passed, and now Afghanistan is occupied by an army of another state. Do Sakharov's words about the army being driven away and the independency of the Afghan people apply to the USSR only or to any aggressor as well? Do they apply to the USA? Sakharov is dead, and we cannot ask his opinion, though his allies are alive. What do they say about the American invasion of the same country? For instance, Sergey Kovalev was close to Sakharov, though no matter how hard I searched, I have not found that he ever expressed any response to the American invasion. However, I have found many other things...

'A famous legal advocate, Sergey Kovalev, appealed the global society to respond to Russian activities in Georgia. Under the guise of protection of Russian citizens Russia invaded Georgia.' This was said on 10 August, 2008, when Russia ceased the assassination of its peacemakers and civilians in South Ossetia. A year passed, and the Committee of the European Union acknowledged the fact of Georgian aggression. Have you heard Sergey Kovalev acknowledge his mistake? Did he apologise for speaking ill of his Motherland? Did he admit to the entire world that his words were untrue and that he casted aspersion on the land of his fathers? I have not heard any of it. However, Sergey Kovalev was not just an ally of the Academician, who had always struggled against any violence and lies. Nowadays Kovalev is awarded the prize named after Sakharov, though he does not even share Sakharov's opinion.

'The prize of Sakharov A.D. 'For the intellectual liberty', named after a Soviet physicist and political dissident Andrey Sakharov, is used to award persons or organisations, who provided significant input in the struggle for human rights or democracy. The prize has been awarded by the European Parliament every year since 1988.'

<sup>&</sup>lt;sup>1</sup> The speech of Sakharov A. and Bonner E. at the awarding of the honorary degree of the Doctor of Humanities in the Staten-Island University, June 14<sup>th</sup>, 1987; http://www.sakharov-archive.ru/Raboty/Rabot\_49.html.

<sup>&</sup>lt;sup>2</sup> http://grani.ru/Society/m.139825.html.

 $<sup>^{3}\</sup> http://www.sakharov-center.ru/sakharov/saharovprize 2008.php.$ 

The awarded sum is not large, it is 50 thousand Euros, though it is the public importance that matters.

'Russian legal advocates Lyudmila Alekseeva, Sergey Kovalev and Oleg Orlov are awarded with Sakharov's Prize.' These people are well known for their lopsided opinions. They are always against the following:

the position of Russia;

the past deeds of the USSR-Russia;
they never criticise the activities of the West.

There is nothing curious about it. All premium money and grants come from the West, actually. Sakharov's Prize is one of the small streams in a large and deep river. Can these people be objective? No way. Are they really legal advocates if they protect the rights of only one side? They are half-defenders of human rights or defenders of half-rights. This is more precise and fair...

The widow of the Academician is trying to overtake his colleagues. Right after the events in the South Ossetia she became concerned with the problem of Russian peacemakers: 'The legal advocate Elena Bonner in turn demanded that UNO retract the peacemaking mandate of Russia... Bonner demanded that NATO or UNO introduced their own peacemaking forces into the conflict area'.

Is it not a shame to neglect the ideas of her famous husband? Sakharov did not survive to see the 'democracy triumph' by means of bombardment. Though, as early as in his first article he wrote in black and white: 'All nations have a right to shape their destinies by means of the expression of free will'.3 'All' includes the nations of South Ossetia and Abkhazia, as well.

What would the Academician say if he found out what the awardees of the Prize named after him are saying? Kovalev and Orlov are the leaders of 'Memorial'. It is a noble organisation by sight with a noble task. Its full name is the International Historical and Educational Human Rights and Charity Society 'Memorial'. Still, do not hurry to wipe away the tears of tenderness. These guys educate and do good in a rather lopsided way. No sooner had the world calmed down about the farewell order of the former

 $<sup>^1\</sup> http://www.infox.ru/authority/foreign/2009/12/16/Rossiyskiye\_pravozas.phtml.$ 

<sup>&</sup>lt;sup>2</sup> Ibid

<sup>&</sup>lt;sup>3</sup> Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 19.

<sup>4</sup> http://www.memo.ru.

Ukrainian president Juschenko, who granted the hero title to Stepan Bandera, when the ones awarded with the Sakharov's Prize, the 'Memorial' society, hurried to express their position and called upon the Ukrainian Foreign Affairs Ministry and the Border Police to forbid the entry into the country for the deputies of the European Parliament, the authors of the resolution in which the politicians called Victor Yanukovich to cancel the order of the heroisation of Stepan Bandera, who had co-worked with the Hitlerites. In the opinion of 'Memorial', the claim of the European Parliament is 'unfriendly' and is interfering with the internal affairs of the Ukraine'. The opinion of the 'memorialists' and some others can always be predicted: the one who fought against Russia is a great guy. It does not matter that Bandera's followers were actually arranging ethnic purges, killing the Jewish and the Polish! The main thing is that they fought against the Russians and killed Russian soldiers...

Sakharov was a scientist and even a genius. If all the other inhabitants of the Earth were equally responsible and fair, then the Academician's social ideas could have become an ingenious invention. Sakharov did his best to persuade different countries to live in peace, just like Leopold the Cat from the cartoon. Mice listened to him benevolently and hung his portraits everywhere. Mice named squares in their mice capital after him. Mice introduced the Prize named after Leopold the Cat for his contribution into the plight of peace while he was still alive. However, the mice themselves never wanted to live in peace. All the rhetoric existed only for the sake of agitational corruption of the enemy. This situation is still ongoing.

In the 20<sup>th</sup> century, when two competitive nations managed to obtain the nuclear weapon, the struggle between them moved into other spheres like armed conflicts at the periphery, competition for space reclamation and development of technologies. And the fight for minds, of course. How is that carried out? Quite easily, actually. The necessary information is implanted into the public consciousness. To make people believe an authority is required. That should be a man to whom people will listen; the man who will lend some weight and persuasiveness to the words. A scientist and a physicist, who started to stand for peace, was equally interesting to both the USA and the USSR. In the Soviet Union people fought for good and against bad no less than in the West; that is why the Academician's first

<sup>1</sup> http://www.nr2.ru/kiev/272221.html.

appearances were not punished in any way. But later Sakharov more and more criticised the USSR for the violation of human rights, for real things, so he became an important element of the western propaganda machine. There was a struggle for the corruption of the enemy. The nuclear physicist, the creator of the hydrogen bomb, was an absolute authority for everyone, as nobody would call such a man a fool.

Sakharov became a Nobel prizewinner not for new ideas or certain revelations, helping the case of global peace. He started to be promoted to make an ideological blow to to the USSR. Just a 'dissident' does not sound good. 'The dissident scientist, a native of the Soviet elite' sounds completely different. Awarding him with the Nobel Peace Prize made Sakharov's person even more powerful. The temporary synchronism of actions is not occasional, either. In 1974 the square in the USA capital was renamed; in 1975 the Nobel Prize was awarded to the Academician.1 And the Government of the USSR could not think of anything better than to give him the aura of a martyr. In fact, the country's authorities gave in to a provocation by the West. The more Sakharov was advertised there, the less freedom he had here. At last the elderly Academician indeed started to feel that everything good was there, and everything bad was here. Here they did not publish him and did not let him talk, whereas there they let him speak and awarded him. His articles and interviews became more and more 'anti-Soviet'. In his work 'About the country and the world', published in New York in 1975, Andrey Dmitrievich already spoke about the danger of Soviet totalitarianism. Why not give a Nobel Prize for such speeches?

'Sakharov is still ahead — both of his own country, and the world. It is only necessary to hear and understand him.' Let us try to hear and to understand. It is not too difficult. When accepting the Nobel Prize each awardee has to make a speech. Instead of Sakharov the speech was read by his wife Mrs. Bonner. Did Sakharov himself understand that a fight against

I am absolutely sure that Joseph Brodsky was a good poet. I am also certain that he became a Nobel Awardee in Literature only because a people's judge had given him the rap for 'parasitism'. The West needs martyrs, icons. Just a good poet, being published in Russia and not convicting the authorities, who has never been in prison, would never get a Nobel Prize. I shall remind you now that a Prize in Literature should be awarded for literary talents, not for conviction or agreement with authorities.

<sup>&</sup>lt;sup>2</sup> From the editor / Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 4.

his country would be carried out with the help of his name? I do not think so. Reading his speeches, articles and interviews (his legacy mostly consists of those) you start to think that he was an honest person. Decent, though naive. What could he understand about such a bad-smelling substance as politics? Nothing. 'I am not a professional politician, and maybe that is why I am always bothered by the matters of expediency and the final result of my actions,' I the Academician wrote.

He did not suffer in vain. Sakharov's Nobel speech is the actual sentence to the power destroying Russia — the USSR, which chose the Academician as its symbol.

'The two biggest socialist states in fact became fighting totalitarian empires... Besides that, one of these states, the *PRC*, is still at a relatively low level of economic development, and the other, the *USSR*... has by now reached enormous military power and relatively high (though one-sided) economic development.'2

It was given on 1 December 1975. Just consider. Thirty-five years ago nobody in the world would have hesitated over two obvious facts:

- 1. China is at a rather low level of economic development.
- 2. The USSR has gained huge military power and relatively high economic development.

Remember how it is in the beginning of the 21st century. As thirty-five years ago China's lagging behind Russia-USSR was obvious, now we see the opposite situation. We have lagged behind, and China has rushed forward. It also is the sentence to 'the half-defenders of human rights' and 'the reformers'. They are not accounted by Hugo Chavez or Gennady Zyuganov, but by Andrey Sakharov. Can you argue with such obvious and catastrophic results of reorganisation, democratisation and publicity? Or with the catastrophe of Gaidar's 'reforms' and 'freedom', which nearly washed Russia off the world map completely and forever? We have changed places with the Chinese not because we are lazy, and they are hardworking, but just because in China there was no reorganisation, democratisation and publicity. Because a local 'Gaidar' is a Head of a laboratory there, a 'Chubais' sews down-jackets, managing the enterprise, a 'Latynina' and a 'Shenderovich' glorify Komso-

<sup>&</sup>lt;sup>1</sup> Sakharov A. Worries and hopes. M.: Inter-Verso, 1990. P. 10.

Nobel Lecture 'World. Progress. Human Rights' / Sakharov A. D. Worry and hope. M.: Inter-Verso, 1990. P. 153.

mol building projects in the political media, whereas a 'Novodvorskaya' is in a mental asylum.

China has evolved so dramatically because it saw what trouble was stirred by Gorbachev, it became terrified and with a steady hand prevented the 'democratisation' of the country. The result is obvious. In our country the 'genie' was let out of a bottle. And he threw the state decades backwards. In China he was left in the bottle.

And what about the freedom of going abroad? What about the freedom of mass media? The freedom to move? The goods in shops? Is it so bad? No, it is all good. However, it also exists in China. And thus the Chinese have not sewn their newest submarines, have not betrayed all their allies, have not spat on their own history. They feel like winners, whereas we feel like we have been betrayed and deceived. It is also the main lesson of the thirty-five years passed since the moment of the Nobel speech of the idealistic Academician. To have 100 types of sausage in shops it is not necessary to throw mud at one's native country and destroy its armed forces.

'Sakharov's ideas are still of current interest in Russia even twenty years after his death.' My opinion is that these ideas are indeed topical, especially topical today. They are an evident illustration of the recent past of the catastrophe that can be caused if the ideas of idealists are followed, the ideas of people who understand nothing in politics, and who, alas, are just pawns in the game of the geopolitical contenders of our country. At stake in this game is our destruction, my dear readers.

The Academician Sakharov left us not only his works in physics, which are comprehensible only to a narrow circle of experts, not only the articles of the lost urgency about human rights violation in the USSR with long lists of 'prisoners of conscience', whose surnames today are not remembered by anyone.<sup>3</sup> Not only the articles with his calls for total

North Korea is the only ally of Beijing. That is why the USA strives to get to North Korea. Now Pakistan is also friends with China. Immediately the USA army started fighting to get to the territory of this country, started the war against terrorists. In fact, the Americans mostly worry about the Port Guadal. This is almost the headquarters of the Chinese military forces in Pakistan. See the map, the Persian Gulf, the main oil artery of the world is within a stone's throw.

The news-paper 'Le Monde' (France), 15.12.2009 (http://www.inosmi.ru/social/20091215/157020538.html).

<sup>&</sup>lt;sup>3</sup> Only one surname is still familiar, Kovalev Sergey Adamovitch.

friendship and rapprochement, in which the policy of the modern USA is condemned in an obvious way. He left us some more serious documents. We are talking about the Constitution, as Sakharov wrote a project about it. Thank God that project has never been accepted. Otherwise our country would have perished long ago, and many people reading these lines would have been killed in a terrible war or simply would not have drawn their first breath...

What is the Constitution? It is, in fact, a declaration of all the good that is born to a citizen by the state. It is a collection of rules, which need explanation, such as Codes of all possible laws. As the phrase 'Personal dignity is protected by the state. Nothing can be a basis for its derogation' itself is obscure and can be treated differently. But quite a real punishment for insulting this 'person' is prescribed in the criminal or administrative Code.

You should read the Constitution of your country. Each citizen should read it. In the same way you should read the draft of the Constitution compiled by Sakharov. Be patient, as it is important. Those who wish will read the entire project on their own, whereas we will consider the most indicative and scandalous clauses and statements.

## CONSTITUTION OF THE UNION OF EUROPE AND ASIA 2

**Clause 4.** ....Global aims for the survival of humanity shall be priority-oriented over any regional, state, national, class, party, group or individual aims. In the long run the Union, represented by its government bodies and citizens, shall strive for pluralistic rapprochement (convergence) of the socialistic and capitalistic systems, as the unique means to solve cardinally the global and internal problems. *In prospect the convergence shall be politically expressed via the establishment of the Global government*.

This is rather curious, the Global government. This is the first time the humanists wrote about it so frankly. If such Constitution were accepted, the state would be almost obliged to establish the World Government.

Article 21 of our Constitution (http://www.constitution.ru/10003000/10003000-4. htm).

<sup>&</sup>lt;sup>2</sup> Sakharov's project of the Constitution can be viewed in the site of the party 'Yabloko' (http://www.yabloko.ru/Themes/History/sakharov\_const.html). The italics format is by me. — *N. S.* 

Clause 14. 'The Union affirms the refusal to deploy nuclear weapons first. Nuclear weapons of any type and power shall be deployed only on the approval of the Commander-in-Chief of the National Armed Forces, *upon having the sufficient evidence that the enemy is going to intentionally apply* nuclear weapons and upon the exhaustion of other means of resolving the conflict'.

The refusal to employ nuclear weapons is a nice phrase for public relations. Actually, no state declares it now, because it is impossible to predict the course of events. Why confine yourself and make the enemy more confident? Adding such a statement to the Constitution is absolutely idiotic. Imagine the country has been attacked with conventional arms and lost. The mere threat of using the nuclear arms may be enough, though it is impossible, as it contradicts the primary law of the country. Actually, this clause is a pearl among any others. The country may use nuclear arms 'upon having sufficient evidence that the enemy is going to intentionally apply nuclear weapons'. What if the data is false? Who should check if the data is true? What if the enemy used nuclear arms 'not intentionally'? What if an American bomber having a practice flight at our borders accidentally drops a nuclear bomb on Russian soil? What if after the American missiles have been launched, we get a call from the White House, and the American President nervously tells the Union President that the fifty missiles approaching our cities have been released accidentally due to a computer error? Should we just ignore this one strike, as it is unintended? The Americans have called and apologised, what a pity that a half of the country is going to perish due to an 'unintended' error...

**Clause 15.** 'The operation of any secret organisations for protection of the social and state order shall be prohibited in the Union. Secret activities outside the Union shall be limited to reconnaissance and contra-reconnaissance. Any secret political, disruptive, disinformative activities, support of terrorist activities, as well as taking part in those activities, smuggling, trading drugs and any other illegal activities shall be prohibited'.

Thus, special services cannot act within the country itself, whereas there are no restrictions for the foreign services. This is a dream for any foreign reconnaissance organisation. The Constitution prohibits catching spies and their agents! Any time a foreign spy is caught, a 'half-defender' of human rights can readily complain to the Constitutional Court. I think it is not necessary to explain the consequences of this clause.

**Clause 16.** 'A basic and supreme right of each nation and Republic shall be the right to self-determination'.

And we can add 'until getting separated' here. Never has there been self-determination along with reunion, only along with separation. Later we will see which administrative units, according to Sakharov, shall have a right to self-determination and can legally separate from our country.

Clause 17. 'A Republic can join the Union of Soviet Republics of Europe and Asia on the basis of a Union treaty, adopted in accordance with the will of the natives, in accordance with the decision of the supreme legislative body... The Constitution does not contemplate any national territorial entities other than Republics, but a Republic may be divided into separate administrative economical regions'.

At first sight this clause is rather harmless, but actually it is quite important for the future destruction of the country. The Union shall consist of Republics only. It looks like a Soviet Union, though it is just a disguise. In the USSR only the Republics, counting fifteen, were allowed to separate from the Union. Sakharov writes that the state shall not include 'any national territorial entities other than Republics'. We are going to be surprised when we see what the Academician means, saying 'Republics'.

Clause 18. 'A Republic shall have the right to secede from the Union. The decision on a Republic's secession from the Union shall be made by the supreme legislative body of the Republic in accordance with a Referendum, held in the territory of the Republic not earlier than a year after the Republic has joined the Union'.

Mind that to secede from the Union it will only be necessary to hold a Referendum, that's it, nothing else is required. Such a procedure regarding automatic secession would lead to conflicts. How shall property be shared? How would the trans-border industrial facilities be shared, like pipelines and similar? This would require long-term negotiations and agreements. Though, Sakharov thought it could be solved instantly. What would happen next? See the example of Yugoslavia.

Clause 19. 'Republics within the Union shall adopt the Constitution of the Union as their Fundamental Law, valid in the territory of the Republic along with the Republic's constitution. Republics shall entrust the Central Government with the pursuit of the basic goals of the country's foreign policy and defence. ...In addition to the conditions already mentioned for all Republics within the Union, certain Republics may grant other functions to the Central Government and may completely or partially unite their governmental bodies with other Republics. Such additional conditions for a particular Republic's membership in the Union shall be fixed in a protocol within the Union treaty and shall be based on a referendum held in the territory of that Republic'.

Imagine that certain Republics would 'partially unite their governmental bodies with other Republics', whereas the other Republics would not. Would not it lead to chaos and lack of control? Within a single state legal entities appear with different management structure and different degrees of subordination. The essence of this clause is obvious: there are little forces uniting the state, and many forces destructing the state. Why have a big state? Let us unite the government bodies of Lithuania and Estonia.<sup>1</sup>

**Clause 20.** 'The defence of the country from external attacks shall be entrusted to the Armed Forces, which shall be called up in accordance with the Union law. *In accordance with a special protocol, a Republic may have Republican military forces or other armed units, which shall be recruited from the citizens of the Republic and located in its territory'.* 

Here you go. Now everything is getting clearer. The Republic Armed Forces, indeed, the Armenian Army consisting of Armenians, the Azerbaijan Army consisting of Azerbaijanis. I hope you understand the consequences. Even without full armies, only with the territorial armies and units of volunteering fighters, the USSR suffered the consequences. The Army of Uzbekistan, the Army of Tajikistan. However, this is not the end. The main surprise is waiting ahead.

**Clause 21.** 'A Republic may have a Republican monetary system, which shall work along with the Union monetary system. In this case Republican banknotes must be accepted within the territory of the Republic. The Union banknotes must be used in all Union organisations and may be used in all other organisations'.

A Republic with its own currency and army, within a united state... Have you ever heard of anything like that? By the way, how many armies and currencies may peacefully coexist, in Sakharov's opinion? This is the crucial matter, and it is like a dessert in the Academic's project.

Sakharov developed the project of his Constitution before the USSR collapsed, so the harmfulness of his ideas should be assessed taking the past realities into account.

Clause 22. 'Unless otherwise stated in a special protocol, a Republic shall be absolutely economically independent... *No construction of the Union's significance can be realised without the consent of the Republic's executive bodies*. All taxes and other revenue from industrial facilities and the population within the territory of the Republic shall go towards the budget of the Republic. To support the functions ensured by the Central Government, a sum of money is paid from the Republic's budget; the amount is defined by the budget Union Committee on the basis of a Special protocol... A Republic shall have the right to establish direct international economic contacts, including direct trading relations, and to organise joint enterprises with foreign partners'.

If the Moscow comrades want to build a military airport or a submarine base, or construct a gas pipeline leading to Europe and China, they have to get the approval of the Republics, to explain and to persuade them. In case one of the Republics does not agree to construct a radar station within its territories, the air defence system is incomplete. And all the taxes go towards the local budget, so this Republic cannot even be threatened with financial cuts.

Clause 23. 'A Republic shall have its own bodies of law enforcement independent from the Central Government (police, ministry of internal affairs, penitentiary system, procuracy and court system)... Union laws provided they have been approved by the Republic's supreme legislative body, and the laws of the Republic shall be in effect within the territory of the Republic'.

There is an army and a currency. There are taxes. What else is required to ensure that every part of the ex-USSR becomes a fully independent state? Surely, the local militia or police is missing, along with the court and procuracy. It is unnecessary to approve the laws of the united state, as it is possible to judge in accordance with local laws. And here is the reasonable question: how in Sakharov's opinion shall the Republics be interconnected and attracted?

Clause 25. 'Originally the constituent parts of the Union of Soviet Republics of Europe and Asia shall be the Union and the Autonomous Republics, the National autonomous regions and the National districts of the former Union of Soviet Socialist Republics. The ex-RSFSR (Russian Soviet Federal Socialist Republic) forms the Republic of Russia and some other Republics.

Russia is divided into four economic districts: European Russia, the Ural, Western Siberia and Eastern Siberia. Each economic district shall be fully economically independent and independent within some other functions, in accordance with the special protocol.'

Here is the promised dessert. It turns out that Sakharov proposes a new concept of a Republic, which is quite different from the one used in the USSR. There will be not 15, but 115 Republics. The full-bodied members of the new Union will be not only Moldova and Georgia, but also South Ossetia, Kabardino-Balkaria, Ingushetia, Tatarstan, Bashkiria, Dagestan and many others. This is the atomisation of the country; this is the dissociation up to the separation, separation of the Jewish independent region and the Republic of Karelia, of the Republic of Komi and the Republic of Dagestan. Just for fun check how many autonomous regions there are in the territory of Russia. Add autonomy of the remaining fourteen Republics of the USSR. According to Sakharov's proposal, all of them should instantly become independent. Let Chechnya have its own army. Let the Republic of Sakha have its own police. Let all of them have their currency and executive bodies. It would be the war where everyone fights everyone.

Moreover, the next clause, clause 26 of Sakharov's Constitution, clearly states the following. 'The borders between Republics shall remain fixed for the first ten years following the Founding Congress.' Then it is again Leopold the Cat's style: 'Later, any alteration of borders between Republics, the union of Republics and the separation of the Republics into smaller units shall be affected in accordance with the will of these Republics' population and by the principle of self-determination of nations, during peaceful negotiations with the Central Government'. Any sane person understands that if such a Constitution is accepted, it will be the end of the country. Is it possible that the Academician Sakharov did not understand that? Oh, he surely did, and he was putting a real thermonuclear bomb under the foundation of the Union by means of his Constitution:

'— I offer to establish a Confederation. All Republics, including the Union, Autonomous regions and National districts should have equal rights, whereas the actual territorial borders should remain. All of them should be as independent as possible. Their sovereignty must be minimally limited by matters of mutual protection and foreign policy, transport, connection; maybe, something else. The main idea is that they should be fully independent and should start a relationship on the basis of the Union Agreement.

- This project is similar to the one offered by the popular front of the Baltic States.
- And I think their project is absolutely correct. I am only expanding it, offering not only the Union Republics, but all the existing national formations to enter the Union. Thus, for instance, Yakutia, Chuvashia, Bashkiria, Tataria, Komi and Armenia (ASSR) acquire the same rights as Ukraine and Estonia.'

Sakharov actively comments on his position. He is sure that it is correct and necessary to have a Union of hundreds of Republics, each with its own army, police and currency.

- '— Do they really need such a degree of independence? Is that because we are based on the Imperial forced unification and cannot... can't...
  - Can't dismantle it?..
- ...right, can't dismantle it partially. We should dismantle it totally, and then construct something new, using the dismantled parts. When united, these parts will be poorly connected, as naturally these connections will develop from the very start. Later tighter connections will develop, including the economic, political and cultural ones, though it will be later. We should start, once again, on the total dismantling of the Imperial structure... The proposed system should include Republics only, and the former independent regions should also become Republics.'2

How many countries do you know which after falling apart then reunited on their own, peacefully, only by means of agreements? I do not know any. Historically the unification of countries always occurred only by means of a war, like Bismarck said, 'Blut und Eisen' (Blood and iron). Otherwise, unification just did not occur.

- '— The right to secede from the USSR, granted to the Union Republic in the actual Constitution, should remain in the new one.
- Should it be ensured even for small national entities, where the population comes to several thousand people only?
  - Everybody must have equal rights, irrespective of population size.'3

<sup>&</sup>lt;sup>1</sup> 'The liberty degree' (The interview of the Academician Sakharov by Grigory Tzitriniak) (http://www.sakharov-archive.ru/).

<sup>&</sup>lt;sup>2</sup> 'The liberty degree' (The interview of the Academician Sakharov by Grigory Tzitriniak) (http://www.sakharov-archive.ru/).

<sup>&</sup>lt;sup>3</sup> Ibid.

Here we go. If the Sakharov Constitution became our primary law, these principles would cost our people dearly. The dissolution of the USSR was bloody, anyway. When they say that the Union has dissolved peacefully, they lie or retell a myth. During ethnic wars among the Republics of the ex-USSR and local wars, and during the war in Chechnya hundreds of thousands of people died. However, this bloody nightmare would seem to be a kid's fairytale, if compared with the horrors that would occur in the sixth part of the land after we have followed the authoritative ideas of the nuclear physicist.

'The ideas of the Soviet physicist, the awardee of the Nobel prize Andrey Sakharov, are of extreme contemporary interest in modern Russia, which is a 'modernised' version of the USSR, — said Russian legal advocates on the twentieth anniversary of Sakharov's death.'

'You say he struggled in vain, as even in the 20 years after his death his ideas have not triumphed... But at some point it will happen, that is why Sakharov lived and what he worked for, — said the Head of the Moscow Helsinki group Lyudmila Alekseeva during the press conference.'2

Who out of the dear readers in their right mind would want Sakharov's ideas to triumph in our country? Who among you wishes Russia to consist of hundreds of independent Republics, each with its own army and currency?

...There is an Archive of Sakharov in Russia. It was established by the International social organisation 'The Foundation of Andrey Sakharov — the Public Committee for preservation of the heritage of the Academician Sakharov'. The Archive was officially opened on 21 May, 1994. The room for the Archive in the house, where Sakharov A. lived, is provided by the Government of Moscow, for non-repayable unlimited use of the Sakharov Foundation. However, who finances the existence of the Archive? The answer can be found on the site of the Archive.³ At the beginning of 2010 the budget data was provided for the year 2008 only, but it will do.

The budget plan of the Museum and the Public centre named after Andrey Sakharov for the year 2008.

1. The grant from Sakharov's Foundation in the USA to support the institutional activities of the Museum - 162,700 dollars.

<sup>&</sup>lt;sup>1</sup> The newspapers 'Le Mond', France, 15.12.2009 (http://www.inosmi.ru/social/20091215/157020538.html).

<sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> http://www.sakharov-center.ru/museum/official/reports/budjet.php.

Actually, instead of reinforcing the memory of her humanist husband in his native country, Russia, Mrs. Bonner went to the USA after her children. There she established one more foundation: it was incorporated in Russia in 1989 and in the USA in 1990.¹ The Chairperson of both foundations is the Academician's widow Elena Bonner. If we read the news, it becomes obvious why two foundations were required. 'A famous Russian businessman Boris Berezovsky decided to financially support the Foundation of Andrey Sakharov. Berezovsky transferred three million dollars to the American Foundation. The widow of the Academician Elena Bonner declared it during a press conference on Thursday', said Interfax.²

Fighting for peace in the USSR was a soft option, just like it was in the West. Today Sakharov is a brand, propelled by the Western mass media. It makes people give money. However, it is impossible to keep money in Russia. It is only possible to fight for its freedom and to transfer the money granted to the US. Though, there should be a Foundation and a Museum in Russia; it's a must. So, it is necessary to establish two Foundations. The money is transferred to the USA and then little by little is given out to Russia.<sup>3</sup>

- 2. The Grant from the European Parliament for the support of the institutional activities of the Museum 50,000 Euros (= 72,000 dollars).
- 3. The Grant from the European Parliament for advertising the Award and the activities of the awardees of the Sakharov's prize, granted by the European Parliament 50,000 Euros (= 72,000 dollars).
- 4. The Grant from NED for the contest among teachers 60,000 dollars. NED is a National Foundation supporting democracy.<sup>4</sup> Naturally it is doing so from the USA. This Foundation is located in Washington; it is a private non-commercial organisation, which takes care of the growth and reinforcement of democratic institutions all over the world. There is a phrase on their site, which proves that they think of us as idiots. 'Each year, with funding from the US Congress, NED supports more than 1000 projects of

<sup>1</sup> http://asf.wdn.com.

<sup>&</sup>lt;sup>2</sup> http://lenta.ru/russia/2000/11/30/sakharov\_fund.

<sup>&</sup>lt;sup>3</sup> Fighting for human rights is a very profitable business. In Boston one more archive of Sakharov opened. It is headed by Tatiana Semenova, the daughter of Bonner E. The Government of the USA generously paid this strange American organisation about 1.5 million dollars. Why is this archive needed, if an organisation with the same name has been working in Russia for a long period of time already?

<sup>4</sup> http://www.ned.org.

non-governmental groups abroad who are working for democratic goals in more than 90 countries. Each year NED directly subsidises hundreds of non-governmental groups abroad, works on the defence of human rights, independent mass media, rule of law and other democratic solutions to other problems.'

How can an organisation be independent and non-governmental if it is financed by the Congress of the USA? Whose interests do the guys getting the money protect?

5. The Grant from the Norwegian Embassy for the programme 'Memory of lawlessness' - 58,540 Krone = 10,724 dollars).

You understand that the 'lawlessness' stands exclusively for Russia-USSR. 'The primary aim of the programme is to assist in the preservation of historical memories of the tens of millions victims of political repression and crimes of the Soviet regime.' Norway has reluctantly coughed up 10,724 dollars for that. Well, that's not much. Though, nowadays most of the money is provided to the ones struggling with Russia today, not the ones who harmed it in the Past. An interesting question is how much 'Memorial' is going to get for defending Stepan Bandera.

6. Private donations in the Museum account on 25 December, 2007 come to 266 000 rubles (11 080 dollars).

So much for the accounting. However, in fairness the Foundation works for its money. Appreciate this: 'The Museum and the Center is conducting a global Russian competition 'The class about 'The History of political repressions and the resistance to un-freedom in the USSR', intended to attract teachers to teach this subject at school '.³

Does the winner of this contest not work in a school where your children study?

Who is the sponsor of all this? It is a rhetorical question. Still, there is a more vital matter: how shall we treat the Academician Sakharov? What shall be done with the memorials and museums associated with this person?

Sakharov is a great Russian scientist. That is how we should feel about him, as he was the great physicist whose work for the benefit of his Motherland helped to prevent nuclear war. That is why he deserves these memorials.

 $<sup>^{\</sup>scriptscriptstyle 1}$  http://www.ned.org/grantseekers.

<sup>&</sup>lt;sup>2</sup> http://www.sakharov-center.ru/projects/bases.

 $<sup>^{\</sup>scriptscriptstyle 3}$  http://www.sakharov-museum.ru/projects/projects\_book.

Let them stay, though the tablets on the memorials should inform us not of his public activities, which can be explained only by the temporary insanity and the great aberration of the scientist's mind. Neither should the tablets tell of his articles, which are so dull that even his right-defending comrades cannot read them, or about his project of the primary laws, which is not only legally incompetent, but even catastrophically harmful. The tablet on the memorial should be a simple one, saying: The famous Russian physicist, born... died...

Let all these 'half-defending' fraternities cashing on his name and scorning Russian history establish their museums in New York and Philadelphia. In the museum named after Sakharov people must learn about the great Soviet science which saved our people from the inevitable nuclear strike from the USA.

Now, if we are already talking about the Constitution, let's see what the constitutions of the 'civilised countries' say; the countries which praised the Academician Sakharov that much. While we are uneducated and retarded, Sakharov's ideas must have permeated all primary laws in the West.

Let us read.

## 10

## A Greeting from the Queen of the United Kingdom, or why Canada did not have a constitution

If you cross a king with a prostitute the resulting mongrel perfectly satisfies the English idea of nobility.

Mark Twain

Sometimes you open a serious book expecting to find only thoughtful things there, and suddenly see this...

'Elizabeth II, by the Grace of God of the United Kingdom, Canada and Her other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith, to all those to whom these Presents shall come or whom the same may in any way concern, Greeting.'

No, you did not misread it. It actually says 'Greeting'. A Greeting from the Queen. This is not a post from Her Majesty's blog. And not an April fool. And not a Christmas card either. This is the Canadian constitution text; its very first lines. To be more precise, the quoted document is called 'The Proclamation of the Constitution Act, 1982.' This Act opens the maple

http://www.concourt.am/armenian/legal\_resources/world\_constitutions/constit/canada/canada-r.htm.

 $<sup>^{2}\,</sup>$  Foreign states constitutions. Textbook.  $2^{nd}$  edition. Moscow, 'Bek', 1997. P. 465.

leaf country's Constitution. For those who do not know what the form of government of this country is and think that Canada is a democratic republic I will say it is not the case. Canada is a monarchy. The head of the state is the British queen.

Have you watched the Olympic Games opening ceremony in Vancouver? Who opened it? The head of state — the Governor General.¹ That is, a person appointed by the Queen to run territories belonging to the Crown. A representative of the monarch. That is the situation today, not 300 years ago. And if you say the Queen is like a blind or a screen, that she has no rights and is only sitting on the throne, you would be wrong again. The present queen has no fewer rights than the autocratic tsar of another imperial state — the Russian Empire. But that empire was undoubtedly bad and underdeveloped, while the British Empire is obviously good and progressive. Why? Because in Russia (or, as the progressive English journalists liked to call it, 'prison of peoples'2) there was no main law until October 1905, so it was really backward. Great Britain has been a constitutional monarchy since the dawn of time. So it has supremacy of law and all that. Have you heard people saying that?

I have heard this many times. What can I say... Ignorance is horrible. Ask such a speaker when Canada, a constitutional monarchy, had its constitution. What will he say? Anything but the correct answer. This answer is in the weird text we mentioned in the beginning of this chapter. The text where Queen Elisabeth II, Defender of the Faith, sent all of us her greetings. This document mentions the year — 1982. What does it mean? It means that until 1982 Canada did not have a constitution. A serious text book says, 'After adoption by the English Parliament and publication on April 17, 1982, of the Act of Canada, the country received its own constitution. Before that no act in Canada had a similar name.'

In the realm of political expediency logic does not work. Canada was a constitutional monarchy without a constitution. How is this possible?

<sup>&</sup>lt;sup>1</sup> Foreign states constitutions. Textbook. 2<sup>nd</sup> edition. Moscow, 'Bek', 1997. P. 464.

All of these emotional terms are supposed to make us dislike our country. It is pure manipulation. Try to remember how many peoples have disappeared in this 'prison'. Who entered the Russian Empire to leave it for historical nonexistence? There are no such peoples; all of them remained safe and sound. And remember how many peoples disappeared in the English empire.

<sup>&</sup>lt;sup>3</sup> Foreign states constitutions. Textbook. 2<sup>nd</sup> edition. Moscow, 'Bek', 1997. P. 459.

Maybe this weird delay is due to the fact that Canada was first a colony and then a dominion of Great Britain. No, this is not the reason. The thing is that there are no unbreakable rules, no sacred cows in politics. Everything is subject to one and only one thing — political expediency.

But let us put the serious book aside. Let us take a simpler and a more intelligible source. 'The distinctive characteristic of the British Constitution is the absence of a single document that could be called the basic law of the state. Moreover, there is no exact list of documents that belong to the Constitution'<sup>1</sup> — reads a website. What does it mean, 'the absence of a single document that could be called the basic law of the state'? Are there several of them? Or are they not consistent? No, it is even more interesting than that. Canada did not have a constitution until 1982. And then it had one.

But Great Britain has no constitution at all. There is no constitution to the present day! How can this be possible? The stronghold of democracy, the example of a civilised state. The oldest democracy, and no constitution? This is how it is — there is none. This strange fact is what the vague phrases are supposed to disguise. Maybe this is a mistake. You can read anything on the Internet... Let us take the serious book again: 'Great Britain does not have a one-time created act having the power of Constitution.' What can I say? It is not even the historical traditions that lead to the absence of a document which is considered to be the major sign of civilised and democratic society that are surprising. What is truly surprising is that even in the 21st century the English are in no hurry to pass a Constitution. And they keep criticising Russia for alleged infringement of the Constitution. At the same time we have a Constitution and they do not. How can you infringe upon something that does not exist? That is convenient, is it not?

The British are in no haste to correct this historical mistake. All right, they did not have the time during their five centuries of democracy to pass the principal law of the state; they had too much to do. They kept fighting for democracy and for constitutions in other countries, so they did not get down to working on their own. But what prevents them from doing it now? They could take, for example, Andrey Sakharov's project as a basis, and make

<sup>1</sup> http://www.2uk.ru/business/bus69.

<sup>&</sup>lt;sup>2</sup> Foreign states constitutions. Textbook. 2<sup>nd</sup> edition. Moscow, 'Bek', 1997. P. 57.

British voters and Russian human rights activists happy. In Russia we did not show due appreciation of his projects, but over there, abroad, at a distance, the progressive nature of his suggestions should be more eminent.

But they do not. No one does it; they only keep recommending it to us. Because Britain only accepts what is convenient for her. The 'civilised' lords do not act 'the right way,' they choose what is convenient for the state. For its integrity, development and progress. And so that it is not divided into parts. The option of dividing the country into a hundred provinces with a hundred armies and a hundred currencies is only good for Russia/USSR. But what about themselves? Britain chose another option — that of a unitary state.¹

Maybe the countries' size and multinationality is what matters? And only big multinational states have to accept the Lenin-Sakharov 'up to the separation' option? No, this is not the case: 'Great Britain, being a unitary state in terms of territorial structure, is a multinational country.'

This form has developed from the Albion a long time ago — in 16<sup>th</sup>—17<sup>th</sup> century. The English acted in good time and did not give the annexed territories the possibility to separate. That is why in legal terms every annexation was documented as a 'union'. Almost all of the documents that determine Britain nowadays are of this kind: the Act of Union with Scotland (1907), the Acts of Union with Wales (1536 and 1542), the Act of Union with Ireland (1901).<sup>3</sup> But it would be wrong to consider the English as the only nation that is so quirky and cunning: Russian laws did not allow any 'separation' either until 1917. It was only after the revolution and the recognition of the Entente which followed that the 'parts' of our country got the right for separate existence. And this existence was illegal — the Russian Empire did not contain any right to the separation of the its parts stated in the laws. Besides that, such legal subjects as Estonia, Latvia, Finland and others never existed at all. The territory of Estonia was in fact purchased by Peter the

<sup>&</sup>lt;sup>1</sup> Unitary state is a form of state structure which is characterised by its parts being administrative-territorial entities not having a state formation status (http://dic. academic.ru/dic.nsf/ruwiki/56456). Which means that 'up to the separation' is completely out of the question. Now remember what Sakharov suggested. The difference is obvious.

<sup>&</sup>lt;sup>2</sup> Foreign states constitutions. Textbook. 2<sup>nd</sup> edition. Moscow, 'Bek', 1997. P. 67.

<sup>&</sup>lt;sup>3</sup> Ibid. P. 67.

Great from Sweden. A little known fact: after winning the Northern War Russia paid to Sweden a contribution of 5 million golden *taler* (*efirmki*) and got Estonia and a part of Finland for that.<sup>1</sup>

The more you get into the mirror-world of the 'oldest democracy in the world', the more surprised you are. There are numerous revelations: 'In terms of its form the British constitution has a combined and unstructured character, it is composed of two parts — written and unwritten.'2 Just think about it: unwritten Constitution. How can it be possible? Just like that. Because it is more convenient. 'The unwritten part includes Constitutional conventions which are not legally formalised anywhere, but usually regulate the most important questions of the state. These conventions, or the customary laws system, are considered in Great Britain as the foundation of the constitutional law.'3

What would you say if the most important questions in life were regulated by rules 'not legally formalised anywhere'? What would you call it? I will give you a hint if you are hesitating: life according to rules 'not legally formalised anywhere' is called life 'by the code of the underworld.' And it is characteristic of the criminal world...

It is sufficient to read the British 'constitution', or what is called the Constitutional acts of Great Britain, to make your hair stand on end out of surprise: 'Article I. That the Two Kingdoms of Scotland and England shall upon the first day of May next ensuing the date hereof and forever after be United into One Kingdom by the Name of Great Britain And that the Ensigns Armorial of the said United Kingdom be such as Her Majesty shall appoint...'<sup>4</sup>

We are reading the 1707 Union with England Act. Note the simple word 'forever'. And what about the expression of will of the people? What if the people of Scotland wants to separate? There was no referendum in 1707. They just wrote 'forever'. This is not the democratic way!

'Whereas it is expedient that provision should be made for regulating the relations between the two Houses of Parliament...' — reads the beginning of another pillar of the great British 'constitution' — the 1911 Parliament

<sup>1</sup> http://eg.ru/daily/politics/11035.

<sup>&</sup>lt;sup>2</sup> http://www.2uk.ru/business/bus69.

<sup>3</sup> Ibid.

<sup>4</sup> http://www.2uk.ru/business/bus73.

Act. It is almost impossible to read it further. It is unintelligible. The most curious will read the document on their own, we will only quote a paragraph from the first article here: 'If a Money Bill, having been passed by the House of Commons, and sent up to the House of Lords at least one month before the end of the session, is not passed by the House of Lords without amendment within one month after it is so sent up to that House, the Bill shall, unless the House of Commons directs to the contrary, be presented to His Majesty and become an Act of Parliament on the Royal Assent being signified, notwithstanding that the House of Lords has not consented to the Bill'.

This is followed by the 1949 Parliament Act, the 1958 Life Peerages Act, the 1963 Peerage Act, the 1978 House of Commons (Administration) Act. Try to read them and find the right to housing, the right to labour, the right to freedom of peaceful assembly there... You will not find them. Britain does not have a Constitution, so the British do not have the rights guaranteed by Constitution. And as it is so, you can not infringe upon it. You will agree that this is very convenient, will you not?

All right. Let us leave the vague British constitutional rights alone and read the constitutions of other civilised countries. Not monarchies, but 100% and 200% democratic countries. For example, the French Republic. By the way, the country's name speaks for itself — the French Republic. But in Russian (as in other languages) the word 'Republic' somehow got lost, and the country is called just France. This is easy to explain: otherwise there was an unnecessary difference between countries in publications or delegation names. The French Republic, the Kingdom of Great Britain, the Kingdom of Canada, the Kingdom of Australia... Why stir up minds? We are always told that there are standards of civilisation, and that Russia does not conform to them. Let us try to figure out if these standards exist for real. Take the French constitution.

'Article 1. France shall be an indivisible, secular, democratic and social Republic.' From the first lines it is clear that no separation from the country is allowed by the Constitution. What if the people of Provence or Burgundy ever want to separate? They would infringe upon the Constitution. And the

http://www.concourt.am/armenian/legal\_resources/world\_constitutions/constit/ uk/uk-old-r.htm.

 $<sup>^2~</sup>$  For eign states constitutions. Textbook.  $2^{\rm nd}$  edition. Moscow, 'Bek', 1997. P. 105.

president of the French Republic would *have* to take all measures, even using the armed forces, to decisively suppress these unconstitutional actions. Because he, according to Article 5, 'ensures due respect for the Constitution' and is 'the guarantor of national independence, territorial integrity.'

But maybe such severity of democratic France is due to its geography. It is small, so there should not be any separations. But, firstly, France is not so small, and secondly, France has territories beyond the Eurasian continent. It is documented in the Constitution — these territories are called Overseas Departments and Territories.<sup>2</sup> There are quite a number of them. Moreover, you know some of them for sure. But you probably never thought that these territories are part of France, and not some exotic countries.

The largest French overseas department is French Guiana. It is located in South America and borders Suriname in the west and Brazil in the east and south. Why not call this territory just Guiana? We're living in the 21st century, in the era of liberty and democracy. Suriname, bordering French Guiana, is in fact former Dutch Guiana, an independent country since 1975.3 The Dutch granted Suriname independence, but the democrats from Paris did not let their Guiana go. Another example is Brazil, a former Portuguese colony. It got its independence on September 7, 1822. Almost 200 years later France still does not want to let Guiana go and makes it clear that such separation is impossible right in the first article of its Constitution. By the way, Guiana may be not a very well-known country, but its capital is on the tip of everyone's tongue. The administrative centre of French Guiana is the city of Cayenne. The luxury off-roader which is so popular in Russia bears this name. But Cayenne used to be a place of exile for convicts. In Russia they used to be sent off to Siberia, and in France the criminals were taken to this tropical wilderness. So Cayenne could not be a prestigious place and a luxury name. But who remembers that now? Thus in frosty Moscow or Yekaterinburg, looking at a 'Porsche Cayenne Turbo' passing by, you can see

<sup>&</sup>lt;sup>1</sup> Ibid. P. 106.

<sup>&</sup>lt;sup>2</sup> Articles 72, 73, 74 etc.

There is one more thing we have to say about Suriname. As we know, serfdom in Russia was eliminated in 1861. The 'civilised and liberal' Dutch abolished slavery in their Guiana-Suriname only two years later — in 1863. And they only did it by passing a law that obliged slaves to continue working on the same plantations for a minimum wage for ten more years after their liberation.

a clear example of human forgetfulness and the weirdness of world order at the same time...

In all fairness it has to be added that Guiana is not the only French overseas territory. There are also Martinique, Guadeloupe, Reunion, Tahiti, New Caledonia and Mayotte. There is no such country as Tahiti, where the cat from the Soviet cartoon enjoyed good food. There is no such country as Guadeloupe. There is only France. All the inhabitants of these territories are French, and they cannot: they do not have the right to separate from Paris, no matter how badly they want it.

What does it all mean? When they criticise Russia for 'not letting go' of Chechnya or Tatarstan, they usually say that Russia is the last empire. And so it is bad and doomed, it has no future for this reason. When you hear such things you should know that this comes from lack of knowledge, from ignorance and ill-breeding. There are lots of empires on the map of the modern world. The largest of them is the USA. Military bases all over the world, the world's biggest army, a military budget equal to the sum of all other countries' military budgets altogether. But this is quite obvious. It is harder to see other empires. For example, the British Empire is just camouflaged. Can you call Canada or Australia an independent country if it is governed not by a prime minister, the head of the winning party, but by a governor general, appointed by the queen of another country? The British queen declares war on behalf of Canada and Australia, she is the Head of the Army and can dissolve their parliament at any time. Can you call this independence?

But for the rest of the world this question is never raised. This is very convenient — what for? For example when there is a need to create an 'international' discussion or an 'international' commission. Remember the weird case of the drowning of the South Korean corvette 'Cheonan' in 2010? 'The conflict between the Democratic People's Republic of Korea and South Korea has deteriorated after the independent experts blamed Pyongyang for

<sup>&</sup>lt;sup>1</sup> The French Republic, as a real empire, kept its islands, scattered all over the world. Without going into geographic detail, let us take just a couple of examples. New Caledonia is a mountainous area in Melanesia stretched over 400 km in the Pacific Ocean. It consists of the Belepa archipelago, the island of Pin, the Loyalty Islands and other small islands. The island was discovered by Cook in 1774. Napoleon III turned it into a place of exile. Mayotte is one of the four Comoro islands, an archipelago in the Indian Ocean to the north of Mozambique.

shooting at the South Korean corvette Cheonan.' What was this commission like, who were the experts? 'The commission, which included experts from the USA, Australia, Great Britain and Sweden, reported that the evidence found in the course of the investigation proved that 'Cheonan' was torpedoed by a North Korean submarine.' A special international commission found Pyongyang guilty. The commission consisted of the USA, Great Britain and Australia, governed by the same queen, and Sweden. You can negotiate with Sweden, and all the others are from the same pack. It would be about the same as to invite experts from Russia, Belarus, South Ossetia, Abkhazia — And a representative from Venezuela for more independence...

Britain is still a real empire and it still has overseas possessions. They are called British overseas territories.<sup>3</sup>

'The name 'British overseas territories' was introduced in 2002 in the British Overseas Territories Act and replaced the term 'British-Dependent Territories' which was used in the 1981 British Nationality Act. Before that these territories were called colonies or Crown colonies. British overseas territories can be referred to as 'Great Britain overseas territories' or just 'Overseas territories', when the dependency is clear from the context.'

As you see, if you spare five minutes for reading, everything becomes clear: 'dependent territories,' 'were called colonies.' They still remain colonies, whatever you call them. But you can write and say everywhere that there is no empire — it ended in the middle of the 20th century, when colonies were granted independence. You can obscure the situation even more using different terms. Who would be bothered to think about all this while there is plenty of food in the supermarkets?

'The islands of Jersey, Guernsey and the Isle of Man are also under the sovereignty of the British Crown, but they have slightly different constitutional relations with Great Britain and are classified as Crown lands (Crown dependencies), and not as overseas territories.'5

<sup>&</sup>lt;sup>1</sup> http://top.rbc.ru/politics/26/05/2010/412107.shtml.

 $<sup>^{2}\,</sup>$  'Obshchaya gazeta.ru,' 20.05.2010 (http://www.og.ru/news/2010/05/20/48575print. shtml).

<sup>&</sup>lt;sup>3</sup> http://dic.academic.ru/dic.nsf/ruwiki/622542.

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>5</sup> Ibid.

'Slightly different constitutional relations', how nice. Did they also have 'slightly different' military relations with the American Indians? And where are those Indians now?

There are so many terms; it's incredibly hard to figure them all out. As if they did it on purpose, everything is written in an intricate and confusing way. But it is actually done on purpose, in the calculation that you will give up and take words at face value: all right, there is no empire, they dismissed it; there are only territories now.

'Overseas and dependent territories should not be confused with the Commonwealth of Nations, a free-will union of former British colonies and, since recently, some other countries, for example Mozambique which joined the Commonwealth due to financial and political interests. In the historical context the colonies, which were part of Great Britain, should not be confused with *protectorates*, which were placed under British control but formally remained independent. They also should not be confused with *dominions*, independent states which had equal status with Great Britain in the British Empire and after the 1931 Statute of Westminster in the Commonwealth. *Crown colonies*, for example Hong Kong, were different from other colonies in that they were directly governed by the crown and did not have autonomy, which the self-governed colonies had, for example the Bermuda islands.'1

In other words, if you want to figure out the intricacies of the English world order, you'll need lots of patience and pain-killers for your headache. For those who want to get an answer immediately — here it is: 'At the present day British overseas territories exist in all regions of the world — in the Caribbean basin (North America), Falkland islands (South America), Saint Helena island (Africa), Pitcairn in Oceania, Gibraltar in Europe, British territories in the Indian ocean in Asia and South Sandwich islands in the Antarctica.'<sup>2</sup>

What do you call a form of state structure that stretches into all the regions of the world? An empire. So when they call Russia an empire, we should not be embarrassed or frightened: we should just patiently explain that we are the same as our Anglo-Saxon 'partners'. And not only them. The French Republic has its empire too, a smaller and a more modest one.

<sup>1</sup> http://dic.academic.ru/dic.nsf/ruwiki/622542.

<sup>&</sup>lt;sup>2</sup> Ibid.

A democratic empire. What is its difference from the British monarchic empire? There is none. Only that it has a Constitution.

Actually there is no difference at all: Britain allows no separation as it has no constitution which would guarantee the right to separation. France does not allow separation exactly because it has a Constitution that prohibits separation. Maybe the inhabitants of French Guiana do not want to separate from continental France? They are quite good like that: their neighbours have the weak Brazilian peso or weak Suriname dollar and they have real Euros in their pockets. But even the European currency and a European passport do not tempt the inhabitants who are only 163,000 in the department.<sup>1</sup> A political party, the Tam-Tam Front for the Liberation of Guiana, founded in 1981, is struggling for the independence of French Guiana.<sup>2</sup> In my opinion it is struggling in vain, no one will ever let Guiana go. Because politics is mere purposefulness. 'A French carrier rocket 'Arian-5' with two satellites on board has been launched from the Kourou space base in French Guiana.'3 France is surely not going to lose the space base. But this does not bother the French deputies of the European parliament when they make beautiful speeches about liberty and democracy and bestow Sakharov with prizes every year. And yet Sakharov wrote that 'every people has to have equal rights to separation, regardless of its size.<sup>4</sup>

The oldest written constitution is the US Constitution. It was elaborated upon by the convention which sat in session behind closed doors in Philadelphia on September 17, 1787. Slavery would be abolished in the States almost a hundred years later, February, 1 1865.<sup>5</sup> That is why there are still

<sup>1</sup> http://www.vsesmi.ru/news/594084.

<sup>&</sup>lt;sup>2</sup> http://karty.narod.ru/maps/frgu/frgu.html.

<sup>&</sup>lt;sup>3</sup> http://news.mail.ru/economics/1321773.

<sup>&</sup>lt;sup>4</sup> 'Degree of liberty' (An interview of A.Sakharov by Grigory Tsitrinyak); http://www.sakharov-archive.ru.

<sup>&</sup>lt;sup>5</sup> American lawmakers were in no hurry to abolish slavery, which was in perfect harmony with American democracy. The course of events was as follows. In 1860 the Republican candidate Abraham Lincoln won the presidential elections. When the eleven southern states formed their own confederate union, passed their Constitution, elected their own president (Jefferson Davis) and chose Richmond as their capital, in the winter of 1861 the civil war started between the two parts of the USA. It is commonly said that the cause of the war was that the South wanted to keep slavery while the North wanted to abolish it. On January 1, 1863,

obvious signs of racism in the 'most democratic' constitution of the world. The Article I (Section 2, P. 3) reads as follows: 'Representatives and direct Taxes shall be apportioned among the several States which may be included within this Union, according to their respective Numbers, which shall be determined by adding to the whole Number of free Persons, including those bound to Service for a Term of Years, and excluding Indians not taxed, three fifths of all other Persons'. In the following paragraphs of the same Article (Section 9, P. 1): 'The Migration or Importation of such Persons as any of the States now existing shall think proper to admit, shall not be prohibited by the Congress prior to the Year one thousand eight hundred and eight, but a Tax or duty may be imposed on such Importation, not exceeding ten dollars for each Person'<sup>1</sup>

The persons discussed here are slaves. Up to the present day the Constitution of the United States says that the white population of the Southern states had supplementary votes at elections up to 3/5 of the amount of slaves in the slave-owning states. Thus a slave-owner had several voices — according to the number of slaves he had.<sup>2</sup> As we can see, even in the most democratic republic the first article of the Constitution can mention slavery. And this is not a problem...

And now let us return to the good old Great Britain. We are constantly told that it is a constitutional monarchy. But any sane person would see that two things are required for that in a country — a monarch and a constitution. There is a queen in Great Britain, but there is no constitution, as we just saw!

at the height of war, President Lincoln issued a declaration where he called for the liberation of all slaves. In the same year, 1983, the Republican party introduced a suggestion of an amendment #13 to the US Constitution for consideration by Congress. Only on April 8, 1864 this amendment received the necessary qualified majority in the Senate. The House of Representatives voted for this amendment only 9 months later — January 31, 1865. And it was only two thirds of it. Historians usually explain it by the political games of republicans-democrats. But what counts for us is the result: democratic institutes of the USA were in such a hurry to abolish slavery that it took them almost two years to pass the amendment to the Constitution!

<sup>&</sup>lt;sup>1</sup> http://www.pseudology.org/state/Cons\_usa.html.

 $<sup>^2</sup>$  Foreign states constitutions. Textbook.  $2^{\rm nd}$  edition. Moscow, 'Bek', 1997. P. 15, 21.

So how can a monarchy be constitutional when there is no constitution?<sup>1</sup> This is not possible! You cannot be married not having a husband. So what type of monarchy is Great Britain then? The answer is an absolute monarchy. It cannot be another way. There is either power or no power. It is either absolute or partial. There is just no other option in politics and state structure. There are some examples to compare. There are other countries in the world where the state structure is officially declared as absolute monarchy: Saudi Arabia, Qatar, Oman, Brunei, and Bahrain. Have you ever heard any criticism of these countries from human rights activists, historians or western politicians? I have not. These countries are considered modern and guite civilised. And at the same time the supreme power of the monarch is almost unlimited there and not distributed to other subjects of power. Laws are issued in the name of the monarch, and all the administrative apparatus of the state is governed by him. In other words, absolute monarchy gives the head of the state all the plenitude of supreme legislative, executive and judicial power.

Take the example of Qatar. According to the Constitution of Qatar, all the plenitude of legislative and executive power belongs to the head of the state, the emir. He is elected from his community by the masculine members of the ruling family Al Tani. The emir has a lot of powers:

of :	the ruling family Al Tani. The emir has a lot of powers:
	he represents the state in external relations;
	he is the supreme commander of the armed forces of Qatar, he forms the Defence Council;
	he appoints and dismisses civil and military public servants;
	he can cancel any decision of the court with his decree;
	he can directly head the government as Prime Minister;
	if he is not the Prime Minister, he appoints ministers upon the recommendation of the Prime Minister and can dismiss them from their
	positions at any time. <sup>2</sup>

The British monarchy is often called 'parliamentary'. This is a smarter and a more delicate formulation, which is quite hard to argue with: there is a parliament there, unlike the constitution. But as you try to figure out the organization of the parliament, it becomes clear that this is all pure malice. You will see it yourself soon.

 $<sup>^2\</sup> http://www.allpravo.ru/diploma/doc29p/instrum5409/item5412.html\#\_ftn4.$ 

positions; she can appoint anyone.

These are the powers of an absolute monarch. Let us now compare it with what the British queen can do: 'In Britain, unlike other parliamentary monarchies, very few powers of the crown are cancelled by laws-statutes. Thus, the monarch formally accumulates enormous powers in his hands, continuing to join all the branches of power.'

continuing to join all the branches of power:	
	The Queen is the head of the state and represents it in all external rela-
	tions, the prime-minister can only replace her at a meeting if the Queen $% \left\{ 1,2,\ldots ,n\right\}$
	has commissioned him to do so;
	the Queen of Great Britain is the supreme commander of the armed forces, she declares war and concludes peace;
	the Queen is the head of the executive power: she appoints and dismisses ministers and all the civil public servants who are 'on Her Majesty's Service';
	the Queen is the head of the judicial system;
	the Queen appoints or dismisses prime-ministers and ministers, and

It is only according to a tradition established over the past 200 years, and not a law, that the head of the winning party is appointed prime-minister, and the ministers are appointed upon his suggestion!

she does not have to appoint the head of the winning party for these

It is hard not to agree that the powers of the Qatari monarch and those of the British Queen are quite similar.<sup>2</sup> But this is not all we can say about the capacities of the 'rightless' and 'powerless' English Queen; it is only the beginning.

'Although the British Sovereign no longer has a political or executive role, he or she continues to play an important part in the life of the nation... The Monarch has a less formal role as 'Head of Nation'. The Sovereign acts as a focus for national identity, unity and pride; gives a sense of stability and continuity...'<sup>3</sup>

 $<sup>^1\ \</sup> http://velikobritaniya.org/blogsection/administrativnoe-ystroistvo-velikobritanii/$ 

Detailed description of the British monarch's powers: http://velikobritaniya.org/blogsection/administrativnoe-ystroistvo-velikobritanii.

<sup>3</sup> http://www.royal.gov.uk/MonarchUK/HowtheMonarchyworks/ HowtheMonarchyworks.aspx.

This is a text from the official website of the British monarchy. And many westerners and many of our compatriots naively believe these tales...

What do they usually say about democracy? That the main thing is separation of branches of power. There are three of them: executive (the government), legislative (the parliament) and judiciary. As we have already seen, the monarch in Britain is the head of the executive and judiciary power. So what about the third branch, the executive power?

The monarch in Britain is part of the parliament along with the House of Lords and the House of Commons;

The monarch has the absolute right of veto for any law passed by Parliament, but this right has not been used since 1707 and was called 'resting power'.

Only the queen has the right to dismiss the House of Commons (that is, the British parliament) before its term ends. Before the elections the Prime Minister comes to the Queen and asks her to dismiss Parliament in order to hold the new elections. The Prime Minister can only suggest, and it's only the monarch who has the power of dismissal.<sup>1</sup>

- □ So who can now say that the English monarch is not the head of the legislative power as well? Who controls whom in fact: the monarch controls the parliament or the parliament controls the monarch?
- ☐ The Queen of Great Britain is the head of all three branches of power (executive, judiciary and legislative), her powers are limited by tradition, not laws, but they still pretend that the monarch 'reigns, but does not rule'.
- ☐ You can do whatever you want like that. For example, grant political asylum to Boris Berezovsky. The English diplomatic officials usually answer questions about 'why Britain harbours criminals' referring to supremacy of law. They say that Russian procurators did not give sufficient evidence. This is a lie. There was no judgment.

The 'independent' English court decided not to extradite Berezovsky because the Secretary of State for Home Affairs granted him political asylum.<sup>2</sup> That is, it was not the executive power who took the decision on the grounds of a decision of the court, but the court which refused to try the

<sup>&</sup>lt;sup>1</sup> http://velikobritaniya.org/blogsection/administrativnoe-ystroistvo-velikobritanii.

 $<sup>^{2}\,</sup>$  Tchekulin N. Berezovsky — not his own play. Saint-Petersburg, 'Piter', 2010.

case thoroughly according to the decision of the executive power! This is how the British justice system works. It is a parody of justice, acting upon the political interests and the will to save from punishment those who have served British interests with good faith and fidelity...

But there is still more to come. *The British Queen is the head of the Anglican church*. Even the 'spiritual' power belongs to the monarchs of the Albion. And even the succession order does not embarrass the great island democracy. It is determined by the 1701 Act of Settlement. Sons inherit the throne in order of precession; if there is no son, the crown passes to the eldest daughter. *But what is more important — only protestants have a right to the throne*<sup>1</sup> There is obvious discrimination based on religion.

Remember the famous phrase by the future English king Henry Bourbon: 'Paris is well worth a Mass'? He had to catholicise to become king of France. This happened several centuries ago. But in Great Britain there is still 'protection' from Catholicism, and the king must not assist a Catholic mass. This measure was adopted in Britain as a barrier from the religious propaganda from Spain, the major Catholic country, which was, as we know it, the main enemy and the main target for the English during Queen Elizabeth's reign and at the time of sir-pirate Francis Drake. It was the religion that caused the split of the British Empire later. Remember the Bank of England founder, King William of Orange? King James II, whom he dethroned, was going to restore Catholicism in Britain with the support of... the 'Sun King' Louis XIV. The struggle was not only between the English and the French, but also between Catholics and Protestants. So do not be surprised when you read that the British meet the Pope with banners and protest actions — this is the consequence of centuries-long confrontation. It is still there. That is why in 'democratic' Britain the principle of religious purity for the heir of the throne is still preserved. Times have changed, and it looks like religion does not have such an important role in modern life, but ideology is still a value. So why cancel this proper requirement?

The parliamentary side of the British power is just as interesting. The oldest elected body in the world was created by the Anglo-Saxons in 1265.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> It should be mentioned here that he must not only be a Protestant, i.e. a Baptist or a Seventh-Day Adventist, but an Anglican. That is, only an English Protestant.

<sup>&</sup>lt;sup>2</sup> This is also a myth that the Anglo-Saxons try to spread all over the world. The oldest parliament is in fact the Iceland Althing, created in 930. It is 35 years older

This stronghold of democracy consists of the House of Lords and the House of Commons. And the monarch, of course. The English thus have a tripartite parliament. On closer inspection you can see that it is not so democratic after all. The people only elect a third of it. They do not elect the monarch, and the House of Lords is formed by succession. In the Russian Federation Council this progressive procedure is not yet used. Deputies' places are not inherited, and I hope they never will be. We really are far behind the Anglo-Saxons: in our country senators are elected by regional parliaments, and not 'appointed' by the birth attendants in hospitals who deliver senators' wives' babies. In terms of quantity we are behind, too. In the Russian Soviet Federative Socialist Republic according to the law the Federate Council consisted of 178 members (two for each federal subject). The House of Lords consists of 1260 members, but there are never more than 100 of them present at the sessions. Such an attendance rate (7.93%) is undoubtedly a sign of high degree of democracy in the country. A British deputy is free to come or not come to the sessions. There is no pressure. Russian senators cannot even dream of such liberty: there are many absentees as well, but we would hardly ever reach such a degree of freedom.

Let us continue our review of the British power system. The Queen of Great Britain is no less than God's vicegerent on Earth.<sup>2</sup> She appointed the Prime Minister; he formed the government. So who controls all this? The House of Lords — the part of Parliament where members are elected by the people. Is it really the case? It is. But first let us remember some history — deputies started being paid only in 1911.<sup>3</sup> This means that until the beginning of the 20th century only wealthy people could do politics. The problem was not only the absence of a salary but also the need for money for the election campaigns. This is what British democracy is like...

'But most of Parliament and the government, apart from very rare exceptions, always belongs to the same party, and the head of the party is at the same time the head of the majority in Parliament and prime

than the British parliament. But who can remember that if you keep hearing that the British democracy is the oldest one?

 $<sup>^{1}\ \</sup> http://www.council.gov.ru/staff/members/index.html.$ 

<sup>&</sup>lt;sup>2</sup> Given the fact that she controls all branches of power, and the Church, too.

<sup>&</sup>lt;sup>3</sup> Trukhanovsky V. Winston Churchill. Moscow, 'Mezhdunarodnye otnosheniya,' 1982. P. 58.

minister So it is actually the government that determines the politics of Parliament.'1

That is, it is not Parliament who controls the government; on the contrary, the government directs Parliament. What does this mean? The British parliament is fake. Does it mean that the real power belongs to the government? No. The English power system is even more complicated than that; it is not so easy to figure out. The government consists of about a hundred people. But not all of them participate in decision-making. There is a 'core', a smaller board — the Cabinet of Ministers. It is often called the Cabinet. Have you ever seen a session of the Russian government on television? There is a long table; the ministers are on both sides of it and the prime minister is at the top of the table. A serious, business-like discussion. There is nothing like that in Great Britain. The British government never has sessions and does not make decisions. It is only the Cabinet that does it. That is, about 18-20 people. So is the power concentrated in their hands? No. The Cabinet has very rare sessions, and most of them are held in the Prime Minister's house. There is another cabinet still, the 'inside' one, which consists of several leading persons, enjoying special trust of the Prime Minister. It is they who make decisions on behalf of the Cabinet, which also means on behalf of the entire government. The ministers only get extracts from the Cabinet's decisions concerning their departments: they just receive them as a settled fact.

That is how this strange 'monarchy-democracy' works, not without resemblance to a nesting doll or underworld conventions. This system dates back to the years of the Bank of England's creation, when the bankers and the English crown came to an agreement and decided to continue their historical development together, forming parliaments, buying politicians individually and wholesale. Then, in buying the media, it got the possibility to convince their people and other peoples to believe whatever they wanted them to believe. But the foundation of this whole system is very weak — it lies in the high living standard for their people due to cunning pillage of the rest of the world. Due to unlimited money emission. Thanks to the 'printing machine'. If someday it gets broken or its product stops being in demand, all of this wealth will collapse in an instant.

http://velikobritaniya.org/blogsection/administrativnoe-ystroistvo-velikobritanii.

And the last point. Remember we started with Sakharov's ideas: all nations must have rights, even the tiniest ones. There is such a 'tiny' people in Great Britain — the Scots. This is a very small nation indeed. Why do I think so? Because only this could be the reason why the Scots' national parliament disappeared in 1707¹ and has not existed again until recently. It was only in 1999 that its official opening took place in Edinburgh. Why could they not open it before, a hundred and fifty years earlier? The presence of the Russian empire? But what about later? After 1945 there was already no Adolf Hitler to intervene. This could have been a beautiful act: in commemoration of the victory over the monster of human kind Her Majesty deigned to recreate a parliament in Scotland.²

So why was it in 1999 that the Scottish had a chance to 'open a discussion'? Because parliament is a dangerous thing. And while the British Empire had real enemies (that is strong Russia or Germany), the Albion authorities clearly understood that the parliament discussions could be used by the enemies. If you doubt that remember the USSR history. It was due to voting that it collapsed. So when in 1991 the USSR disappeared and the British Empire remained the only one on the world map, in 1999 they allowed the Scots to play at democracy. They received serious powers: 'In the domain of local administration, education, healthcare, environment protection, agriculture and transport.'3 Besides that, the Scottish parliament has some powers concerning the tax system: it can change the income tax rate within the limit of three pennies per pound.<sup>4</sup> I think you will agree that this is quite a big deal. While the British parliament has some negligible powers, trivial issues and details: external politics, defence and homeland security, major issues in economics, industry, energy, monetary policy, internal politics issues (immigration, information protection, counterdrug work etc.), social protection of the population, media (electronic ones primarily).<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> As a result of a union — fusion of England and Scotland into the United Kingdom.

Parliaments in Britain can only be created at the monarch's dictation. That is exactly what happened: the Scotland Act was signed by Her Majesty in 1998 (http://unitedkingdom.net.ru/?p=29).

<sup>&</sup>lt;sup>3</sup> http://unitedkingdom.net.ru/?p=29.

<sup>&</sup>lt;sup>4</sup> http://velikobritaniya.org/blogsection/administrativnoe-ystroistvo-velikobritanii.

 $<sup>^{5}\ \</sup> http://velikobritaniya.org/blogsection/administrativnoe-ystroistvo-velikobritanii.$ 

#### Rouble Nationalization — the Way to Russia's Freedom

Remember what Sakharov was suggesting. Do you still have any doubts that he will always be worshipped in the West? And they still will never use his 'great' ideas in the country. Because this would mean certain death of the empire.

And if an empire struggles to survive, you can push it to collapse, too...

# 11

### **Snipers in World History**

The devil is an optimist if he thinks he can make people worse than they are.

Karl Kraus

How can we define a sniper? Either as a tough special forces agent, or a soldier in camouflage. His goal seems clear — to perform a 'surgical strike' and destroy the enemy. That is, to disable enemy officers, signalers, gunners, and even soldiers without fear of reproach. He is a brave soldier, the enemy's nightmare, with his eye looking into the scope and his finger on the trigger. No doubt, we underestimate snipers. These guys may well turn the course of world history. We just hardly notice the role they play, since it is perfectly masked. Yet the great impact of snipers on the history of our country — as well as a number of other countries — is undeniable. What is more, you surely know these cases; you just never thought they bear relation to one another. You never noticed the role of men with sniper rifles in the history of your country and mankind in general.

Meanwhile, this role is huge. They change regimes, make revolutions, cause chaos and economic defaults. Can we call these things political disasters? No, we cannot. They are just instruments meant to bring other countries under control. If the country is strong and there is no enmity between its people — then is there a way to dictate what they should do? No, there is not. But if you disrupt the people stirring them up against each other, the process will go more easily and funnily. A weakened and split country needs an external referee, or external help. And in a moment this

external help will turn into external control, even before a sniper's bullet comes out of his rifle.

We will start our investigation with some recent facts. What would you do if you needed to break out disorder and war, but the people did not want to kill each other? You'd help them start doing it...

#### Kyrgyzstan. June 2010

Let us recall what happened there. In spring 2010 the President of Kyrgyzstan Kurmanbek Bakiyev was overthrown. Not only did he fail to close the American air base Manas but also let the USA open an 'anti-terrorist base' near the city of Osh. For those who know the Anglo-Saxon political methods it is absolutely clear that the 'anti-terrorist base' located close to the border with China is a perfect place to train terrorists and saboteurs — those who will later provoke mass rioting in Chinese Tibet and the Uygur autonomous region. For Beijing it is clear as well. Russia has its own interests in Kyrgyzstan: Manas Air Base — the landing site of American planes coming from Afghanistan — is the largest point of drug transfer to Russia and Europe. And it is the freighters of the Unites States Air Force which perform the delivery: no customs, no problems.

And then the problems start to emerge: pro-American President Bakiyev gets overthrown by his former allies in the campaign against President Askar Akayev. The new government changes its position on a number of issues concerning the USA.

7 June, 2010. 'A tax dispute is disrupting operations at the Manas Transit Center in Kyrgyzstan. The Kyrgyz interim government is charging tax on fuel imports for Manas, and the US government is refusing to pay, in what has the potential to develop into a major diplomatic standoff between Bishkek and Washington... In the aftermath of the ousting of President Kurmanbek Bakiyev in April, the provisional government said it would renew the Manas lease for one year.'

Is there a way to put pressure on the new Kyrgyz government which is falling under the influence of Russia and China? You just need to bring instability to the country, trying to mount a counter-coup.

<sup>&</sup>lt;sup>1</sup> http://www.eurasianet.org/node/61206.

**10 June**, **2010**. 'Robert Simmons, Special Representative for the Caucasus and Central Asia, arrived in Bishkek on Thursday. It is his third visit to Kyrgyzstan in the last five years. According to experts, Simmons has come to 'save' the Manas Air Base.'

His attempt to settle the matter failed. And here is what happened within hours after the NATO envoy's appearance: 'Mass riots began to break out in Osh, an administrative center, on the night of June 11. The next day the adjacent Jalal-Abad Province became involved.' Someone starts giving money and weapons to people in the streets. Kyrgyzs are brought to Uzbek districts, Uzbeks — to those parts where Kyrgyzs live: 'If any of the big players or countries wants to destabilise the situation in the region, they will succeed in it — there is something to take advantage of... the unemployed can easily become the driving force of unrest... for only \$100–200 these people could walk out into the streets for protest actions... Without the big players' intervention, however, people would not take part in protest actions, let alone play the international card.'

But it takes more than just money to provoke a massacre. You need something to fuel the passions. And this is when snipers come into play. What snipers? Unknown snipers. This is how we call this mysterious world economic factor: unknown snipers. They shoot at both parties of the oncoming conflict. A shot — and a Kyrgyz is killed. The sniper must be Uzbek. Another shot — and an Uzbek lies dead. What sniper shot him? That's right, he is a Kyrgyz. Their goal is to warm the crowd. That is why they shoot at children, women and young men, who are not likely to become a target of military and police snipers. Anyone who sees the snipers' atrocities becomes filled with anger: the Kyrgyzs start hating the Uzbeks, and vice versa. The bloody merry-go-round has started.

'Kyrgyz politicians say the riots in South Kyrgyzstan were provoked by interested parties. Saboteurs were detected in Osh, including professional snipers. According to Akhmatbek Keldibekov, the leader of the Ata-Zhurt party, snipers and saboteurs were very well-armed and amply supplied with ammunition.'4

 $<sup>^{1}\</sup> http://www.ng.ru/cis/2010-06-11/6\_manas.html.$ 

<sup>&</sup>lt;sup>2</sup> http://www.newsru.com/world/21jun2010/osh.html.

<sup>&</sup>lt;sup>3</sup> http://news.mail.ru/politics/4065246.

<sup>4</sup> http://www.vesti.ru/doc.html?id=368437&tid=79373.

'During the disorder civilians of Osh were shot by well-hidden snipers,' said Azimbek Beknazarov, Deputy Chairman of the interim government, in his address on KTR. He said there were some people in cars with no registration numbers who were giving weapons to the crowd... 'According to GSNB (State National Security Service of Kyrgyzstan), a number of snipers is scattered around the city of Osh, who shoot at both Kyrgyzs and Uzbeks, thus provoking further disorder.'

'According to their data, unconventional units are currently trying to destroy the unknown armed men, who are driving around the city and shooting at random civilians including both Uzbeks and Kyrgyzs.'<sup>2</sup>

'Kyrgyz intelligence services have arrested 10 foreign snipers. The information was provided by the press service of the State National Security Service of Kyrgyzstan to the IA REGNUM News reporter.'4

'My nationality is Uzbek. Other Uzbeks called me. They said there were snipers who spoke neither Kyrgyz nor Uzbek, but languages unknown to us. This is reliable information.'5

'The information about the militants' citizenship is so far confidential for legal reasons. As we mentioned before, the arrested snipers had shot people randomly regardless of their nationality — that is, both Kyrgyzs and Uzbeks.'6

Suppose these snipers are not professional provocateurs... then who shoots the people? Maybe a weary Dehkan who got browned off and took out his rifle to start shooting 'people of all nationalities'? Where could he have got the rifle from? Why kill people randomly? Otherwise we have to admit the presence of unknown snipers speaking unknown languages, who shoot at civilians in order to incite unrest and riots.

<sup>&</sup>lt;sup>1</sup> http://www.for.kg/ru/news/124069.

<sup>&</sup>lt;sup>2</sup> http://www.vesti.ru/doc.html?id=368279&tid=79373.

<sup>&</sup>lt;sup>3</sup> http://www.gazeta.ru/news/lenta/2010/06/22/n\_1510851.shtml.

<sup>4</sup> http://www.regnum.ru/news/polit/1305808.html.

<sup>&</sup>lt;sup>5</sup> http://kyrgyzembassy.ru/?p=1374.

<sup>&</sup>lt;sup>6</sup> Mercenaries arrested in Kyrgyzstan // Dni.ru, June 17, 2010 (http://www.dni.ru/polit/2010/6/17/193738.html).

#### Iran. June 2009

Iran has the second largest gas reserves after Russia's and huge petroleum reserves. But, like in Kyrgyzstan, the Iranian Revolution in 1979 resulted in overthrowing the US stooge. Since then the Americans have been diligently trying to bring Iran back under control. Iranian elections appeared to be the easiest way to lead the country to an internal explosion. Here we start seeing opposition rallies, protests and manifestations. Why do Iranian demonstrators have posters written in English? Who do they appeal to? The President? If the Internet had been invented before February 1917, the demonstrators in Saint Petersburg would have had their posters 'Give us food!' and 'No war!' written in Shakespeare's language, too.

'A member of the British Embassy in Tehran was accused of 'disturbance of national safety' by the Iranian government. According to the Iranian intelligence service, the British Embassy played a major role in organising disorder after the elections. In his statement on June 19 Ayatollah Ali Khamenei, the Supreme Leader of the Islamic Republic, called Great Britain the 'arch enemy' if Iran, while the British Broadcasting Corporation (BBC) got a new name, 'the devil's radio'.'

Just a certain number of deaths, and the situation heats up. But Iranian police do not shoot the demonstrators. So we have to find a special way to do it: bring unknown snipers into play. On 20 June, 2009 a young Iranian woman Neda Agha-Soltan was standing with her father at the corner crossing of Khosravi and St. Salehi, near a group of demonstrators. Then a shot rang out, and the woman was hit right in the heart. Who was the shooter? Information agencies say: 'The one who made the shot was a Basij militia man hiding on the roof a residential building. 'For reference, Iranian Basij is something like the National Guard. They are armed with sticks. With these sticks they beat demonstrators to prevent further disorder in the country. In the worst-case scenario they are given Kalashnikovs. They never get sniper rifles: why give them to people whose job is to scatter the crowd?

'Neda Agha-Soltan, 27, died on June 20 on Kargar Avenue in the city of Tehran. Her death from a Basij militia man's bullet was captured on video by a bystander and broadcast over the Internet and the world's

Accusation brought against a member of the British Embassy // Newsru.com, June 4, 2010 (http://www.newsru.com/world/04jul2009/ob.html).

major TV channels. In a few days Neda (in Persian the word means 'calling') became the icon of the protest: her face appeared on posters all over Tehran, many verses were dedicated to her, people took her photo to demonstrations.'

'In his interview to BBC Persian TV Channel Caspian Makan, Neda's fiancé, said that on Saturday Neda was sitting in a car with her music teacher. She was tired and it was hot, so she left the car for a couple of minutes, and there she was killed. The witnesses emphasised that the shooter aimed straight in her heart.'2

She left the car for a minute and was shot. Why would a policeman shoot a random passer by, aiming straight for the heart? Could he have shot the woman by mistake, aiming at someone else? But there were no more people killed. What sniper would shoot *only once*? And miss the target? Have you seen a demonstration broken up with sniper fire? With one shot? The police do not need this death, which is a real headache for the Iranian government. But those interested in destabilising the situation in Iran would definitely profit from the death of a civilian whose name could become the symbol of revolution. Here a beautiful, young woman seems a perfect match.

And the man with a video camera happened to be just there, in the place where she was killed. In half an hour the recording appeared on the Internet.<sup>3</sup> Who stands to gain from it? Who has made all the arrangements? 'Iran's ambassador to Mexico suggested that the Americans could have been involved in the death of Agha-Soltan, who was iconicised by the opposition and became the symbol of cruelty in suppressing demonstrations. In his interview to CNN Mohammad Hassan Ghadiri said that the bullet that was found in the woman's head was not a bullet that one could find in Iran. 'These are the methods typically used by terrorist groups, CIA and spy agencies.' '4

People suddenly come together // Novaya Gazeta, June 28, 2009 (http://www.novayagazeta.ru/data/2009/068/14.html).

 $<sup>^2\</sup> http://www.newsru.co.il/mideast/22jun2009/neda505.html.$ 

<sup>&</sup>lt;sup>3</sup> You can watch this terrible recording at http://nstarikov.ru/blog/1184.

Iran accused CIA of Neda Agha-Soltan's murder // 7 Kanal, June 28, 2009 (http://www.7kanal.com/news.php3?id=264395).

#### Thailand. May 2010

Peaceful demonstrators in red shirts call for the Prime Minister to resign. Thailand is a monarchy, but the political course is set by the Prime Minister. A change of PM means a change of course. For a revolution and insurrection strong enough to overthrow the Prime Minister, the 'bloody regime' is necessary. If there is no 'bloody regime', unknown snipers come into play once again.

'The greatest threat comes from snipers, since both the government and the demonstrators refuse to take responsibility for them. Snipers also took part in the clashes on April 10, marked with the death of Hiro Muramoto, a Japanese TV cameraman who reported for Reuters.'2

'We were forced to order the use of live ammunition to fire at protesters, since in the streets of Bangkok our soldiers faced a serious and well-equipped enemy. ...during the clash between the army and demonstrators unknown well-trained men dressed in black started to shoot at both soldiers and the 'red shirts' using automatic rifles and grenade launchers... both sides had to admit that during those two days unknown snipers were 'working' in Bangkok, shooting at people from roofs and upper floors.'

In those two days the mysterious snipers killed four people: three civilians and only one high-ranking military officer, who had defected to the opposition. 'On Thursday the General was wounded by two shots to the head while giving an interview to Japanese TV near a barricade in the center of Bangkok.'4 One of the rebel leaders is shot — which is enough for a wave of hatred. People want revenge. Here come chaos and death. A perfect field for political games. And who are the main players? The mysterious snipers.<sup>5</sup>

The aggravation of the situation in Thailand was a result of its turning towards Russia. The preceding curve of political tension goes beyond the scope of this book, since it is described in detail in my book 'Crisis. How to do it.'

 $<sup>^2\</sup> http://www.russian.rfi.fr/v-mire/20100514-ulichnye-boi-v-bangkoke.$ 

<sup>&</sup>lt;sup>3</sup> Belenkiy E. Governmental forces in Bangkok declare a 'war with terrorists' // RIA News, May 15, 2010 (http://ria.ru/world/20100515/%20234668711.html).

<sup>&</sup>lt;sup>4</sup> Unknown snipers are 'working' in Bangkok // xata.co.il following RIA News, May 17, 2010 (http://www.xata.co.il/?n\_id=10379).

<sup>&</sup>lt;sup>5</sup> Pictures of fighting in Thailand: http://bigpicture.ru/?p=55764. Almost all the pictures with victims are captioned 'shot by unknown sniper'.

'Earlier the government reported that they had put military snipers on the roofs of buildings around Ratchaprasong Square, where an opposition rally was being held, in order to 'protect demonstrators from terrorists'. The government, however, claims that snipers acting in the city at the present moment have nothing to do with either the government or the army.' This scenario is very similar to that of Kyrgyzstan: 'Here and there unknown people fire a couple of shots from M-79 grenade launchers using fragmentation grenades.' Does it remind you of what happened in Iran? That time they also used sniper fire to 'suppress the demonstration'. It looks to be the same here in Bangkok. In the capital of Thailand only demonstrators were killed by snipers: 'Unknown snipers are shooting from roofs and upper floors. So far the only the opposition members and passersby have fallen as their victims.'

#### Romania. December 1989

The leader of Communist Romania Nicolae Ceauşescu kept his country basically independent from the USSR. He had oil. In the 70s after a large increase in black gold prices he decided to take loans from western countries and develop a powerful oil-refining industry. In 1975–1987 he borrowed 22 million dollars from western countries, including 10 million dollars from the USA. The loans were to be paid by 1990–1996. But then prices on petrol and oil refinery products fell, and Romania found itself in a difficult situation. Ceauşescu decided to repay all the creditors as soon as possible. To do that, he had to mobilise all the country's resources. Since 1983 Romania had minimised imports and expanded the exports — for instance, it exported meat, while Romanians could buy it only with ration cards. The normal room temperature was 14 °C, hot water was available only once a week, a room

<sup>&</sup>lt;sup>1</sup> Belenky E. Governmental troops in Bangkok announce a 'war on terrorists' (http://www.rian.ru/world/20100515/234668711.html).

<sup>&</sup>lt;sup>2</sup> Belenky E. A war in Bangkok streets has been going on for five days. // RIA News, May 17, 2010 (http://www.rian.ru/world/20100517/235230975.html).

<sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> *KaraMurza S., Telegin S., Aleksandrov A., Murashkin M.* On the edge of 'orange' revolution. The overthrow of Ceauşescu's regime in Romania (http://polbu.ru/karamurza\_orangerev/ch13\_all.html).

in a normal residential house could be lit by one 60-watt bulb. Car owners could get 30 litres of petrol per month.

What do banks give loans for? To draw interest and to gain profit. If you are dealing with fiduciary money, you will not want it back. You can 'paint' as much as you need on your computer. But unpaid loan enables political and economic subjugation of the debtor country. *Government loans imply that they are impossible to repay*. If a debtor wants to repay ahead of time, his creditor gets really angry.

This is the reason why western countries tried to prevent Putin from repaying Russia's external debt. Nor did bankers feel happy when they found out Romania was going to repay in advance. By April 1989 Romania had managed to pay off almost all its debts to the 'printing machine.' The situation had a very negative impact on relations between western countries and Bucharest. In 1988 Romania lost its Most Favoured Nation status for trade with EEC and G7. De facto western countries imposed an economic blockade on Romania. Do you remember those days when Gorbachev was taking loans in exchange for his country and allies? Ceauşescu chose the opposite strategy: to pay off. He even criticised Gorbachev's Perestroika, saying it would end with the fall of socialism. This is not a very good scenario.

...On 15 December, 1989 the city of Timişoara populated by Hungarians faced a protest demonstration against the deportation of dissident pastor László Tőkés. The government had to use force — water jets at first, then, with the growth of unrest, they sent in the army. Then they opened fire. But the mass media deliberately stirred up the conflict — they said that the demonstrators were being fired at from helicopters, which was an absolute lie.<sup>3</sup> On 18 December, 1989 Ceauşescu departed on a visit to Iran.

Volodin V. Christmas shooting. Revolution in Bucharest as reported by a witness // 'Vremya' Publishing House, December 17, 2009 (http://www.vremya.ru/print/243989.html).

<sup>&</sup>lt;sup>2</sup> Volodin V. Christmas shooting. Revolution in Bucharest as reported by a witness // 'Vremya' Publishing House, December 17, 2009 (http://www.vremya.ru/print/243989.html).

<sup>&</sup>lt;sup>3</sup> KaraMurza S., Telegin S., Aleksandrov A., Murashkin M. On the edge of 'orange' revolution. The overthrow of Ceauşescu's regime in Romania (http://polbu.ru/karamurza\_orangerev/ch13\_all.html).

On 20 December he decided to cut it short, and came back to Bucharest to give a radio and TV speech, saying that 'hooligan actions in Timişoara were sponsored by imperialist circles and intelligence services of various foreign countries in order to destabilise the situation in the country, and to destroy Romania's independence and sovereignty.' Despite the specific 'communist' language, it was an absolute truth...

On 21 December, 1989 he ordered the organisation of an assembly in Bucharest, which was meant to end the unrest. But then a sudden explosion in the crowd created panic among the demonstrators. When speaking of 'bloody Ceauşescu', our liberals try not to mention this episode. Because they cannot think of a way to explain it. Could Ceauşescu arrange an explosion during his own speech? Why? To make the crowd go wild? If not Ceauşescu, then who did it? Is it possible that unarmed Timişoara demonstrators could blow up their fellow citizens?

Claudiu Iordache, a contemporary Romanian political writer, has found a definition to meet this specific situation: 'Romanian revolution is a revolution in Timișoara plus conspiracy in Bucharest'<sup>2</sup>. Who set off the bomb? The bomb was set off by the very forces that were going to bring the mysterious snipers into play once more, this time in the capital of Romania. 'We have only got inconsistent information about what really happened in Bucharest. According to the press, snipers shot at anyone they could see. They are said to have provoked shootouts between demonstrators and the army. This was allegedly done by *Securitate* (State Security) who were said to be fighting for the deposed dictator. Even at that time such an explanation seemed unlikely. Chaos may well have been caused deliberately, in line with the power transfer plan (all the events took place in Bucharest, other regions remaining stable).'<sup>3</sup>

A lot of interesting information can be found in a fragment of the Parliamentary Committee report on the investigation of the events of December

<sup>&</sup>lt;sup>1</sup> *KaraMurza S., Telegin S., Aleksandrov A., Murashkin M.* On the edge of 'orange' revolution. The overthrow of Ceauşescu's regime in Romania (http://polbu.ru/karamurza\_orangerev/ch13\_all.html).

<sup>&</sup>lt;sup>2</sup> Tverdokhlibid V. Will Romania have its own Nurnberg // Zerkalo Nedeli, September 18–24, 1999 (http://www.zn.ua/1000/23223/).

<sup>&</sup>lt;sup>3</sup> KaraMurza S., Telegin S., Aleksandrov A., Murashkin M. On the edge of 'orange' revolution. The overthrow of Ceauşescu's regime in Romania (http://polbu.ru/karamurza\_orangerev/ch13\_all.html).

1989, devoted to 'psychological and electronic subversion' of that period and published in the Romanian press. As it turns out, some mysterious forces (called 'hostile revolutionary forces') coordinated their actions to organise as many clashes as possible. For instance, a number of fake messages were transmitted via secure channels in order to cause clashes between the Ministry of National Defence, *Securitate* and demonstrators.<sup>1</sup>

The main feature of the programme, though, was the mysterious snipers, or terrorists, as they came to be called. They killed people and caused panic. The new revolutionary government put all the blame on Ceauşescu right away. In his television address Ion Iliescu, one of the revolutionary leaders and future president, said: 'These terrorist groups made up of true fanatics who shoot at flats, civilians, soldiers and officers with unprecedented cruelty, prove the anti-popularist nature of Ceauşescu's dictatorship. And this is not just a group of terrorists; here we are dealing with trained and equipped soldiers. Terrorists do not wear uniform; they are dressed in civilian clothes. To look like militia volunteers, they often wear three-colour bands on their sleeves. They can shoot from any position.'

Nicolae Ceauşescu was executed on 26 December, 1989.<sup>3</sup> The unknown 'terrorists' kept fighting from the evening of 22 December until 2–3 January, 1990, that is a whole week after the death of Romanian leader. As Ceauşescu was not a monarch, his sons were not supposed to inherit power. So there was no use fighting for the heirs. Then why protect the power which does not exist anymore, shooting at flats, soldiers and passers-by?

When speaking of these days in Bucharest, one can find evidence of these mysterious snipers in the most unlikely places. A Russian journalist, for instance, can remember the demonstrators taking the Trade Rep-

Morozov N. The events of December 1989 in Romania: a revolution or a putsch? // Neprikosnovenny Zapas, no.6, 2009 (http://www.polit.ru/research/2010/01/20/ morozov.html).

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Ceauşescu and his wife were shot 'legally' immediately after the end of this farce, which lasted only 120 minutes. No investigation was conducted; even no official arrest was made. The Ceauşescu couple were brought to a military town, the inconveniences (they had to sleep in a BTR) being explained as follows: 'We want to protect you, our dear leader, from a possible enemy attack.' What does it remind you of? Mussolini's execution. Arrest, then asking for instructions. And a bit later — an execution, together with his wife. Why did they shoot Ceauşescu's wife?

resentation of the USSR by storm: 'After a burst of machine-gun fire to break the locks, slightly drunk 'patriots' rushed into the building to take all the valuables, and Christmas supplies. They were about to shoot four staff members as 'terrorists'. The four were saved by unknown snipers who opened fire from the upper floors. During the unrest three soviet men suffered minor injuries.'

Snipers were noticed there, at least by Romanian soldiers who fought them. But there were no trials and no arrests. What happened there is still not quite clear, but it needs clarification: around a thousand people were killed. 'The revolution has raised a number of questions, and the most important one still has no answer — who were those mysterious snipers that would open fire from the roofs? Militia? State Security? The Army? Mercenaries? ...They provoke clashes between militia and the Army, burst into houses, shoot at people in the streets from windows and roofs. From the radio and television we knew a number of 'terrorists' were arrested, but none of them appeared before a court. In vain journalists tried to see them in prisons or hospitals. After a time came the official reply: 'They blended in with us.'<sup>2</sup>

So what do we have in the end? Today Romania is a dumping ground for foreign goods. In the last 20 years national industry has completely disappeared, and strategic sectors have been sold to foreign companies. Salaries have been cut back, unemployment is rising, drugs and prostitution are spreading. Today Romanians consider December 1989 not as a victory of democracy over dictatorship but as a tragedy and a mistake.<sup>3</sup> According to Radio Free Europe/Radio Liberty, 'the overthrow of Ceauşescu's regime became the last in a series of national revolutions in former Eastern Bloc countries.'<sup>4</sup> What else can we expect from a radio station funded by the CIA?

Volodin V. Christmas shooting. Revolution in Bucharest as reported by a witness // 'Vremya' Publishing House, December 17, 2009 (http://www.vremya.ru/print/243989.html).

<sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> *Morozov N*. The events of December 1989 in Romania: a revolution or a putsch? // Neprikosnovenny Zapas, № 6, 2009 (http://www.polit.ru/research/2010/01/20/morozov.html).

<sup>&</sup>lt;sup>4</sup> Shary. A. 20 years without Ceauşescu // Radio Free Europe/Radio Liberty, December 26, 2009 (http://www.inosmi.ru/europe/20091226/157230304.html).

Ceauşescu managed to pay off almost all of his country's debts. This is the reason why he was killed. It's quite easy to predict the result of financial policy developed in the new 'liberal' Romania. In the first three years the 'post-communist government' took a lot of loans aimed at 'reformation of the economy'. Just like our 'jungreformators'. Loans taken, reforms implemented — and all we are left with are the oligarchs, a deep industrial crisis, and immense debts. Because the money has gone to an unknown destination.

Where does the 'new' Romania take loans from? From the International Monetary Fund. And the process is not over yet. The 'printing machine' keeps holding Romania tightly in its 'fraternal' arms. 'Romania has applied to the IMF and EU for a €20 million anti-crisis loan, said Traian Băsescu, the President of Romania.'

... Thailand, Iran, Romania. What is that to us? The truth is that these guys with sniper rifles have been to our country, too. We just did not know about it — the information could have been too traumatic for the electorate.

#### **Moscow. October 1993**

A lot has been written about this tragic year. But I was waiting for evidence reliable enough to never be disproved. And finally I got what I wanted: Dmitry Rogozin, Russia's ambassador to NATO, published his book 'Yastreby Mira' ['Hawks of Peace']. So far no one has disproved or cast doubt on it...

'In 1999, five years after these tragic events, I found myself raking over the days of 'Black October'. Regions of Russia MP group elected me a delegate to the Commission for Yeltsin's impeachment... The events of 1993 were subject to careful investigation. Despite the fact that the Commission's status is explicitly stated in the Constitution, this time it did not have any real powers. We could not make high-ranking officials come to court, thus losing the witnesses essential for the complete picture. Even if the person we needed agreed to come before the Special State Duma Commission, we could not make her swear on oath. The data we gathered, though, made it possible to reveal the underlying reasons for October 1993.'2

<sup>1</sup> http://lenta.ru/news/2009/03/18/credit.

<sup>&</sup>lt;sup>2</sup> Rogozin D. Hawks of Peace. Notes of the Russian ambassador. Alpina Non-fiction, Moscow. P. 167.

The State Duma Commission for Yeltsin's impeachment called Viktor Andreevich Sorokin into court. In October 1993 he held the post of deputy Airborne Forces commander. Here is what General Sorokin said at the Special State Duma Commission session on 8 September, 1993, according to the verbatim cited by Dmitry Rogozin:

'Around three in the morning [on October 4, 1993 — N. S.] we were summoned to meet the Minister. When we came into his office, we saw Chernomyrdin, Luzhkov, the city's mayor, Filatov, the former head of the President's Administration, the govering body of the FSK (at the time headed by Golushko) plus some civilians, and Yerin, Minister of the Interior. The meeting was opened by Yerin, who claimed the Army should storm the White House. His speech was so emotional, it was clear the Minister was in such a nervous state... Then the initiative was taken by Chernomyrdin, who insisted on ordering troops to storm the While House immediately. The Minister of Defence said he would not follow verbal orders, and asked for written instructions. Filatov confirmed that there was one already, coming soon. So we were ordered a move right away, at night, to unblock the White House. I said we should wait for morning to come, since it was totally unacceptable to drop the troops in pitch darkness. They agreed. I set out at 7 a. m. I left a Special Forces battalion to maintain security for the General Staff. Then with the column of Regiment 119 we approached Kalininsky Prospekt from the Arbat. We arrived in the middle of intensive indiscriminate fire. I ordered the Regiment Commander to move towards the White House as soon as possible and get close to the entrance doors; I also told them not to open fire first, but to shoot back if needed... Around 8 a.m. our units moved to the walls of the White House... During this move five Regiment members were killed, 18 were wounded. They were shot from the back. I saw it with my own eyes. Fire was coming from the roof of the American Embassy, from the bell tower near Hotel 'Mir'. All our soldiers were shot from the back. I do not know who the shooters were, but I could make a guess...'

Five killed, 18 wounded. How did they explain it to their mothers? The shots were made by Rutskoy's supporters? This sniper fire has never been investigated, and no one has been punished...

Then Rogozin asks General Sorokin:

'— You said fire was coming from the rear, so the soldiers were shot in the back. Did you realise it after the fighting or during the course of it? If you had ordered to shoot back, why were these firing points not covered? What do you think of the shooters? Who were they?

— I ordered not to shoot in the direction of the American Embassy. Soldiers were moving in waves, so that while one group was moving, the other was covering it. I strongly prohibited shooting at the embassy, to prevent further questions.'1

Yet we should do justice to Rogozin — his following words were documented in the verbatim of the Duma Commission: 'Can we make a special order concerning the report of our commission on the case in question — September/October 1993? Because the idea of firing points located on the roof of the American Embassy without the knowledge of the embassy itself seems absurd. What I mean is that we are talking about a foreign intervention in the events of October 1993. To achieve the desired effect, they shot our soldiers in the back, they provoked them. I think the information we received today is very serious — it provides us with the answer to the questions put in point one concerning the Belovezha Accords. It is a true intent, as well as aiding and abetting, and hostile policy.'

The young soldiers were not the only victims of these tragic October days. Many residents of Moscow were shot by mysterious snipers — the American Embassy was not the only firing point. They shot at passersby. Their aim remained the same — to imitate 'crimes', stir up a rebellion, and incite fratricidal war. The shooters were not amateurs, but high-ranked professionals — at least we can remember the shot made at Gennady Sergeey, a Special Forces officer, in front of the White House. The bullet went in between the lower edge of his helmet (a sphere) and the upper edge of his bullet-proof vest.<sup>2</sup> The Russian officer was killed by a mysterious sniper. But even this event did not make Commander of 'Alpha' Zaytsev storm the White House: he did not fulfill Yeltsin's direct order, but sent a herald there. Thank God, we managed to avoid mass deaths. Later Gennady Zaytsev explained his decision in an interview: 'A member of 'Alpha', junior lieutenant Gennady Sergeev, has died... They drove to the White House on a BTR. A wounded paratrooper was lying on the road, so they left the BTR to save him. At this very moment a sniper struck Sergeev in the back. But the shot

<sup>&</sup>lt;sup>1</sup> Ibid. P. 171–172.

<sup>&</sup>lt;sup>2</sup> According to 'Novaya Yezhednevnaya Gazeta', September 10, 1994 (http://www.situation.ru/app/j\_art\_113.htm).

did not come from the White House, I am absolutely sure. This is a mean act aimed at making 'Alpha' members lose their temper and making them rush in and start smashing it all up.'1

Andrey Dunayev, deputy Minister of the Interior before Summer 1993, who supported the Supreme Soviet, said: 'I was a spectator of the episode when an MVD member was slaughtered by a sniper from the roof of Hotel 'Mir'. We rushed to the place, but the shooter was gone. By some features, though, we could infer this was not in the style of either MVD, or KGB, but of someone else. Apparently, of foreign special services. And the one who sent them was the American Embassy. The USA was trying to foment a civil war and ravage Russia.'<sup>2</sup>

The interesting point is that state sovereignty was the very thing that saved us in 1991: in those days it prevented the mysterious snipers from doing what they did in October 1993. In 1991 no one could say what turn it would take. We still had the USSR, the KGB, and there was at least one decisive man in the GKChP<sup>3</sup> — the Minister of the Interior Boris Pugo.<sup>4</sup> And there are no snipers on the roofs of Moscow, although sniper fire could be

<sup>&</sup>lt;sup>1</sup> *Kaftan L., Baranets V., Gamov A.* The mysterious shooting near the White 'House' // Komsomolskaya Pravda, October 3, 2008 (http://kp.ru/daily/24174/385092/).

<sup>&</sup>lt;sup>2</sup> Ibid.

The GKChP never arrested Gorbachev. A journalist from Saint Petersburg, for instance, managed to get Mikhail Sergeyevich on the phone after dialing the number of his cottage in Foros. All the putschists' followed Gorbachev's orders, which turned out to be a deceit. This is why the GKChP were so confused when orders from the General Secretary stopped coming. They were to play aggressive investigators, and they got carte blanche for it. When all the orders were executed in a proper way, the whole World called GKChP 'putschists', and the General Secretary cut all the contacts. After several days of waiting the completely lost GKChP members rushed to Gorbachev, and there they were arrested. To understand the gravity of their intentions, suffice it to remember that on August 19, 1991 the head of the KGB Kryuchkov met unit commanders. He informed them that the State of Emergency had been declared... and that groups of chekists were formed to take part in potato harvesting.

<sup>&</sup>lt;sup>4</sup> Pugo will top the list of mysterious suicides succeeding the fall of the great country. He and his wife will be found dead in their apartment. The official version is as follows: Pugo killed his wife and shot himself. It is whispered, though, that there were two bullet holes in his head...

a good reason to accuse GKChP of anything. But those days things could not be that explicit. But two years later the situation would change...

... In August 1991 the mysterious forces chose a different strategy. The task was quite common — to initiate 'bloody regime' crimes in a situation where the regime itself dreaded to think of such a scenario. Can you remember the three guys killed near the Garden Ring in Moscow? Later General Varennikov, a member of GKChP, said: 'There were young people on both sides of the barricades. They were meant to rise to the provocation. The ambush was set 1.5 km from the White House, on the Garden Ring. This is where news and press reporters from America and other countries had been placed beforehand to capture the episode, which no one knew was going to happen — neither the Militia, nor the troops that were patrolling the streets and suddenly fell into the ambush.'1

The style is repeated in every detail. Does it not remind you of Tehran in Summer 2009? When an unknown sniper shot the young woman, there 'happened' to be a guy with a camera. Every revolution needs its own heroes — dead, of course. A mobile group — several BTRs — was driving along the Garden Ring (on patrol), when the heated crowd blocked their way throwing cocktail bombs and trying to open the BTR's hatches. As a result, three people were killed. Later these soldiers were acquitted. They acted in accordance with the rules...

### Only by establishing full state sovereignty can we guarantee that these mysterious snipers will never come to Russia again!

'During my work on this book,' Rogozin writes, 'I ran across a number of additional sources which proved Sorokin's words. For instance, there were documented testimonies describing several cases of FSB (at that moment the Ministry of Security) and MVD surveillance coming up to the commanders of paratroopers and Taman soldiers under fire, to inform that the fire was initiated by friendly troops — government *trassoviki* snipers, former members of 'the Nine', and unknown snipers from the roofs of the American Embassy and its residential area. Obviously, members of 'the Seven' did not know that among the shooters of GUO RF there were also foreign snipers. They advised the paratroopers to 'take care', since, as they said, 'snipers of GUO RF had been highly skilled since the times of the Afghan War, and

 $<sup>^{\</sup>rm 1}~$  Shironin V. The agents of Perestroika. A declassified KGB file. Moscow, Eksmo, Algorhythm, 2010. P. 196.

they did not care about who to shoot at. The members of the surveillance described in detail where the government shooters were located (they showed the particular buildings and respective apartment windows and dorms); they put special emphasis on the shameless snipers located on the roof of the American Embassy and advised not to risk a bullet in the back, saying 'we do not know whom they are subordinate to.'

Yeltsin received the go-ahead from the West to dissolve the Parliament. Just think it over — the Parliament was shot at by tanks! And Western democracies did not say a word about it. Why? Because it was in October 1993 when the privatisation of Russia's natural resources was under consideration. Along with the final privatisation of the Russian ruble...

#### Petrograd. February 1917

Many documents concerning this period tell us about mysterious machine gunners who opened desultory fire in the city. Who were they? In those days they were said to be policemen who shot 'into the crowd'. Just recall — this is how they explained it in Bucharest: the shooting was ascribed to *Securitate* members. No one was arrested, and no one was tried. Is it not strange? The same thing happened in February 1917. There were a lot of words written about it, and a lot of struggling; a lot of people were shot at or chased. But no one was caught or charged.

Machine gunners were witnessed for the first time on 28 February, 1917. A report to the military commission of the Provisional Executive Committee of Soviet of Workers' Delegates says:

- '1. Machine gun shooting from the roofs at the State Bank Yekaterininsky kanal, 27, 29, 31, and intense fire from the 'Petrogradsky Listok' editorial office.
- 2. Attendants of the Winter Palace infirmary asked for a body of troops to arrest the persons hiding there, stop the machine gun fire from the roofs, and defend the palace.
- 3. According to reliable sources, several cars were sent up to the doors, in order to make off with the last of them.

<sup>&</sup>lt;sup>1</sup> Rogozin D. Hawks of Peace. Notes of the Russian ambassador. Alpina Non-fiction, Moscow. P. 173–174.

4. Reinforcement needed from Morskaya, at the corner of Nevsky and Telefonnaya. Gendarmes are shooting at ambulance cars from machine guns, so that the wounded are impossible to pick up.'1

Again, there is a striking resemblance here. This time in looks exactly like what happened in Kyrgyzstan, where the mysterious snipers gave preference to shooting at women and children, and ambulance cars. Why choose such strange targets? The more hatred, the better. Who can shoot at soldiers and demonstrators from the roofs? The servants of 'bloody regime', of course. Who would try to disperse the Iranian crowd with sniper fire nowadays? The police, of course. Who else could it be? We know the answer in advance, all the more so when this crap is caught by provocateurs in the crowd, and by the evening press. Then these rumours even reach the officials.

### A Telegram. From Count Kapnist — to Admiral Rusin. February 28, 1917, 16:15.

'Troops have finally left the Admiralteystvo. So far everything is quiet, but rebels are all around us here. The city is rather quiet. Here and there the police fire machine guns with no purpose.'2

I personally care about only one question: since when have the Russian police been armed with machine guns? Where did they take them, and why give machine guns to the police, if the garrison of Petrograd numbers 300 thousand members, including several machine gun units? In 1917 machine gun was a very powerful weapon, not even like a grenade launcher nowadays. Have you seen militia men with grenade launchers? I have not. So in the same way no one could see policemen with machine guns in 1917.

'A downfall in three days (February 28 — March 2, 1917)' — this is a how Aleksandr Solzhenitsyn will call a chapter in his book 'Reflections on the February Revolution'. He will raze all these lies to the ground, saying: 'The police were not only few in numbers, but also ill-armed: they only had revolvers and *shashkas* — no rifles, no quick-firing guns, no explosives or smoke weapons. (Firstly in common parlance, then in irresponsible February press, there appeared a legend that policemen dressed as soldiers and armed with machine guns were shooting at the crowd from attic floors. But this kind of shooting, which was militarily senseless, never took place

Starikov N. The Red October Chronicles // ZaPravdu! (http://zapravdu.ru/content/view/199/51/1/3/).

<sup>&</sup>lt;sup>2</sup> Ibid.

in Petrograd; during all these days no firing points or machine guns were found; what is more, the police did not have machine guns at all and had no skill in using them.)<sup>21</sup>

It should be noted that, according to Solzhenitsyn, the downfall of Russia started on 28 February. That is the day the mysterious machine gunners were noticed in the city.

So, who shot at the citizens of Petrograd? The question is still open. Just like the question of shooting in July 1917. And just like the one concerning the situation with mysterious snipers in 1993 Moscow covered with leaves and cartridges...

'Not everything seems clear about the situation with the 'police machine guns'. During the investigation no 'traces' of police who 'shot into the crowd' were found. During March–April 1917 newspapers used to print advertisements calling people up to testify against machine gunners who had shot from the roofs. More importantly, the investigation held by the Emergency Investigation Commission on former ministers', chief executives' and other high-ranked officials' abuse, revealed that, judging by their numbers, these machine guns did not belong to MVD structures. They did not find policemen there. But according to Infantry General A. P. Kutepov, who commanded the composite guards located on Liteynyy Prospekt on February 27, his soldiers found 'ordnance factory workers and workers from Vyborgskiy district' holding machine guns, plus 'two men whose Russian was poor and who then seemed to be Finnish'. 'In my district I did not see either machine guns used by police, or the police itself', Kutepov used to say.'

The Russian version of this book came out in November 2010. And in December 2010 the so-called 'Arab Spring' began, where 'unknown snipers' were actively involved.

How many more cases of mysterious snipers, machine gunners and other forces of unknown origin can be found in the history of Europe, Russia and other countries! Every time you hear about 'waves of popular indignation' that have washed the regime away into obscurity, along with the country and the state, look back. Look through other pages, try to find something. And you will see the reason for these waves. It's not that difficult.

All you need is to open your eyes and think about it.

<sup>&</sup>lt;sup>1</sup> Solzhenitsyn A. Reflections on the February Revolution (http://libid.ru/PROZA/SOLZHENICYN/fevral.txt).

<sup>&</sup>lt;sup>2</sup> http://rusk.ru/st.php?idar=424562.

# 12

## The nationalisation of the ruble as the road to freedom of Russia

Those with blinders on the eyes must remember that the set also includes the rein and the whip.

It's too late to hit the table with a fist when you are already a dish yourself.

Stanislaw Jerzy Lec

We left the history of the global financial system right after the ink of the signing countries had dried in the Bretton Woods Agreement.

However, to comprehensively understand modern affairs, we have to briefly review the sixty-five years between the present and that period. The USA managed to impose their dollar upon the entire world as a unique criterion of wealth and prosperity, and to gain control over the global emission via the 'independent' central banks. After that the USA started their 'printing machine' at full capacity with a clear conscience. Initially the uncontrollable dollar emission was inconspicuous, as the loans obtained from the USA and dollars for resources sold were immediately used to recover the economies of Europe and Asia affected by the World Wars. However, the economical recovery finished as the unrestrained 'printing machine' was only starting to work.

The Soviet Union smoothly joined global trading for dollars, curtailing the project of creating an alternative financial system. Only one part of this system was retained, the CMEA (Council for Mutual Economic Assistance),

which traded for 'transfer rubles'. Essentially, the ruble was not opposing the dollar any longer. The FRS of the USA issued dollars, and 'international' central banks acquired them and kept them in their storage inventories. Thus, the USA and Great Britain, whose pounds were also appropriate for 'the notaphily,' started to break away from other countries, improving their own quality of living. It is remarkable how fast world bankers overcame their own restrictions, completely infringing upon the Bretton Woods Agreement. In less than twenty years it was decided that there was gold content in the dollar, and at the end of 1964 the dollar holdings all over the world matched with the gold reserves of the USA.<sup>1</sup> Obviously, none of the bankers were going to confine themselves on the way to unlimited world hegemony. The dollar stopped being inconvertible at a great speed and without interruption. The Anglo-Saxons were syphoning off resources all over the world and paying for these with pieces of the coloured paper. However, it was done under the cover of clever reasoning about money emission, economic science and other pseudoscientific chatter. In particular, there were 'theories' that as the dollar bore the burden of being the universal currency, it could be emitted more than the existing gold standard. This green son of toil served not only the United States, but the entire world.

Everything was going smoothly until 1965. Almost right after having been reelected to the post of President of France, Charles de Gaulle announced that his country would start to use real gold for international payments. According to the Bretton Woods Agreement he demanded that the USA exchange 1.5 billion dollars, kept by France, for real gold at a price of 35 dollars per ounce. It was the worst nightmare of a banker, when all creditors of his bank came to demand their 'deposits', as all FRS dollars were just obliging to pay the holders a certain amount of the precious metal. However, the required amount of gold had never existed, and consequently it was especially important to prevent the precedent. The USA started to bias obstinate de Gaulle, who had already caused them trouble during his first presidential term, and even before that, when he was leading the Opposition in 1944-1945. Then during his second presidential term de Gaulle catastrophically endangered the mere fact of the 'printing machine's' existence. Furthermore, the French President was determined, and when pressed, he withdrew

<sup>&</sup>lt;sup>1</sup> In 1960 the gold reserve of the USA came to 17.8 billion dollars; http://enc.fxe-uroclub.ru/77.

from NATO and drove its formations out of his country. The USA had to exchange paper money for gold. In turn Germany, Canada and Japan made similar demands, though not in public like France, but secretly. Finally, the gap between the global amount of dollars and gold reserves in the USA was reduced even further. From 1960 until 1970 the dollar reserves kept in other countries tripled (and in 1970 came to 47 billion dollars, whereas the gold reserves of the USA came to 11.1 billion dollars at that time).¹

It was necessary to urgently find a way out of this situation, but firstly the one who had entrenched the 'printing machine' must be punished. In 1967 de Gaulle returned the paper cash to the USA, and in May 1968 disturbances in France began. Demonstrations, the confrontation with the police, walkouts... After almost a year of pressure Charles de Gaulle had to resign on 28 April, 1969. On 9 November, 1970 the 'gravedigger' of the dollar died due to heart failure.

The system established by the bankers was close to collapse. The gold default of the dollar concurred with the military defeat of the Americans in Vietnam. The USSR got a new chance to ruin the ugly financial pyramid established by the bankers. It was necessary to abandon the dollar trade and to start selling resources and goods for rubles. This would allow restoration of the economic system which Stalin had failed to finalise. Alas, this chance was not seized. The USSR government either did not understand that the global velitation was not about the ideology but about finance, or they just had not had enough willpower and were waiting for capitalism to perish on its own.

Thanks to this break the world's bankers became concerned with saving their creation. Being aware that the capability of the USA to exchange dollars for gold at a fixed rate would be increasingly distrusted, they decided to get over this precipice in several steps. On 17 March, 1968 the Americans cancelled the dollar conversion into gold at a fixed rate for private traders. Central banks still could exchange dollars for gold at an official rate of 35 dollars per 1 troy ounce. At this, all 'independent' central banks in all countries were privately commanded to prevent such conversion by any means. On 15 August, 1971 the USA President Nixon, during his speech on the national (!) TV, incidentally announced the temporary taboo on the dollar conversion into gold at an official rate in central banks. That was

<sup>&</sup>lt;sup>1</sup> http://enc.fxeuroclub.ru/77.

a scandal indeed. However, it could become even greater, when it appeared that in the period up to the end of July 1971 the gold reserves of the USA descended to a threshold of less than 10 billion dollars. The affair proceeding any further could lead to complete catastrophe.

On 17 December, 1971 the USA devalued the dollar by 7.89% in relation to gold. The official price of gold increased from 35 to 38 dollars per one troy ounce, but, curiously enough, the exchange of dollars for gold did not recommence. On 13 February, 1973 the dollar descended even lower in relation to gold, the rate became 42.2 dollars per 1 troy ounce. However, gold could not be acquired at this price, either. The American currency was not trusted anymore, and nobody hurried to sell their gold. The USA and Great Britain therefore had to share the benefits from the reserve currency emission with other countries. The only way out of the dead end was to print more paper money, which the global financial community would agree to treat like absolute values. It must be assumed though that this money was not financially assured by anything.

On 16 March, 1973 during the International Conference in Paris, a compromise was found. The gold content of the dollar was officially cancelled. It goes without saying that the International Monetary Fund (IMF) confirmed and approved this decision, which would cancel all the principles of the financial system of that time and the system of the IMF itself. The epoch of floating exchange rates began in the world. On 8 January, 1976 the meeting of member countries of the IMF took place in Kingston in Jamaica, where a new agreement about the structure of the international monetary system was signed. This Agreement included some amendments to the Charter of the IMF. It is not exactly true when they say the Bretton-Woods System is still in operation, as since 1976 the Jamaica Monetary system has been applied throughout the world.

Since then the Europeans and Japanese have not had to collect dollars and pounds before they issue their own national currency. During the Jamaica meeting the following currencies were approved: the USA dollar, the pound sterling, the Swiss franc, the Japanese yen, the FRG mark and the French franc. As the two latter have been transformed into the Euro, there are only five reserve currencies in the world now.¹ However, the dollar was

Besides the comprehensible dollar, franc, euro and yen there is a strange reserve currency, issued by the International Monetary Fund. This 'wonder of nature' is called the Special Drawing Rights (SDR).

still the leader, as global trade was still carried out for dollars. France, FRG, Switzerland and Japan were only allowed to take a small bite of a large Anglo-Saxon pie. They were admitted to the 'pork barrel'. Now their issued 'funny money' could have been collected by other states of the world in their gold exchange reserves. Until its dissolution the USSR kept out of this 'Feast of life'. When the Russians became totally insane in 1991, Russia was dragged into this global system.

The system of actual global economics is weird and in no way can be compared with the regular life of ordinary people, who normally believe that it is unfavourable to be in debt. Being in debt is not good, and it does not enhance anyone's social attractiveness, which is assessed by the quantity of money obtained.¹ Would a girl choose a fiancé head and ears in debt or one tending to business? It is just the same for enterprises. Having excessive debts leaves its trace in the accountancy and leaves behind an impression, and can ultimately lead a company to failure. However, everything changes amazingly at state level. The most developed and safe countries have the largest national debt, and it is not only the USA which is meant here. If the Western countries were not countries but people, they would have been imprisoned as debtors long ago. Russia does not have an immense debt, and still we are kind of retarded. How can that be?

The actual global financial system is rather funny. Some of the Western countries print nice pictures on paper, which are considered as money, and they acquire real goods from the rest of the world for these coloured paper sheets, whereas the rest of the world is collecting these 'pictures'. Whose life is better? The answer is obvious, and it is considered to be normal. Those printing the pictures teach those working for them about democracy and proper economic organisation. By the way, there is one more aspect. *The entire world lives in accordance with its capabilities*, and so does our country. If Russia has earned some money, the country uses it and lives on it. If its needs increase (retirement benefits are increased, new arms are ordered,

Of course, a doctor or a teacher is more socially effective than a banker or a stock-broker. A farmer feeds us, whereas a Catsmeat Man does not. However the point is that within the mutilated finance-oriented world the values have been substituted. The bankers, once having established the Bank of England, have imposed their ratings scale to the entire world. A financier and a banker are the most important people for them, and these professions, absolutely useless and even destructive to society, are the most highly paid ones.

construction in Sochi begins), it is necessary to find sources of financing, to earn some dollars in the international market and to issue rubles to pay pensions off or to remunerate orders for the factories. We cannot issue our national currency until we get some dollars.

Yet things are absolutely different in the USA and Great Britain. When they need to pay pensions and allowances off, to build plants or to aid 'young democracies', they just 'withdraw' money. When experiencing troubles in the banking sphere, they just buy up the shares of the bankrupt banks. They provide food vouchers for the poor and pay large allowances to the unemployed. The owners of reserve currencies themselves use the common sense principle, issuing as much money as their own economics require. They also print enough currency to be exported to all of the 'collectors'. And here is the masterstroke: the developed nations do not issue their own currency, but borrow the money from their 'own' central bank. 'Own' is given in inverted commas as a central bank is independent and controlled by international bankers of the central bank. The money is borrowed, and the government stocks are returned. Then these stocks are sold to the countries collecting the gold exchange reserves, meaning Russia, us. Surely, our central bank acquires their stocks, paying back in dollars earned from our oil and gas. Ultimately, we have given them our resources for free and acquired computer warrants, called dollars, instead (as all the remuneration is done electronically). The exporter has imported 'zeros' to Russia and sold them to the Central Bank on the stock exchange, which injected a certain amount of rubles into our economy according to the records in the American global computer. The value of the line 'The Central Bank of Russia' changed, and now there are more zeros in it.

Still the magic is not over. Then the data from one line of the American computer is moved to another line: the Central Bank of Russia 'wants' to buy some USA stocks for dollars. Now the number of these virtual government stocks (treasuries), given in the line for the CB of Russia, has changed. This mathematics is convenient and pragmatic. The dollars have been used to close up the budget deficit in the USA. We have computer zeros, whereas they pay allowances, order new aircraft carriers and pay for the next 'orange' revolution. This happens to all countries in the world whose currency is not used as a reserve. The latter issue their money and export it, but do not sell foreign currencies.

The USA, Great Britain, the European Union, Japan and Switzerland live not according to their capabilities, but according to their needs. The USA does not cut down its expenses for the army and the war, for allowances and grants to legal advocates, but expands its expenses and adjusts them to actual needs. It is seen in terms of the ultra-fast growth of the American national debt, which currently comes to about 14 trillion dollars¹ (two years ago it was less than 10 trillion dollars). Do you remember the problem of Greece? Its national debt exceeded 120% of GDP (gross domestic product), which, simply put, means that the annual income of Greece was less than its debt. Greece became absolutely bankrupt. The same happened to Spain, Italy and Ireland, and even Japan is bankrupt, as its national debt exceeds GDP.

This was all about the countries we are used to call 'economically mature'. What about our 'backward' Russia? 'On the 1 March the national foreign debt is \$40 billion or 3% GDP'. How can the 'developed' countries have such enormous debts? The answer is simple, as these countries have paid allowances and pensions to their citizens, have constructed roads and helped their allies, have launched special operations and wars, and spent more money than their economy brings. It has been this way for many years already. These countries spend more and borrow more, and thus their debts increase. Every year these countries live beyond their income, which is called the government budget deficit. Where they earn a pound, they spend a pound and ten shillings, 'The British budget deficit increased by 6.0 billion pounds and during 11 months of the financial year 2009–2010 (since April 2009 until March 2010) reached the level of 94.7 billion.'

Each year the Western countries, which own a 'printing machine', spend more than they earn, simply printing the money under a complicated system, borrowing the money and selling their loan stocks. The amount of national debt indicates how many goods these 'matured economics' have consumed. Their actual welfare is unearned, as in fact they owe the rest of the world. They prosper not because they work diligently, but because the 'printing machine' has established its new world order and shares the emitted money

¹ The actual debt of the USA can be viewed online: http://dollardaze.org/blog/?post\_id=00255.

<sup>&</sup>lt;sup>2</sup> http://www.minfin.ru/ru/press/speech/index.php?p=denied&pg4=57&id4=7206.

 $<sup>^{\</sup>scriptscriptstyle 3}$  http://www.rg.ru/2010/03/18/dolg-anons.html.

with people. There have never been any other means of administration. In Ancient Rome people were given bread and circuses, and when there was no bread, the Romans held massacres and revolts instead of circuses. The world today is the same: bread is provided by a 'hoover' exhausting the world's resources, paying for them with virtual zeros. Hollywood provides circuses by means of the enormous entertainment industry. It is not a coincidence that the entertainment industry was being developed at the same time, when the 'printing machine' was working intensively. It prevented people from hesitating.

How long can this insanity go on? For how long will the USA, Great Britain and other countries of the 'golden billion' multiply their debts? Just ask yourself about it. How long would you last if you spent more than you earned? What if most of your earnings were used to pay the loan charge?

Do not imagine that these tremendous debts will ever be paid off. They must get written off during some artificial cataclysm, whether it be a war, a terroristic act involving nuclear arms, a crisis of unthinkable force or an ecological catastrophe. These can be organised by the 'printing machine' itself, as it employs enough snipers and financiers. Yet might these debts be ever paid off? The debt of each of the 'developed' countries, printing the reserve currency, is denominated with this exact currency, and this sum can be printed easily. However, as soon as it is 'paid off' the debtor's currency becomes cheaper than paper, as the values to be paid off are astronomical indeed. And what would investors-creditors do with that much money? What they would invest in? Remember gold, which cost 35 dollars per a troy ounce, when the Bretton Woods Agreement was signed, and today a troy ounce costs about 1300 dollars. Does it mean that gold has got up 37 times since then? No, it is rather that the dollar has got down, though the FRS keeps printing dollars, and though the emitted dollars are being 'decontaminated', when central banks in all countries permanently buy them and put into the native reserves. Just imagine that 14 trillion dollars, owed by the USA to the entire world, are paid off at once! It would be the end, so no one will ever do so. However, their enormous growth is also a serious problem. The only way out is to destroy this pyramid in a calculated manner under a suitable cover. Actually, it is inevitable, and it is only a matter of time.

However, we are worried about the destiny of our country, as our case is absolutely different. We are like a growing child, whose blood volume

depends not on the growth algorithm, but on external factors. Imagine that the amount of your child's blood (God forbid!) depends on the oil cost on London's stock exchange. If the price of the black gold goes up, the kid develops and his blood volume increases, whereas if the price for hydrocarbons remains the same, the kid emaciates and does not grow. If the oil price goes down, the kid suffers from anemia, fainting and illnesses. The kid's fate is bleak then.

Though it is the same in the modern word. The kid-Russia is manipulated by strict 'teachers' and 'examiners', which are the prices, formed not via actual supply and demand, but through a system of futures and forwards. Roughly speaking, it is not goods or oil which are sold on the stock exchange nowadays, but the oil delivery contracts. The amount of futures sold is ten times as large as that of the black gold. This means that if the futures are sold at a lower price today, the price of real oil subsequently will also go down. Today the price is defined not by demand, but by the stock exchange. If the price for the futures goes up, the price of oil also increases. It was not the growth in demand but manipulation such as this which caused the rise in the price of oil up to 147 dollars per barrel in summer 2008, before the crisis. Analysts predicted that prices would go up to 200 dollars by the end of the year, and that was the reason why the price of oil was forcedly reduced down to 40 dollars. The one with the 'printing machine' can do whatever he wants with global economics. To increase or decrease costs it is enough just to show the trend, to define whether a price should go up or down during an extended period. The entire horde of gamblers and blood-suckers, referred to as 'investors' to be politically correct, like monkeys start buying or selling on the stock exchange whatever the organisers of the climb or fall wish. It is only necessary to have the money and the brokers, who will start to sell or buy whatever is needed. Having the first, the bankers-owners of the FRD easily find the latter. Who could believe that the demand for oil in the world has, in fact, contracted three-fold during the last five months?

Today the 'blood volume' of many countries depends on the rates, established by the stock exchange and not administered by us. If the Anglo-Saxons make the prices for oil go down, the stream of petrodollars shrinks,

<sup>&</sup>lt;sup>1</sup> For the man-made crisis and the activities of banks in detail see: *Starikov N.* Crisis. How it is done. St-Pb.: Piter, 2010.

and our 'independent' CB issues a paucity of rubles to buy this minimum. Subsequently, our economy becomes anaemic. Indeed, there is a rigid constraint between the amount of money in Russia and the supply of dollars coming to Russia from outside. This means we are vulnerable and not fully independent. Our 'kid' cannot grow and develop regularly. Russia must strictly observe the parity and live within its income. This is rigorously controlled by the CB of Russia, which even legally has no right to add any money (any 'blood') into the body of our economy beyond the stream of petrodollars entering the country. The Russian economy is tied hand and foot by the system, where our country coordinates its money supply with the external market environment and another state's currency. Enterprises cannot get any credits for the development and the construction of new plants. Credit cannot be obtained in Russia, as the interest rate in our banks is too high, and it is cheaper to get credit abroad. Curiously enough, this leads to the import of loan money from abroad, which is in fact desired by our central bank. It is not by coincidence that the rate of interest inside the country is less advantageous than the rate abroad; this helps to retain the system. A Russian enterprise gets a *dollar* loan abroad, imports the money into our country and just like the seller of oil or gas sells the currency on the stock exchange. There the currency is acquired by the central bank and put into the GFR (gold and forex reserve). New rubles are printed, and their amount matches the amount of dollars in the GFR. The imported dollars are 'neutralised' and used to acquire the government stocks of the USA, helping to meet the state budget deficit of the USA. The circle is closed.

We ought to sell our goods on the global market to get their dollars, as otherwise there are no rubles in our economy. That is why all countries of the world try to sell something on the USA market, queuing up, dumping and making their populations starve.

We are being robbed twice. **Firstly, we are robbed** when we sell on THEIR market for THEIR currency, at a price established by THEM. Having a 'printing machine' in hand, bankers have the money supply in hand, as well. Via the system of futures they can increase or decrease any price. **Secondly, we are robbed** when, after getting THEIR currency, we have to buy whatever we need on THEIR market and again at THEIR prices. We are robbed twice in a market we do not control. Firstly a dealer buys potatoes from a farmer for next to nothing, preventing the farmer from selling

them himself. Then the farmer buys goods from another dealer at the same market at full price.

Why did we agree to such a system, why do we sell in such a market? Well, there is no other market in the world. There is only one market, and here are its rules. We had our 'collective farm' market, but we sold it. It was not really bonafide; it decayed a bit, but it was our own market. Now we have a new market; it is bright and freshly painted, but we are being abused there.

Thus, one more trend must be announced: the life of a commoner in the West will only get worse further on, year by year. Why is that? The economic system based on raising money out of nowhere is outdated. Money wrung out of the thin air is a true opiate for the economy, just like for man. A drug addict perishes in several years, and the economics of the 'printing machine' have perished over several decades. There is a dead end from now on. It was a nice illusion, used to tempt the population of the Soviet Union, its elite and the government. It was just a bright shop window with many sorts of sausage and luxurious cars; a picture of fine life. The 'printing machine' had to do its best and increase the living standards of its nationals. It could not go on for long. In 1973 the USA and the global 'printing machine' were at the edge of doom. They had to find a new lease of life for their system after the shameful fiasco with the gold content of the dollar. It was a mere miracle that saved them. After Stalin's death (murder) China wanted nothing to do with Khrushchev's 'revisionists'. The betrayal at national level in the USSR was too obvious to be ignored: however, Mao Zedong could not manage to put up a useful economic system without the help of Russia. By 1973 China had to decide how to feed its enormous population, whereas the USA had to support the dollar, which lost its gold content. It was decided to start mass production of cheap consumer goods, and thus China and the USA found each other. The former got jobs and food and the latter got goods and consumption. This cosy scene was visible as early as the 1980s, and the split between quality of life in the USA and the USSR started to grow. Our country went through the Reconstruction (Perestroika) and then collapsed. All of us have been tempted by the shop window of the Western world of

<sup>&</sup>lt;sup>1</sup> There is a version in which Vasiliy Stalin was imprisoned after his visit to the Chinese Embassy in Moscow, where he communicated something important about his father's death.

consumption, and the nice picture was not needed any longer. In 1991 the 'civilised world' lost its rival. They should have lived on and been happy, but the economic problems only doubled and tripled. 'Efficient' Western economics does not exist and has never existed. Today the masters of the world just cut unproductive expenditure. The entire Western world is non-remunerative. Its offstage owners, the bankers, know it well enough, as when it was necessary, they stood up for it and strained their every nerve to supply a billion people, whereas barely 25% of these people were involved in real productive labour.<sup>1</sup>

The retrenchment of pensions and social allowances along with the increase in the age of retirement has already started in all 'civilised' countries, and will continue at a growing rate. The circus is going away. Not everybody is going to have a good life. The only way to prevent a significant retrograde step in living standards is to bag someone's natural resources once again, so that this carnival would last for some decades more. An Ancient Roman philosopher said once that a city where tasty fish cost more than a draught ox was doomed. Is this not applicable for a world built by the 'printing machine'?

Now let us return to the situation in Russia. Our economy once again requires industrialisation. Today it is called modernisation, though the essence remains the same. New enterprises and technologies are required. We will not get any of it from the modern global financial system, as nobody in the world needs an economically strong country. Our Western and even Eastern partners need a weak resource supplier.

The modern financial system implies the preservation of underdevelopment. It implies the eternal economic lagging of Russia. For example, Russia has sold its goods on the global market for 100 dollars. This means we can print 3000 rubles to construct a new plant, producing fountain pens. The construction cost is 3000 rubles, but it takes three years to build it, whereas the fountain pens are needed today. What can Russia do? For three years

<sup>&</sup>lt;sup>1</sup> Have you ever given a thought to the fact that the Western countries produce almost nothing, but employ a great number of office and service workers? It is a solution to the occupational problem. The labour of these people is unnecessary, but it is impossible to let hundreds of millions stay at home and do nothing. That is why 'the USA economics' is in many ways needed just to occupy the entire population of a country, solving the matters of being occupied, needed; establishing a reason for being.

Russia can buy fountain pens abroad, spending 30 dollars a year. In the end we have only 10 dollars left to build the plant, and the construction time increases. And it is going to increase further, as during the coming years we will also have to buy fountain pens, as otherwise we will have no means of writing. Thus, modernisation in our country will be postponed until forever. However, they do not have such a problem. The USA and Great Britain, and even Japan and Europe with their Euros can just generate and print the required amount of money. They can do it to develop science, new technologies and whatever they want. They just do not need to 'save' dollars or pounds; they can just generate them by means of a computer.

Along with the modern global market system, Russia is doomed to **be backwards.** This means that this system does not suit us, just as a judge giving out penalties to be dropped only at one team's gate cannot suit the other team. They would try to exempt such a judge from the competition. And in the same manner we have to attend to the change of the global economic system. It is an incredibly complicated task, but the time has come for it. From a historical perspective the question is put as follows: either the bankers manage to persuade their citizens to consume less and to live a worse life than they are used to, or all this debt mess is to end in a complete fiasco. When they try to reduce allowances and increase the age of retirement, it signals the possibility of a smooth and steady degradation of living standards in Western countries. This is a problem that cannot be solved. All citizens of the golden billion can afford not to think about world organisation, its history and its future, as they live a good life. As soon as the level of life degrades, they will start to think about it, as nothing clears the mind up as well as an empty stomach. They cannot be stopped being fed, and it is impossible not to stop feeding them.

The financiers-bankers have been realising their mad dream of unlimited wealth over three hundred years, and this has led humanity into a dead end. Surely, one can find some benefits of the 'printing machine', as it can be done for anything else. When the bankers learnt to wring money out of thin air, they spent vast sums of money on science and research, helping to progress human thought. But what was the point of this mission; what are the results? Was it to let us buy a new mobile once a year, or to let us change cars every three years? Why should we change our mobiles and cars? In order that new mobiles and cars are produced, leading to the

planet's resources being exhausted, to forests being cut down, to the soil being poisoned...

The USA's exit (economically, politically, maybe territorially) is only a matter of time. The collapse of the wicked system, wringing money out of thin air, is predetermined by the system itself, the system destructing entire nations and continents. The USA and its acolytes will inevitably weaken and bow out. It is useless to announce precise dates, but it is necessary to consider what will happen afterwards. It is a notorious fact that nature abhors the vacuum, neither can the vacuum exist within the financial sphere. To prevent a global crash when the dollar and the present system collapse a back-up variant must be ready.

In fact, there are only three variants.

- 1. Everyone wants to be like the dollar, several reserve currencies appear, causing chaos and wars.
- 2. Somebody becomes like the dollar. The country, replacing the USA, swiftly comes to its end. The quality of life goes up, the country prospers and then comes to its end.
- 3. Everyone becomes unlike the dollar. This is the most reasonable way. It involves living within the income and within the capabilities of all the existing states. This is the way back to common sense. Russia must show the way to this third variant, which is the only reasonable one for the Earth, whose resources are endangered by complete exhaustion during the thoughtless consumption race of countries. Neither can the gold standard be used today. Believing in the dollar is not better than believing in gold. By the way, the global gold reserves are held by the same party that keeps the dollar. With the help of the 'printing machine' they have acquired the primary resources of gold during the recent century. Where is the gold of the Russian Empire? Where are the gold reserves of the USSR?

What shall we do now?

It is necessary to nationalise the ruble.

What does this mean? It means that our domestic financial market should be separated from the foreign market. We need to detach the ruble from the dollar and to make ruble emission independent from the volume of the gold exchange reserves. Today we do not solely own the ruble, as many conditions must be fulfilled before rubles can be emitted, and these

conditions do not depend on Russia. Remember the example with the plant of fountain pens, which could not be built due to the lack of funds in case it was necessary to buy pens before the plant had been built. Let us solve this problem under new conditions. Imagine that the ruble supply is independent of the dollar supply of the central bank. Then the solution is a simple one: Russia can buy fountain pens for dollars, and the plant will be built for rubles. This is how China separated its domestic market from the foreign market, and the results are obvious now. The Chinese sell at low prices and owing to that they develop. How can they trade at low prices? Do they not have to eat and drink? Surely they do eat and drink, but inside China food is cheap, and so the Chinese are able to work for a salary which would not suit the Americans. If the prices inside the Greater China are raised up to the global level, the entire Chinese economy will collapse. That is why the West often asks China to revalue its Yuan so that it becomes more expensive in relation to the dollar. If the yuan is revalued, salaries and prices in dollars will rise consequently.

Now let's see what it is necessary for us to do.

Step one: the ruble is detached from the global reserve currencies. Russia announces its exit from the IMF and other organisations, keeping the entire world in serfdom. Now the amount of emitted rubles will depend not on the available dollar supply, but on the requirements of our economy. How can the necessary ruble supply be calculated? Well, in the same way as the USA calculates the dollar supply, necessary for their economy, in the same way the European Union does it, in the same way the USSR calculated money emission.

Here is the best explanation: the emitted ruble supply will match the amount of natural resources present (discovered) in its territories in terms of rubles. In fact, the next stages are dictated by mere logic. If we break with this unfavourable system, then we do not need the CB in its present state. However, a country requires a financial regulator. Whatever the government was, there has always been a treasury, so let it remain now, too. Let it be called the Central Bank. There is no need to change signs, when the essence can be changed. Strictly speaking, let the name reflect the true essence of the facility. Why beat about the bush?

'It (the Central Bank — N. S.) is not an agency of the state power, though the legal origin of its powers makes them a function of the state power, as the realisation of these powers implies state coercion.'

'The standard-setting powers of the Bank of Russia imply its exclusive right to constitution of regulatory acts, obligating federal agencies of state power, agencies of state power in subjects of the Russian Federation and agencies of local self-government, all legal and physical persons, on the matters within its competence, established by federal law 'Concerning the Central Bank of the Russian Federation (the Bank of Russia)' and other federal laws'<sup>2</sup>

The CB is not a state organisation, but its orders are obligatory for the agencies of state power in subjects of the Russian Federation. What does that mean? What mysterious kind of authority is that? Let it be a state bank, then, and the agencies of state power will obey the State Central Bank.

Step two: nationalisation of the CB and correction of the legislation regulating its functions and tasks. Now the Central Bank must take care of the currency circulation and the stability of the national currency, as we place our hopes on the ruble. Thus, the law about the Central Bank of Russia must prohibit the Central Bank to use the stocks of other countries as reserves, as these are uncontrollable. Only non-ferrous metals and other assets should be used; let others collect papers.

Will the groaning start? Will they say Russia is uncivilised? Let them try. We will remind our honourable British colleagues that they have not once nationalised and privatised railways, mines and other industrial facilities depending on the needs of the economy and the country. We can also remind our colleagues from the Foggy Albion that the Bank of England was also nationalised on the 1 March, 1946.<sup>3</sup> And how in May 1997 it once again became 'independent'.<sup>4</sup> The Russian authorities have a concrete argument

<sup>&</sup>lt;sup>1</sup> http://www.cbr.ru/today/status\_functions.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> http://www.bankofengland.co.uk/about.

<sup>&</sup>lt;sup>4</sup> Why was the Bank of England nationalised? See the date; it was done in March 1946, three months after the Bretton Woods Agreement became valid. The printing machine moved to the other side of the ocean, where it was not threatened by the USSR. A clear signal was transmitted to everybody that the dollar has been in charge since then. That was why the Bank of England had to be nationalised. There was no difference, as the Anglo-Saxon state had been privatised by the printing

to answer the discontent, 'We are just repeating after you, our dear British friends. You have nationalised your Bank, and now we have done it. Then you privatised it, and we will do so, just a bit later'.

The second step is realised along with the first one, and then the third step is immediately realised.

Step three: Russian goods are traded only for rubles. If someone wishes to buy oil or gas, he is welcome at the Russian stock exchange, where everything is just as it should be: no dictatorship, no totalitarianism. Do not worry, it is the absolute market system here: just change your dollars to our rubles and there you go.

Now it is time for some explanations. This 'revolution' should take place, when the USA is at its most weakened, but before it has absolutely collapsed. How will the global community react to such demeanor of Russia? It will be laughing and hysterical, and not willing to buy from us for rubles. Though, we will be patient. The point is that it is possible not to buy French cheese for a century, and this will lead to a complete or partial abandonment of dairy production in France, whereas Russian gas and oil can be blacked for a month or even less. They will have to buy for rubles anyway. And then the ruble will become a currency bestowed with real treasures. Now those wishing to replace the dollar will get into difficulties, as there will already be a real non-virtual currency. Who will need a dummy corporation then?

I'd like to comfort those who are worrisome and suspicious: this has nothing to do with the 'iron curtain'. Currency exchange will not cease. It will be still possible to acquire dollars with rubles in Russia, though soon it will not be necessary. Soon nobody will acquire dollars before trips or store money in Europe in dollar form, because one will be able to take one's Euros and just go, as Euros can be exchanged in the USA, Egypt or Russia. It is more convenient. Even the most extravagant person would not store dollars in a German bank.

So, the need for foreign currency in Russia will expire in next to no time. We will be traveling with rubles, and quite soon rubles will be eagerly accepted and exchanged all over the world. Even now rubles are accepted in some countries, though today it is kind of exotic. Russians do not risk visiting Paris or Egypt only with rubles in their wallets. However, when our

machine for a long time already. The same people own the FRS. Their crimes are not announced or discussed only because history is written down by the winners.

resources are traded only for rubles, the Russian currency will be eagerly accepted because it will be possible to acquire our resources and goods for it. This is the entirely free convertibility of the ruble, which has long been discussed but which still cannot happen. Until Russia starts trading for rubles on the global market, it will not happen anyway.

## Thus, the nationaliation of the ruble is the shortest way to its complete convertibility and stability.

Though we understand that the nationaliation of the ruble is not a goal, but a means. What does Russia need? A technological burst. This means we have to acquire technologies. Why does everybody want to trade for dollars? It is because all global goods are sold for dollars. If we start trading some real non-imaginary goods, the demand for rubles will increase, and the ruble rate will go up. This is a vital matter. Talking about the destructiveness of the high ruble rate intends to cover an historical fact that there has never been a strong state with a weak currency. Certainly, it is important to be reasonable, especially when defining a high or, more precisely, real ruble rate. Though at any rate the 'expensive' ruble will allow our enterprises to access the global technologies. The technologies will be cheaper if paid in rubles, so it will be easier to acquire them. We will print as many rubles as we need, and thus the reserves for a technological burst will appear, the reserves for new research and acquisition of foreign technologies.

The technological rearmament of Russia is impossible without the attraction of Western manufacturers. Russia has never been rearmed without the participation of the West. Peter the Great invited foreigners; Stalin had an agreement with the USA, and most giants of the first five-year plans were built by foreign engineers under foreign projects, until our own science did not evolve. It is normal. Each science needs a basis, which can be used as a start by local specialists. In early thirties the USSR did not produce aeroplanes or tanks. Then foreign samples were bought, and in ten years our tanks became the best, and our aeroplanes were among the best. The nuclear technology was partly obtained by emissaries of Sudoplatov and Eitington, and later Russian physicists could design any system on their own.

What can attract the Western technologies to Russia today?

China attracts with the cheapness of its labour. How can we do better? We cannot offer the same level of prices for natural reasons. Our natural conditions do not allow work for a handful of rice and a cup of tea. However, nature has endowed us with something else, which can help Russia to get

the technologies and to use them as a basis for scientific discoveries and breakthroughs. Nature has given us resources, and only due to the cheapness of these resources can we become attractive. Today when the ruble is attached to the dollar, we raise the prices for local consumers up to the level of the global market, though it must be vice versa.

It is a curious paradox. The mineral wealth within the Russian soils belongs to the people of Russia. It means that the oil within an oil stratum belongs to the entire community. Though, if company 'X' produces the oil, extracting it to the surface, this oil mysteriously becomes the property of company 'X'. The company pays all the necessary taxes, but in fact the owner of this oil, meaning us, our state, gets only a share of the money instead of the total sum. In fact, it should be vice versa. The articles of our Constitution should be given substance. The state should hire company 'X' and pay it for the oil production, whereas the company should not pay taxes after it has sold the black gold initially owned by the entire community and somehow having changed its status.

However, today we hear that the state is going to sell some shares of our oil companies. We see that under the existing financial system we are moving in an opposite direction. Having hundreds of million dollars in the GER, Russia is selling some important hydrocarbon assets to get money for various programmes. When all oil produced in Russia in fact belongs to the state, the state itself will be able define its price. If the external price (in rubles) depends on the global market, the domestic price can be whatever, until it covers the expenses for the production and processing of the oil. The profit for the state can be neglected for now, as the cheap hydrocarbons will attract Western manufacturers to us. They will build the plants we need in our territories. If our oil is ten times cheaper than the foreign oil, we can dictate terms and be master of the situation. It will be profitable for them here, and not only for them. Everyone who has industrial enterprises in Russia or wishes to construct them will benefit regardless of their citizenship.

Step four: significant reduction of prices for Russian natural resources for everybody who is involved in the development of the industrial production of Russia. It can be done if the Constitution articles are truly fulfilled, as they state that the mineral wealth belongs to the entire community, meaning to the Russian State. The owner has a right to sell his goods at any price, which is a birthright. It can be done by the unique owner of all wealth, which is

the state (for instance, in China it was the state which provided the cheap labour power). However, firstly the state has to become a true owner of the natural resources, not just in words.

The cheap energy, raw materials and fuel ensure our competitive advantage. It cannot be used now, while we are within this mad financial system, which we should leave as soon as possible. No WTO! No entering any trade organisations, as their charters and documents would never allow cutting prices for natural resources for the consequent recovery of industry.

My proposals are not a finished programme but a thesis. Each of the steps must be elaborated in detail. However, I am ready to defend my thesis and the necessity to choose this particular way during an argument, disputing with anybody and anywhere because I am sure that such actions are correct.

Today only the movement vector is discussed. However, it must be understood that the actions aimed at leading Russia out of the crisis, may direct the entire humanity, which is nowadays obviously entangled in the financial cobweb.

It is hard to expect a classic play at a theatre of the absurd. Our country cannot develop regularly and healthily within a modern financial world. We must not be afraid to correct the mistakes of our predecessors. We have everything for a worthy life. The hands, heads and hearts of our people are not worse, but are even better than the ones of our neighbours, or we would have never managed to create such a great and enormous state. Our state is multi-national and original, where none of the nations have disappeared or lost their national identity.

We must not be afraid: we must move forward.

The nationalisation of the ruble is the true way to the freedom and sovereignty of Russia.

The Afterword

It is not too difficult to judge events, if you understand them. You have only to ascend over an event and consider it from the level of history, geological politics and state sovereignty. What do you think about the Arab Spring? Is it a popular movement or a revolution, inspired by foreign secret services? Taking into account the unknown snipers on roof-tops, it is obviously a revolution. Will the people in Libya, Egypt or Tunisia benefit from it?

Certainly they will not, as the USA and Great Britain have held these revolutions *pro domo sua*. We can see that since Gaddafi was brutally murdered, Libya has been falling to pieces. What is actually going on there? Libyan oil regions are detached from Libya, and puppet states are created there. Libya will remain, though its oil will belong to somebody else, and it is simple enough to figure out the new owner.

Who benefits from the influx of emigrants to Europe? Hardly the Europeans, but then a reasonable question can be asked: if Muammar Gaddafi was blocking Europe for African emigrants, then why would the Europeans stop him from doing so? Now the Italian island Lampedusa is full of refugees. Soon many more refugees will arrive there, and it has been obvious from the very start. Are the heads of European states naïve and ignorant youngsters? No, surely not. However, these countries are not sovereign, so they have to act out of the prejudice of their citizens. They have to support the Anglo-Saxons even if they are flooded with refugees and become unstable afterwards.

Revolutions are not a goal, but a means. The bankers-owners of the FRS and the Bank of England need revolutions in the Near East to keep dominating the Earth and to retain their monopoly for wringing money out of thin air. They need to play off China against Russia, as these are the main rivals of the Anglo-Saxon world. The Americans have a good proverb, 'Whatever they tell you, it is always about money. Thus, when you hear about freedom and human rights, it is specifically about the finance. Nowadays we see the collapse of the entire economic epoch. The debt of the USA today is over 15 trillion dollars: this state is bankrupt and this is not an economical but political matter. To save the USA debt pyramid the entire global economy must be destabilised so that all the funds from the destabilised countries and regions volens-nolens come into the unique stable economic system, which is the economies of the USA and its allies. That is why the USA has strived to hold a 'fair election' in Russia; that is where the intensity of the emotions during the pre-election period comes from, as well as the chatter about counterfeit and illegitimate power. This always ends in the same way as it did in Libya.

In fact, the USA wishes to lead the American puppets to power and to remain the unique and strongest state on the global map. That is why the USA wishes to play off their main rivals, China, against Russia, as the war between them will solve all the problems of the contemporary Western world. The USA wishes to replay the scenario of 1914, when Germany and Russia were mutually destroying each other to the joy of the Anglo-Saxons. However, today the governments of these countries do not want to fight, so the governments need to be changed. It is almost impossible to change the government in China, so the government should be replaced in Russia.

To this end, if the chaos in Russia cannot be organised, it can be brought in from outside. From this perspective, it is obvious why the 'great Islamic chaos' has been organised in the Near East, as it will move further towards the Russian border. The American troops leave Afghanistan, and the Afghan Islamists are being financed just as they were before the Yanks came to this region. After that an Islamic revolution in Pakistan may be organised, as well as in Tajikistan etc. In the case these plans being realised, the central Asian states would be in such chaos, that millions of refugees start rushing towards Russia. This is quite a ground for destabilisation, which can be used as a springboard for the destruction of our country or the replacement of the actual Russian government. Here is the second stage. In the third stage people are led out into the streets under any banner; anything will do to change the regime.

Then the new 'democratic' president will start to clear the mess left by the previous one. The contracts for delivery of energy resources to China will be revised. Russia will be trying hard to enter the Western organisations. It is quite obvious that we will not be allowed into NATO, as that way we would have to fight together, but Russia may be allowed to the programme 'The partnership for the sake of everything good against everything bad, which would last for some 20 years. China will perceive the threat. Finally, Russia will start to oppose China, which is the main geopolitical rival of the USA. It must be understood that a new regime in Russia is needed to mar relations with China on the initiative of Russia, as in the USA's opinion Russia will stop selling oil and gas to the 'bloody regime of Chinese communists', start discussing the impairment of rights within the Uighur autonomous district etc. Shortly after that it will be possible to try and play off two countries again each other. At this the USA will offer China what China wants and promise to remain neutral during the conflict. In the same way England promised the German Caesar to remain neutral in summer 1914.

This is the perspective, silhouetting against the foggy global politics. It is not only possible, but even imperative to understand their real capabilities. Only comprehension of the situation may help the nations of various countries to oppose the oncoming danger of chaos and new war. As the debts of the 'civilised' countries are so enormous, these debts can be written off only during a tremendous war.

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## Rouble Nationalization — the Way to Russia's Freedom

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